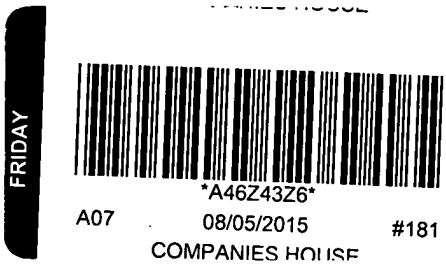
Maze 1 Limited

Company number: 8325021

Annual report and financial statements

for the year ended

31 December 2014



Registered Office
Ground Floor, 107 Power Road
Chiswick, London, W4 5PY

Maze 1 Limited
Company number 8325021

Directors

C St. John
J Pattullo
S Menzies
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W Wheeler

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Maze 1 Limited
Company number 8325021

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Strategic Report

The Directors of the Company and its subsidiary undertakings (which together comprise 'the Group') present their Strategic Report for the year ended 31 December 2014.

Principal Activities

Maze 1 Limited (trading as 'Marken') is the only Clinical Logistics Organisation (CLO) that provides global supply chain solutions exclusively to the pharmaceutical, biotechnology and life sciences industries. Marken (or the 'Group') has a regional organisation structure and operates throughout Europe, the Middle East & Africa (EMEA), the Americas and Asia Pacific, through foreign subsidiaries and a network of branch operations.

Our global reach and expertise guarantees sophisticated handling of biological specimens and temperature-sensitive clinical trials supplies, all coordinated and managed locally through 40 strategically placed locations around the World. An extensive network of operating branches, clinical trials distribution depots, and cold chain hubs supports cold storage and distribution of materials which support the clinical development of new medicines and vaccines. These materials include human tissue, blood and serum, drug product, active ingredient, diagnostic equipment and ancillary supplies. We also provide active and passive cold chain packaging, clinical trials kit building services, project management, regulatory consulting and a wide range of other services to serve the clinical logistics needs of the pharmaceutical, biotechnology and life sciences industries.

Vision, Strategy and Business Model

The Company's Vision is to become the Supply Chain provider of choice for the Clinical Trials market.

Our Strategy is to offer clients dedicated, full scope clinical supply chain solutions, and successful execution of the strategy is underpinned by 5 'Strategic Pillars':

1. **Grow** – protect our Inbound business and grow our Outbound business.
2. **Add Value** – offer the best portfolio of value-add services and technology.
3. **Measure** – establish best-in-class measurements and reporting.
4. **Improve** – streamline and improve our business processes, using a Lean/Six Sigma methodology.
5. **Nurture** – develop a culture which attracts, motivates and develops high performance employees.

Marken's business model relies on a deep and intimate understanding of our customers' requirements and is focused on providing on-time delivery within specification, to delight our customers and exceed their expectations. The Group emphasizes our commitment to provide personalised customer service and hands-on operational staff in each of our operating locations.

We expanded our operating network in 2014, by opening new clinical trials distribution depots in Brazil and Chile, and will soon be opening a new depot in Peru, which will expand our footprint to 10 Marken depots, including 5 in Latin America, facilitating the receipt, storage and despatch of clinical trials materials to any destination in the world.

Strategic Report (continued)

Financial Performance and Review

The results for the Group for the year ended 31 December 2014 are set out in detail on pages 11 to 15.

EBITDA of €31,410k (2013: €26,434k) was after expensing €1,036k of advisor fees for capital structure planning, an €833k accrual for a deferred bonus retention plan, €568k of interim Finance costs, and €217k (2013: €2,121k) of severance costs.

The loss for the year was €58,806k (2013: €69,123k), which includes goodwill amortisation of €53,330k (2013: €53,330k), net interest payable and other similar charges of €31,992k (2013: €36,922k), fixed assets depreciation of €2,987k (2013: €2,646k) and a taxation charge of €1,907k (2013: €2,659k).

The investment made during 2013 in the information technology implementation of Maestro, which continued at a reduced level in 2014, together with further development of the accounting, financial planning and management information systems, created the information technology and systems infrastructure necessary to underpin strong double digit growth.

Additional investment was also made in the senior management team, which was strengthened by the appointments of a new Chief Financial Officer, and Regional Vice Presidents to lead the newly created regions in EMEA, North America and Latin America. A new management team was also recruited in the Finance function and all interim Finance staff were released.

The investments in 2013 and 2014 in building an industry-leading clinical trials distribution network of depots, upgrading several of the operating branches, and implementing new Quality Assurance programs, which have established new standards of regulatory compliance, allowed the Marken to take advantage of improved market conditions and deliver a return to profitable, double digit Revenue growth.

The Directors consider the successful operationalization and execution of the refreshed Strategic Plan has delivered a turnaround in operating and financial performance, and impressive year-on-year growth, which is reflected in the strong trading results for the year.

Key Performance Indicators

The Group principally manages the business using revenue and profitability key performance indicators which are set out under the financial performance and review section of the Strategic report and the consolidated profit and loss account.

Following 4 years of stagnant research & development investment and cost pressure from suppliers in the global pharmaceutical, biotechnology and life sciences markets, 2014 saw a return to modest growth of approximately 5% in the outsourced clinical trials market. Despite a more price-competitive market, Marken was able to strengthen its market position and grow at twice the market rate of growth (13% year-on-year growth), through continued innovation and investment in technology, improved service quality and our people. A renewed focus on continuous improvement, known internally as Marken's 'Operational Excellence' program and based on the application of Lean/Six Sigma techniques, to drive significant business process improvements, will allow the Company to maintain its excellent reputation and market leadership, while delivering future growth and increased profitability.

Future Environment and Market Threats

The company positions itself in the Clinical Logistics market in two primary ways. The 'Inbound' market is defined as those materials, including blood and tissue samples, which are sourced at clinical investigator sites and delivered to central laboratories. The 'Outbound' market is defined as all materials which are required to conduct a clinical study, such as drug product and supplies, and are delivered to an investigator site. Marken has positioned itself to take

Strategic Report (continued)

advantage of recent growth in both of these markets, which is expected to continue in 2015, and we are therefore well placed to continue on a strong growth trajectory and take further market share from our competitors.

Future Environment and Market Threats (continued)

Competition remains intense and is a threat to future growth; however, our core strategies (the 5 'Strategic Pillars') are creating a company culture and further developing our business model, to allow the flexibility to compete at many levels. The newly launched 'Operational Excellence' program is designed to significantly improve Marken's business processes and cost base, which will in turn allow the company to be more competitive against a broader range of competitors, including 'standard' integrator companies in certain countries. The Operational Excellence program also drives the Company towards innovation, in order to remain ahead of the competition in multiple ways, including: optimal lane routing, more analytical measurements of productivity, optimal management of suppliers, analysis of in-sourcing versus out-sourcing, more strategic agreements with airlines and customs brokers, and better use of packaging and information technology.

Lender/Shareholder Covenants

The Group paid €12,977k (2013: €20,557k) of interest on the Super Senior and Senior Facilities and made a capital repayment of €1,146k (2013: €1,242k) against the Super Senior Facility during the year.

There were no breaches of the lender/shareholder covenants in 2014 and there was substantial headroom throughout the year against the debt cover, interest cover and cash flow cover covenants.

Operating Review

The Group made excellent progress implementing the strategies included in the refreshed Strategic Plan and performed very well in delivering the associated tactical objectives and overachieving against the 2014 Budget financial objectives.

Construction of the new Clinical Trials Distribution (CTD) depots in Santiago de Chile and Lima, Peru were completed and regulatory approval was received for the depot in Chile, which is now fully operational. The Sao Paulo, Brazil depot was again delayed by regulatory requirements, but the requisite approvals were obtained during the first quarter of 2015.

The expansion of the depot network and associated service developments continue to bring significant new business opportunities to Marken and there were several major contracts awarded during the year, which contributed to 170% year-on-year Revenue growth for the CTD business unit. We entered 2015 with a very strong order book of CTD and Outbound business, which augurs well for another year of strong growth.

Our core, Inbound business generated double digit Revenue growth, and a strong year for new clinical trials studies awarded to Marken for logistics services, generated 30% growth in the closing order book.

Outlook

The Directors expect the Company to continue on strong Revenue and EBITDA growth trajectories in 2015, based on an opening order book in excess of €500m and continued modest growth in the Inbound and Outbound Logistics markets.

The new Regional organisation structure is expected to drive improved performance management and the Operational Excellence program, which was launched in 2014, should yield major business process improvements that will allow the Group to leverage its cost base, improve Profit margins and accelerate Profit growth.

Strategic Report (continued)

Principal risks and uncertainties

Strategic, Commercial and Operational Risk Management

As an international Clinical Logistics Organisation, the Group is exposed to strategic, commercial and operational risks, which are monitored and managed by the Directors. These include:

- Carrier delays and non-performance of transportation;
- Breaches in sector-specific regulations;
- Widespread disruption of our technology systems;
- Increasing equipment and operational costs;
- Fluctuations in global commodity pricing and interest rates; and
- Increases in the cost of licenses, registration fees, insurance costs and transportation costs.

The approach to the management of these risks is through an assessment of the nature of the risks, the potential outcomes, the controls in place to mitigate the risks and their effectiveness. This process is led by the Board and delegated to Group management when appropriate.

Financial Risk Management

The Group's operations expose it to a variety of financial risks that include the effects of price, credit, liquidity, foreign exchange, interest rate, commodity price and political risks.

Given the size of the Group, the Directors have not delegated the responsibility for financial risk management to a sub-committee of the Board. The policies set by the Board are implemented by the Group's Finance function.

Liquidity Risk

The Group is financed by two debt structures. The senior facility was designed to ensure it has sufficient available funds for operations and planned expansion. The super senior facility was advanced to fund the cost of the December 2012 acquisition, and to address the immediate working capital needs of the business. Please refer to the Going Concern discussion in Note 1 for more details.

Price Risk

Price risk is managed by an executive committee and any significant exposure is reviewed periodically and, where appropriate, fixed by future purchasing agreements.

The Company has no exposure to equity securities price risk, as it holds no listed or other equity investments.

Foreign Exchange Risk

The Group is subject to foreign exchange rate risk in those countries in which it generates Revenue or incurs costs, and undertakes regular monitoring of the foreign exchange exposure. The major trading operations are profitable and generate surplus local currency and therefore are not reliant on the Group for funding. The primary foreign exchange risk relates to the debt service obligations of the Group, which are denominated in Euros and, to a lesser extent, the alignment of trading revenues and costs. The Group is also required to fund in local currency some of the new start-up operations. The net foreign exchange exposure of the Group is currently unhedged, but is reviewed by the Board on a regular basis and it is intended to introduce a Group Currency Hedging Policy in 2015.

Credit Risk

The Company has implemented policies that require appropriate credit checks on potential customers, before new service agreements are accepted and signed. A policy of individual customer credit limits is used to manage exposure to any individual counterparty.

Strategic Report (continued)

Interest Rate Risk

The coupon payable on the Group's debt facilities includes a EURIBOR floor of 1.5%. During the year, the EURIBOR was less than this fixed interest rate floor. As such, EURIBOR was deemed to be 1.5%. The macro-economic environment is monitored and, in the event that future market rates appear likely to exceed the floor and would have an adverse impact on the Group's interest costs, the purchase of appropriate financial instruments will be considered by the Board.

Commodity Price Risk

The Company has an indirect exposure to the price of oil, due to the requirement for shipments using airlines as a service provider. This risk is primarily mitigated via the contractual ability to pass on any fuel surcharges to customers. Should the contractual position change and the Company was unable to pass on fuel surcharges, the purchase of appropriate financial instruments would be considered by the Board.

Political Risk

The Company through the jurisdictions in which it trades is exposed to political risks. The Directors closely monitor these risks, with politically stable countries having a stable regulatory environment and less risk of industrial action and taxation changes. Less developed countries have enhanced risks associated with changes to the legal framework, unrest and, at worst, expropriation of assets.

This Strategic Report was approved by the Board of Directors on April 2015 and signed on behalf of the Board.

W Wheeler
Director

Ground Floor, 107 Power Road
Chiswick, London, W4 5PY
24 April 2015

Directors' Report

The Directors present their Directors' Report and financial statements for the year ended 31 December 2014.

Results and Dividends

	Year Ended 31 December 2014 €000	Year Ended 31 December 2013 €000
Loss for the year	**(58,806)**	(69,123)

The Directors are not able to recommend the payment of a dividend (2013: Nil)

Principal Activity

The Company is the holding company of a Group whose principal activity is providing global supply chain solutions exclusively to the pharmaceutical, biotechnology and life sciences industries. The Group has a regional organisation structure and operates throughout Europe, the Middle East & Africa, the Americas and Asia Pacific, through foreign subsidiaries and a network of branch operations.

Going Concern

The directors have prepared the financial statements on a going concern basis. More details can be found in Note 1 to the financial statements.

Directors

The Directors who held office during the year were as follows:

A Gullan	Resigned 30 April 2014
C St John	
J Pattullo	Appointed 1 February 2014
R Ellis	Resigned 31 January 2014
S Menzies	Appointed 1 May 2014
T Tyson	
W Wheeler	

Directors' Report *(continued)*

Charitable and Political Contributions

The Company has made no charitable and political donations or incurred any political expenditure during the year.

Disclosure of Information to Auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director, to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

During the year, PricewaterhouseCoopers LLP were appointed as the auditor of the Group. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

By order of the Board

W Wheeler
Director

Ground Floor, 107 Power Road
Chiswick, London, W4 5PY
24 April 2015

Statement of Directors' responsibilities in respect of the Strategic Report, Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have prepared the Group and parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of their profit or loss for that year. In preparing each of the Group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and the parent company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditors' report to the members of Maze 1 Limited

Report on the financial statements

Our opinion

In our opinion, Maze 1 Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2014 and of the group's loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

Maze 1 Limited's financial statements comprise:

- the consolidated and company balance sheets as at 31 December 2014;
- the consolidated profit and loss account for the year then ended;
- the statement of total recognised gains and losses for the year then ended;
- the consolidated cash flow statement; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Maze 1 Limited *(continued)*

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the group's and the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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

Chris Burns (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
24 April 2015

Consolidated Profit and Loss account

for the year ended 31 December 2014

	Note	**Year ended 31 December 2014**	Year ended 31 December 2013
		€000	€000
Turnover	2	**167,345**	148,068
Total operating expenses	3	**(192,252)**	(177,610)
Operating loss	2,3	**(24,907)**	(29,542)
Operating loss comprises:			
EBITDA*		**31,410**	26,434
Operating expenses - amortisation of goodwill		***(53,330)***	*(53,330)*
Operating expenses - depreciation of fixed assets and amortisation of software		***(2,987)***	*(2,646)*
Interest receivable	6	**1,550**	3,638
Interest payable and other similar charges	6	**(33,542)**	(40,560)
Loss on ordinary activities before taxation		**(56,899)**	(66,464)
Tax on ordinary activities	7	**(1,907)**	(2,659)
Net Loss for the financial year	15	**(58,806)**	(69,123)

*EBITDA defined as earnings before interest, tax, depreciation and amortisation

All results arise from continuing operations.

The notes on pages 16 to 29 form part of these financial statements.

Statement of total recognised gains and losses

For the year ended 31 December 2014

	Note	**Year ended 31 December 2014 €000**	Year ended 31 December 2013 €000
Loss for the financial year	*15*	**(58,806)**	(69,123)
Employee Benefit Trust	*20*	**-**	(2,978)
Net exchange differences		**(1,083)**	2,952
Total recognised loss for the year		**(59,889)**	(69,149)

The notes on pages 16 to 29 form part of these financial statements.

Consolidated Balance Sheet

At 31 December 2014

	Note	2014 €'000	2014 €'000	2013 €'000	2013 €'000
Fixed assets					
Intangible assets	*9*		**162,425**		215,833
Tangible assets	*10*		**6,449**		5,619
Total fixed assets			**168,874**		221,452
Current assets					
Inventory		**1,769**		1,078	
Debtors	*11*	**33,371**		25,565	
Cash at bank and in hand		**14,496**		7,682	
Total current assets		**49,636**		34,325	
Creditors: amounts falling due within one year	*12*	**(26,471)**		(23,032)	
Net current assets			**23,165**		11,293
Total assets less current liabilities			**192,039**		232,745
Creditors: amounts falling due after more than one year	*13*		**(438,152)**		(418,969)
Net liabilities			**(246,113)**		(186,224)
Capital and reserves					
Called up share capital	*14*		-		-
Profit and loss account	*15*		**(247,720)**		(188,914)
Other reserves	*15*		**1,607**		2,690
Shareholders' deficit	*15*		**(246,113)**		(186,224)

Approved by the Board on 24 April 2015 and signed on its behalf by:

W Wheeler
Director

The notes on pages 16 to 29 form part of these financial statements.

Company Balance Sheet

At 31 December 2014

	Note	2014 €000	2014 €000	2013 €000	2013 €000
Fixed assets					
Investments			-		-
Current assets					
Other debtors	*11*	**17**		6	
Creditors: amounts falling due within one year	*12*	**(1,018)**		(557)	
Net current liabilities			**(1,001)**		(551)
Total assets less current liabilities			**(1,001)**		(551)
Creditors: amounts falling due after more than one year			-		-
Net liabilities			**(1,001)**		(551)
Capital and reserves					
Called up share capital	*14*		-		-
Profit and loss account	*15*		**(1,001)**		(551)
Shareholders' deficit			**(1,001)**		(551)

Approved by the Board on 24 April 2015 and signed on its behalf by:

W Wheeler
Director

The notes on pages 16 to 29 form part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 31 December 2014

		Year ended 31 December 2014	Year ended 31 December 2013
		€000	€000
Cash flow from operating activities	*16.1*	**27,573**	13,947
Tax paid		**(3,376)**	(2,662)
Returns on investments and servicing of finance			
Interest received		**6**	3
Interest paid		**(13,207)**	(21,077)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		**(2,438)**	(1,530)
Purchase of intangible fixed assets		**(907)**	(1,369)
Cash inflow/(outflow) before financing		**7,651**	(12,687)
Financing			
Repayment of long term loans		**(1,146)**	(1,242)
Increase/(decrease) in cash in the year		**6,505**	(13,929)

Reconciliation of net cash flow to movement in net debt

		Year ended 31 December 2014	Year ended 31 December 2013
		€000	€000
Net debt at the start of the year	*17.0*	**(412,007)**	(387,168)
Increase/(decrease) in cash in the year	*17.0*	**6,505**	(13,929)
Foreign exchange revaluations		**309**	(446)
Net cash outflow from repayment of existing loans		**1,146**	1,242
Interest accrued and capitalised		**(20,347)**	(11,706)
Net debt at the end of the year	*17.0*	**(424,394)**	(412,007)

The notes on pages 16 to 29 form part of these financial statements.

Notes
(forming part of the financial statements)

1 Accounting policies

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

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules. Certain comparative disclosures have been revised to conform with current year presentation.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2014. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Under section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account. The company made a loss for the year of €510K (2013 - €551k).

Going concern

The directors noted the following in their deliberations on whether the going concern basis is appropriate for the financial statements.

The Group reported a loss after tax of €58,806k (2013: Loss of €69,123k) for the year and net liabilities of €246,113k (2013: €186,224k) at the Balance Sheet date. However, the Group's Strategic Plan shows the business will be able to realise its assets and meet its liabilities as they fall due, except for the final repayment of the senior debt principal, which falls due in December 2017. The directors also noted the business over-performed in 2014 against the financial projections included in the Strategic Plan and the 2015 Budget projects another year of over-performance in 2015. Ahead of the final repayment date for the senior debt principal, the Group continues to consider its strategic options for repaying or refinancing the senior debt.

Under the Shareholders Agreement, the equity is stapled to the senior debt and the two major lenders, who between them control sufficient votes to block enforcement action by the syndicate, have confirmed to the directors they are focused on value maximisation in the medium term.

The directors have considered whether the structure of the senior debt, being owed by operating subsidiaries, would pose a threat to the business as a going concern, in the event of a future sale of the business generating insufficient funds to fully repay the loan. The senior lenders have included a "debt release mechanism" within the loan documentation, which allows for debt to be forgiven, such that the Group will not become insolvent in the event of a sale.

If the lender syndicate decides to extend the term of the senior loan beyond 2017, given their focus on maximising value and their actions to date, the two lenders who exercise negative control will want to extend the term of the loan in a manner which minimises disruption to the business.

In conclusion, the directors consider the debt release mechanism and the confirmation from the lenders of their support of the business, provides sufficient intention for the Group in considering its strategic options for repaying or refinancing its debt in 2017, to enable the financial statements to be prepared under the going concern assumption. In addition, there have been no breaches of the covenants and substantial headroom is forecast on these covenants.

Taxation

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

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Notes *(continued)*

1 Accounting policies *(continued)*

***Taxation** (continued)*

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised to the extent that they are regarded as recoverable. Assets are regarded as recoverable when it is regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign currencies

Transactions in foreign currencies are recorded in the local currency of the subsidiary using the rate of exchange ruling at the date of the transaction.

On consolidation, foreign currency monetary assets and liabilities are translated using the contracted rate or the rate of exchange ruling at the balance sheet date. Non-monetary balances denominated in a foreign currency are carried at cost and reported using the exchange rate at the date of transaction. Turnover and expense accounts in foreign currencies of foreign subsidiaries are translated at the average rates for the period of each financial year. The resulting gains or losses are recognised in the profit and loss for the period except for those differences arising on the monetary items that form part of a net investment in foreign subsidiaries which are recognised in reserves.

Goodwill

Purchased goodwill (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired), arising on consolidation of acquisitions, has been capitalised. Positive goodwill is being amortised to nil by equal annual instalments over its estimated useful life of five years. The five-year amortisation year is considered appropriate, as this is consistent with the term of the debt financing.

Investments

Investments in subsidiary undertakings are stated at cost (less amounts impaired).

Impairment of fixed assets

The carrying amounts of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account unless it arises on a previously revalued fixed asset. An impairment loss on a revalued fixed asset is recognised in the profit and loss account if it is caused by a clear consumption of economic benefits. Otherwise impairments are recognised in the statement of total recognised gains and losses until the carrying amount reaches the asset's depreciated historic cost.

Impairment losses recognised in respect of income-generating units are allocated first to reduce the carrying amount of any goodwill allocated to income-generating units, then to any capitalised intangible asset and finally to the carrying amount of the tangible assets in the unit on a pro rata or more appropriate basis. An income generating unit is the smallest identifiable group of assets that generates income that is largely independent of the income streams from other assets or groups of assets.

Calculation of recoverable amount

The recoverable amount of fixed assets is the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment. For an asset that does not generate largely independent income streams, the recoverable amount is determined for the income-generating unit to which the asset belongs.

Notes *(continued)*

1 Accounting policies *(continued)*

Reversals of impairment

An impairment loss is reversed on intangible assets and goodwill only if subsequent external events reverse the effect of the original event which caused the recognition of the impairment or the loss arose on an intangible asset with a readily ascertainable market value and that market value has increased above the impaired carrying amount. For other fixed assets where the recoverable amount increases as a result of a change in economic conditions or in the expected use of the asset then the resultant reversal of the impairment loss should be recognised in the current year.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Post retirement benefits

The Group operates or contributes to a number of defined contribution pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The amount charged to the profit and loss account represents the contributions payable to the schemes in respect of the accounting year.

Leases

Operating lease rentals are charged to the Profit and Loss Account on a straight line basis over the term of the lease.

Cash and liquid resources

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits, less overdrafts repayable on demand.

Liquid resources are current asset investments which are disposable without curtailing or disrupting the business and are either readily convertible into known amounts of cash at or close to their carrying values or traded in an active market.

Turnover

Turnover comprises the value of charges for the sale of services and goods to third parties. Turnover is recognised when services have been completed and proof of delivery has been obtained. Turnover excludes value added tax and equivalent taxes and duty made on behalf of customers.

2 Analysis of turnover

All turnover is derived from the principal activity of the group, which the Directors believe represents a single class of business. Turnover arose in the following regions:

	Year Ended 31 December 2014 €000	Year Ended 31 December 2013 €000
EMEA	**82,652**	69,929
North America	**24,600**	23,756
Latin America	**34,663**	31,811
Asia/Pacific	**25,430**	22,572
	167,345	148,068

Notes *(continued)*

3 Notes to the profit and loss account

The following amounts have been charged in arriving at the operating loss:

	Year Ended 31 December 2014 €000	Revised Year Ended 31 December 2013 €000
Raw materials, consumables and other services acquired	**80,039**	69,273
Staff costs	**36,810**	33,619
Depreciation and Amortisation		
Operating expenses - amortisation and impairment of goodwill	**53,330**	53,330
Operating expenses - depreciation of fixed assets and amortisation of software	**2,987**	2,646
Operating lease rentals		
Land and buildings	**2,870**	3,135
Vehicles, plant and equipment	**238**	233
Exchange (gain)/loss	**(253)**	70
Auditors' remuneration		
Audit of the Group financial statements	**34**	53
Audit of the subsidiary financial statements	**216**	337
Tax compliance services	**25**	19
Tax advisory services	**6**	17
Other non-audit related services including restructuring and financing	**426**	113
Other operating charges	**15,524**	14,767
	192,252	177,610

4 Staff numbers and costs

Group
The average number of persons employed by the Group during the year, including directors, analysed by category as follows:

	December 2014 Number	December 2013 Number
Management	**5**	5
Administrative	**178**	156
Operational	**363**	343
	546	504

The aggregate payroll costs of these persons were as follows:

	2014 €000	Revised 2013 €000
Wages and salaries	**32,552**	30,448
Social security costs	**3,734**	2,796
Other pension costs	**524**	375
	36,810	33,619

Company
The average number of persons employed by the Company during the year, including directors, was three (2013: five). No salary costs were incurred in the year as these were incurred by a subsidiary.

Notes *(continued)*

5 Remuneration of Directors

	Year Ended 31 December 2014 €000	Revised Year Ended 31 December 2013 €000
Aggregate emoluments	**1,896**	**1,900**

Emoluments paid to the highest paid Director were €957k (2013 - €865k). No Company pension contributions were made on his behalf.

6 Interest receivable and payable

	Year Ended 31 December 2014 €000	Year Ended 31 December 2013 €000
Bank interest receivable	**6**	4
Other interest receivable	**-**	3,634
Exchange gain on financial debts	**1,544**	-
Interest receivable	**1,550**	3,638
Other interest payable	**(230)**	(512)
Exchange losses on financial debts	**-**	(7,688)
Interest payable on bank debt and other loans	**(33,312)**	(32,360)
Interest payable and other similar charges	**(33,542)**	(40,560)
Net interest payable	**(31,992)**	(36,922)

7 Taxation

Analysis of charge in year

	Year ended 31 December 2014 €'000	Year ended 31 December 2013 €'000
UK corporation tax		
Current tax on profits for the year	**3,218**	2,153
Double taxation relief	**(3,218)**	(2,153)
Foreign corporation tax		
Current tax on profits for the year	**4,723**	2,722
Adjustments in respect of previous years	**220**	(63)
Current tax charge	**4,943**	2,659
Deferred tax charge		
Origination and reversal of timing differences	**(3,036)**	-
Total tax charge	**1,907**	2,659

Notes *(continued)*

7 Taxation *(continued)*

Factors affecting the tax charge for the current year

The current tax charge for the year is higher (*2013: higher*) than the standard rate of corporation tax in the UK of 21.5% (*2013: 23.25%*). The differences are explained below.

	Year ended 31 December 2014	Year ended 31 December 2013
	€000	€000
Current tax reconciliation		
Loss on ordinary activities before tax	**(56,899)**	(66,464)
Current tax at 21.5% (*2013: 23.25%*)	**(12,233)**	(15,453)
Effects of:		
Expenses not deductible for tax purposes	**13,914**	16,148
Higher rates of overseas tax net of double taxation relief	**1,505**	569
Accelerated Capital Allowances and other timing differences	**401**	382
Tax losses carried forward	**1,136**	1,076
Adjustment in respect of earlier years	**220**	(63)
Current tax charge for the year	**4,943**	2,659

Deferred tax

The unrecognised deferred tax asset consists of:

	2014	2013
	€000	€000
Accelerated capital allowances	**894**	640
Short term timing differences	**6,777**	6,063
Tax losses carried forward	**31,779**	35,191
Unrecognised deferred tax asset	**39,450**	41,894

The recognised deferred tax asset consists of:

Recognised deferred tax asset	**3,036**	-

The utilisation of losses carried forward is expected to arise during the course of the next two years.

The Group has a deferred tax asset at 31 December 2014 of €39,450k (*2013: €41,894k*) which has not been recognised in the financial statements because the Directors are uncertain about the timing of the recoverability of the asset.

The UK government has announced a staged reduction in the main rate of corporation tax. From 1 April 2013 the main rate of corporation tax was reduced from 24% to 23%, from 1 April 2014 it was reduced to 21% and from 1 April 2015 it will be reduced to 20%.

The deferred tax balance at 31 December 2014 has been calculated based on the applicable overseas rates of corporation tax and the UK rates of 20% and the effect of these rate reductions as at 31 December 2014 has been included in the figures above.

Notes *(continued)*

8 Investments

Company

	2014 €	2013 €
Cost at beginning of the year	1	1
Cost at end of the year	1	1

The principal undertakings in which the Company's interest at the year end is more than 20% are as follows:

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of share held
Maze 2 Limited	England	Holding company	100%
Maze 3 Limited*	England	Holding company	100%
Iridium France S. A. S.*	France	Holding company	100%
Platinum France Investissements S. A. S.*	France	Holding company	100%
Marken Services Limited*	England	Holding company	100%
De Facto 1341 Limited*	England	Holding company	100%
Marken S. A. S.*	France	Trading company	100%
Marken Limited*	England	Trading company	100%
Marken Time Critical Express Limited*	England	Trading company	100%
Marken Time Critical Express (Beijing) Limited*	China	Trading company	100%
Marken Switzerland AG*	Switzerland	Trading company	100%
Marken LLP*	USA	Trading company	100%
Marken Germany GmbH*	Germany	Trading company	100%
Marken Korea LLC*	South Korea	Trading company	100%
Marken (South America) Limited*	England	Trading company	100%
Marken (Latin America) Limited**	England	Dormant company	100%
Marken Brasil Serviços de Cadeia de suprimentos Ltda *	Brazil	Trading company	100%
Marken Customs Brokerage LLC*	USA	Trading company	100%

* held via subsidiary entities
**dissolved on 23 March 2015

Notes *(continued)*

9 Intangible assets

	Software development	Goodwill	Total
	€000	€000	€000
Cost			
Cost at beginning of year	3,448	385,941	**389,389**
Additions	907	-	**907**
Disposed during the year	(24)	-	**(24)**
Currency translation	352	-	**352**
At end of year	**4,683**	**385,941**	**390,624**
Accumulated amortisation			
At beginning of year	**933**	**172,623**	**173,556**
Amortisation	1,124	53,330	**54,454**
On disposal	(2)	-	**(2)**
Currency translation	191	-	**191**
At end of year	**2,246**	**225,953**	**228,199**
Net book value			
At 31 December 2014	**2,437**	**159,988**	**162,425**
At 31 December 2013	2,515	213,318	215,833

In 2014, there was no impairment charge (*2013: nil*).

Impairment Review

The directors reviewed the November 2013 assessment of the carrying value of Intangible Assets on the Balance Sheet and concluded the underlying assumptions are still valid, as the basis for a current year assessment of the recoverability of goodwill as required by FRS 11 Impairment of Fixed Assets and Goodwill. FRS 11 requires companies to test for impairment and to recognise and account for an impairment charge, if there are indications that impairment has occurred.

FRS 11 requires companies to test for impairment and to recognise and account for an impairment charge if there are indications that impairment has occurred. In the current year, the directors performed an assessment of the recoverability of goodwill as required by FRS 11 *Impairment of Fixed Assets and Goodwill* and concluded the carrying value has not been impaired.

Notes *(continued)*

10 Tangible assets

Group	Motor vehicles €000	Computer equipment €000	Plant and equipment €000	Plant facilities €000	**Total €000**
Cost					
At beginning of year	207	395	1,117	4,878	6,597
Acquired in the year	107	797	565	969	2,438
Disposed during the year	(42)	(81)	(51)	(5)	(179)
Currency translation	34	76	120	190	420
At end of year	**306**	**1,187**	**1,751**	**6,032**	**9,276**
Depreciation					
At beginning of year	**36**	**41**	**-**	**901**	**978**
Charge for the year	107	324	342	1,090	**1,863**
On disposal	(37)	(52)	(46)	(3)	**(138)**
Currency translation	22	72	(7)	37	**124**
At end of year	**128**	**385**	**289**	**2,025**	**2,827**
Net book value					
At 31 December 2014	**178**	**802**	**1,462**	**4,007**	**6,449**
At 31 December 2013	171	354	1,117	3,977	5,619

11 Debtors amounts falling due within one year

	Group 2014 €'000	**Company 2014 €'000**	Group 2013 €'000	Company 2013 €'000
Trade debtors	**24,663**	**-**	20,481	-
Deferred tax asset	**3,036**	**-**	-	-
Recoverable corporation tax	**306**	**-**	278	-
Recoverable VAT	**2,689**	**-**	1,939	-
Other debtors	**468**	**-**	748	-
Prepayments and accrued income	**2,209**	**17**	2,119	6
	33,371	**17**	25,565	6

Notes *(continued)*

12 Creditors: amounts falling due within one year

	Group 2014 €'000	Company 2014 €'000	Group 2013 €'000	Company 2013 €'000
Trade creditors	**4,844**	**10**	5,233	-
Other creditors	**505**	**-**	614	-
Amounts owed to group undertakings	**-**	**981**	-	392
Bank loans and interest accrued	**738**	**-**	720	-
Taxation and social security	**2,374**	**5**	1,094	-
Accruals	**18,010**	**22**	15,371	165
	26,471	**1,018**	23,032	557

13 Creditors: amounts falling due after more than one year

	Group 2014 €000	Company 2014 €000	Group 2013 €000	Company 2013 €000
Bank loans	**438,152**	**-**	418,969	-

Analysis of debt

	Group 2014 €000	Company 2014 €000	Group 2013 €000	Company 2013 €000
Debt greater than one year can be analysed as falling due:				
Between two and five years	**438,152**	**-**	418,969	-
	438,152	**-**	418,969	-

Repayment of the Facilities is by way of mandatory and voluntary prepayment. The Group can elect to make voluntary prepayments, but is subject to a quarterly mandatory cash sweep calculation. Each quarter end date, to the extent that the Group's available cash balance exceeds €10 million, this will be used to prepay the outstanding debt amounts subject to the terms of the Facility Agreement.

Mandatory prepayments of €1,146k were made during 2014, with a further amount of €2,869k made in January that was calculated on the end of December 2014 available cash balance. A further voluntary prepayment of €1,000k was made on 20 March 2015.

The maturity date of the senior and super senior facilities are 31 December 2017 and 30 June 2017 respectively, with any balance outstanding repayable in full on that date.

Under the facility agreement, the continued provision of borrowing is subject to three financial covenants namely interest cover, debt cover and cash flow cover. At the year end the Group was in compliance with these financial covenants.

Notes *(continued)*

14 Called up share capital

	2014 €	2013 €
Authorised		
382,847 Ordinary shares of €0.0001	**38**	38

	2014 €	2013 €
Allotted, called up and fully paid		
382,847 Ordinary shares of €0.0001	**38**	38

The share capital of the Company was issued for a consideration of €38. Each Ordinary share issued carries one vote.

15 Reconciliation of movements in shareholders' funds

Group	**Share capital €000**	**Other reserves €000**	**Profit and loss account €000**	**Total €000**
At start of year	-	**2,690**	**(188,914)**	**(186,224)**
Loss for the year	-	-	(58,806)	**(58,806)**
Net exchange differences	-	(1,083)	-	**(1,083)**
At end of year	-	**1,607**	**(247,720)**	**(246,113)**

Company	**Share capital €000**	**Other reserves €000**	**Profit and loss account €000**	**Total €000**
At start of year	-	-	**(551)**	**(551)**
Loss for the year	-	-	(510)	**(510)**
Net exchange differences	-	60	-	**60**
At end of year	-	**60**	**(1,061)**	**(1,001)**

No dividend has been declared relating to the 2014 year (*2013*: *nil*).

Notes *(continued)*

16 Notes to the cash flow statement

16.1 Reconciliation of operating loss to operating cash flows

	Year ended 31 December 2014 €000	Revised Year ended 31 December 2013 €000
Operating loss	**(24,907)**	(29,542)
Depreciation of tangible fixed assets	**1,863**	1,713
Amortisation and impairment of goodwill and amortisation of intangible assets	**54,454**	54,263
Loss on sale of tangible fixed assets	**-**	42
Increase in inventory	**(691)**	(93)
(Increase)/decrease in debtors	**(4,726)**	1,427
Increase/(decrease) in creditors	**1,722**	(10,476)
Other movements (including EBT)	**(142)**	(3,387)
Net cash inflow from operating activities	**27,573**	13,947

Notes *(continued)*

17 Analysis of net debt

Group 2014	At start of Year	Cash Flow	Exchange Difference	Other non cash changes	At end of Year
	€000	€000	€000	€000	€000
Cash in hand and at bank	7,682	**6,505**	**309**	**-**	**14,496**
Debt due after one year	(418,969)	**1,146**	**-**	**(20,329)**	**(438,152)**
Debt due within one year	(720)	**720**	**-**	**(738)**	**(738)**
Total	(412,007)	**8,371**	**309**	**(21,066)**	**(424,394)**

18 Contingent liabilities

On 21 December 2012, Maze 2 Limited, a wholly owned subsidiary of Maze 1 Limited (together with other subsidiaries) entered into an amended and restated Senior Facilities Agreement, as a consequence of which the Company is now a Chargor of the security agreement entered into with Lloyds Bank PLC (as Security Agent).

The debenture secures all monies due or to become due from Maze 2 Limited, other Chargors as defined in the security agreement, and any other Obligor as defined in the Senior Facilities Agreement to Lloyds Bank PLC (as Security Agent for the secured parties) (in such capacity the security agent). The Secured Obligations are all present and future obligations and liabilities of any Chargor as defined in the security agreement, under or pursuant to the financing agreement entered into on 20 January 2010, and subsequently amended on 23 February 2010, 24 March 2010 and 20 April 2011, 21 December 2012 and 14 November 2013.

The security consists of fixed and floating charges over all assets and undertakings of the Chargors as defined in the security agreement, but excludes any assets that are not owned by the Chargors.

The security agreement covers the liabilities under the Senior Facilities Agreement. The liability (including interest accrued) at the year end was €438,890k *(2013: €419,689k)*.

19 Commitments

Operating leases

The Group had commitments in respect of non-cancellable operating leases expiring as follows:

	2014		2013	
	Land and buildings €000	**Plant and equipment €000**	Land and buildings €000	Plant and equipment €000
Operating leases which expire				
within one year	**240**	**32**	310	31
between one and five years	**1,920**	**154**	899	142
more than five years	**338**	**1**	582	-
	2,498	**187**	1,791	173

Leases of land and buildings are typically subject to rent reviews at specified intervals.

Notes *(continued)*

20 Employee Benefit Trust

The vendor of Iridium operated an Employee Benefit Trust ('EBT'). On acquisition by the Group, the sponsoring entity responsibility for the EBT was assumed by a subsidiary, Maze 2 Limited. The sponsoring entity was deemed to have de facto control of the EBT's assets and therefore the EBT was consolidated into Maze 1 Limited. The Employee Benefit Trust was liquidated in July 2013.

21 Pension scheme

The Company operates or contributes to a number of defined contribution pension schemes. The pension costs charge for the year represents contributions payable by these schemes and amounted to €524k (*2013: €375k*).

Outstanding contributions at the year end amounted to €108k (*2013: €31k*) and are included in creditors falling due within one year (Note 12).

22 Ultimate controlling party

In the opinion of the Directors, there is no ultimate controlling party at the balance sheet date. The results of the Group are not consolidated into any other company.

23 Related Party Transactions

The only related party transactions of the Group relates to its Directors remuneration as disclosed in Note 5 and interest and principle repayments to the shareholder lenders of the Group as disclosed in notes 6 and 13.

24 Post Balance Sheet events

There are no significant post balance sheet events.