RNTS MEDIA

RNTS Media N.V.

Annual Report 2015

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"The mobile app economy is dominated by developers and publishers which live or die by how successfully they acquire and monetize large audiences. Our mission is to fuel the app economy by creating solutions for smarter ad monetization."

RNTS MEDIA

2015 – Year in Review

Following a clear strategic growth path...

- Three successful acquisitions in 2015 & 2016 to date
- Listing upgrade to the Prime Standard of the Frankfurt Stock Exchange
- Growth capital secured through issue of €100 million convertible bonds
- Revenue growth of 27% to € 81.1m in 2015
- Significant expansion of global reach to over half a billion monthly active users
- Launch of many new features and ad formats answering central market trends

...to benefit from the strong market environment...

- Ongoing shift to mobile advertising with ad spend growing at 30% CAGR '15-'19[1]
- US in-app ad spend hit $21bn in 2015; to outpace mobile web ad spend 3-to-1 in 2016[2]
- Mobile video advertising is the fastest growing digital ad format, up 80% in 2015[3]
- More than 3 hours spent with mobile devices per day in the second quarter of 2015; 90% of time spent on mobile is spent in-app[4]

...and further accelerate the momentum in 2016 following the acquisition of Inneractive

- Targeting pro-forma revenue of €160m+ for the Group in 2016 with a run-rate of €200m+ by the end of the year
- Reach more than one billion monthly active users
- Extend market position as a leading independent supply-side platform, offering comprehensive monetization tools for all major app developer and publisher segments

1 Source: eMarketer Mar 2015 | 2 Source: eMarketer Mar 2015 | 3 Source: eMarketer Sep 2015 | 4 Source: Flurry Jun 2015

Chairman's Statement

Dear Shareholders,

2015 has been a transformational year for RNTS Media in a number of respects. It is now clear that we have completed our move from being a holding company for digital media assets to a focussed mobile advertising technology provider, and we will continue to further strengthen our position in the upcoming months. The Company has delivered on its two-pronged growth strategy of strong organic growth combined with targeted acquisitions to accelerate the expansion in technology and scale.

Dirk van Daele
Chairman

Now firmly positioned as a mobile ad tech provider, RNTS Media enables app developers and publishers to monetize their apps with in-app advertising through its core asset Fyber. The Company provides independent technology that maximises monetization outcome, agnostic to the ad inventory it sources from these publisher clients, and with that addresses the reluctance of many advertisers and app developers to work exclusively with the major consumer platforms.

Our acquisitions have added important features to RNTS Media's technology stack and significantly scaled the global reach of our monetization platform. Subject to formal closing, we will be able to combine Inneractive's 630 million active users with the Fyber Group's 500 million+ MAUs. This will provide us with the required scale and visibility to succeed in this substantive market.

Our recent acquisitions give us global reach and capabilities across a multitude of verticals enabling the considerable diversification and expansion of our client base beyond the important gaming industry, whilst operating from San Francisco, Tel Aviv and Berlin. Important steps have been taken during the year to improve our corporate governance and stock market liquidity. These include, respectively, the upgrade of the listing from Luxemburg to the German Prime Standard of Frankfurt Stock Exchange and the strengthening of the Supervisory Board through the nomination of three new independent board members, Crid Yu, Thorsten Grenz and Jens Schumann, to be approved at the General Meeting in June 2016.

Throughout the fiscal year 2015, the Supervisory Board performed the duties imposed on it by law and by the Company's articles of association, monitoring and advising the Company's Management Board on an ongoing basis. A detailed report on the Supervisory Board's activities can be found in section the 'Report of the Supervisory Board'.

We remain on track to fulfil the Company's goals of becoming a leading global advertising technology provider, reaching a €200m revenue run rate by end of 2016. RNTS Media is an exciting company and we are confident of continued growth going forward. With our recent acquisitions and ambitious roadmaps for all entities within the Company we are well-positioned to further expand our share of the fast-growing market in which we operate.

On behalf of the Supervisory Board, I want to express my appreciation to all of the employees at RNTS Media and Fyber for all their efforts and commitment. I would also like to thank all of our shareholders for their continued support.

Berlin, 13 April 2016

Dirk van Daele
Chairman of the Supervisory Board

Chief Executive Officer's Statement

Dear Shareholders,

We achieved a number of important milestones during 2015 on our journey towards becoming one of the world's leading mobile ad tech companies as we invested in the technologies, products and people that will deliver a lasting competitive advantage. The Group's global reach expanded significantly, both organically as well as through acquisitions, with monthly active users on the platform growing to over half a billion and delivered ad impressions growing more than 500% over 2014.

Andreas Bodczek
CEO

RNTS Media has made considerable strategic progress during the year to ensure it is best positioned to capture the fastest growing segments of the ad tech market. Mobile advertising spend continued to grow at the expense of desktop advertising and other traditional marketing channels, climbing 50%, from $19bn to $30bn, in the US alone during 2015. As a result of this rapid growth, mobile ads now account for 50% of the total US digital ad spend.
However, despite this growth, mobile advertising still only accounts for 15% of total US ad spend, and this constitutes a significant growth opportunity for the Group, given that 24% of all media was consumed through a mobile device. In-app ad spend, RNTS Media's core market, hit $21bn in 2015 from $14bn in 2014 in the US alone and is poised to outpace mobile web ad spend 3-to-1 in 2016.
(Source: eMarketer, Mar 2015, Oct 2015)

RNTS Media continued to profit from these underlying market trends with its existing product portfolio and worked towards strengthening key areas for future growth such as programmatic media trading and video advertising.

Strategic Developments

In line with our strategic goals, 2015 was a transformational year, during which we placed €100m of convertible bonds to accelerate organic growth and take advantage of a series of important acquisition opportunities. These successful acquisitions greatly strengthen our market position, both in terms of technology and product offering, broaden the reach of our platform, and give us scale and global presence.

In May, the Group acquired Falk Realtime, an ad tech company focused on programmatic trading of advertising, real-time bidding ('RTB') and ad serving. The acquisition strengthened the programmatic stack of RNTS Media's core asset Fyber, an independent advertising technology company, and added new functionalities that enable app developers to monetize their content more effectively. The entire Falk Realtime team joined the Group, and together we continue to develop our programmatic products to deliver on market trends and meet customer demand. Heyzap, operating a similar business model to Fyber, joined the Group in January 2016 and put Fyber in a market leading position for Mediation. The shared mission to empower the app economy with smarter ad monetization made Heyzap the perfect fit to further strengthen our market position. RNTS also benefits from the added technology hub in San Francisco, with the entire Heyzap team being integrated into Fyber.

The latest addition to the Group is Inneractive, a fast-growing Tel Aviv-based mobile Ad Exchange with a core focus on RTB across video and display advertising. Subject to formal closing of the deal, Inneractive will significantly enhance our global scale with its 630 million monthly active users and we would expect it to account for about one third of the Group's pro-forma gross revenues in 2016. In 2015 Inneractive grew gross revenue by more than 100% to $ 43.2 million and was profitable. It is aiming to double its revenues again over the next two years. Although the company will continue to run as a separate entity within RNTS Media, we see significant revenue synergies in connecting clients across platforms and enabling seamless customer access to cross-company products. The closing is expected for the second quarter of 2016, after the satisfaction of certain customary closing conditions and expiry of the statutory 50 day waiting period for mergers in Israel.

The coming months will be focussed on the integration of these newly acquired assets, streamlining processes and identifying further synergy and mutual learning opportunities.

Investments in Future Organic Growth

In addition to our acquisition activity, we have accomplished our product goals around the Rewarded Video product, strengthening the product capabilities and the positioning of our own Ad Exchange. We also developed and launched the Fyber Ad Server, enabling app developers to set up direct deals with advertisers as well as cross-promotion campaigns to support new app launches and drive user engagement within their apps. Other initiatives included the roll out of enhanced ad controls, allowing the setup of even more granular ad monetization strategies, the expansion of our Mediation network and the introduction of a simplified process for app developers to join our platform.

We broadened our ad format offering in 2015 with the introduction of a substantially refreshed Rewarded Video product and Interstitial ads and will roll-out Banner and Native ads in the course of 2016. We anticipate these initiatives will help offset the slower than expected growth of Offer Wall, up to now Fyber's core ad format.

Organisational Growth

During 2015, we expanded our team by 34 to 306 employees by organic growth and through the acquisition of Falk Realtime. We have also set up our first US engineering hub in our San Francisco office with the acquisition of Heyzap.

As the organization grows, it has been a priority to invest in the senior management team with the skills and experience to support and inspire our rapidly expanding team. We appointed Heiner Luntz as Chief Financial Officer of RNTS Media and also strengthened the management board of Fyber with the appointments of Jim Schinella as Chief Business Officer, Henrik Basten as Chief Technology Officer, and Michael Bullion as Chief Product Officer. This expanded leadership team combines a wealth of ad tech industry expertise with the experience of managing rapid operational growth, particularly through acquisitions, and underpins our commitment to building one of the largest independent mobile advertising companies in the market.

Furthermore, we have nominated three new independent directors for approval to join our Supervisory Board at the next Annual General Meeting. The new additions will deepen our ad tech industry knowledge and best practice expertise in international and German corporate governance, thereby supporting the Group's future growth. In August, we delivered on our commitment to providing a more liquid and transparent trading venue for RNTS Media shares by completing the transfer of our equity listing to the Prime Standard of the Frankfurt Stock Exchange.

Outlook 2016

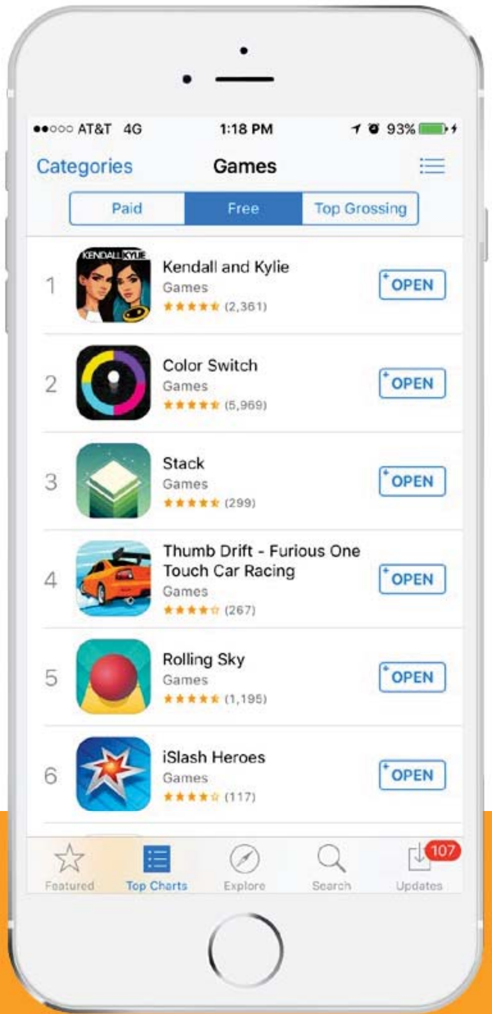
The focus for 2016 will be on fully integrating Falk Realtime and Heyzap into the Fyber platform and putting in place the processes and technical solutions to connect Fyber's and Inneractive's platforms. At the same time we will preserve the operational flexibility for these businesses to pursue their ambitious stand-alone growth plans.
The Group expects additional momentum to be generated by these integrations alongside Fyber's plans to introduce new ad formats and monetize a larger proportion of the traffic we are seeing on our Mediation platform. We are therefore aiming to achieve a revenue run-rate for the Group of more than €200 million by the end of the year.
On behalf of our Management Board, I would like to express our sincere gratitude to all our employees for their continued passion and commitment in driving a story of success for RNTS Media and Fyber.

We would also like to thank our partners, customers and shareholders for their ongoing support, trust and excellent collaboration.

Berlin, 13 April 2016

Andreas Bodczek
Chief Executive Officer

Powering the app economy with smart monetization solutions



Fyber, RNTS Media's core asset, is an independent advertising technology company that connects app developers and media companies with advertisers through the power of technology across every device. Its supply-side platform ('SSP'), Ad Serving, Ad Exchange and Mediation products empower thousands of the world's leading app developers and publishers to generate business-critical revenue streams.

Fyber powers monetization for four out of the top six games in the App Store in February 2016, namely Glu with Kendall and Kylie, Duello with iSlash, Fortafy Games with Color Switch, as well as Ketchapp with Stack - a compelling endorsement by clients of Fyber's ability to address the top freemium publishers' needs for a mobile monetization partner that can deliver innovative ad units, reliable technology, and dedicated account support to fuel their growth.

On the following pages we present some client case studies from 2015, which illustrate the positive impact that Fyber's offering has had on client campaigns and monetization strategies during the course of the year.

Developing a winning ad strategy

Next Games engages users, while generating over 40% of revenues from mobile ads

Next Games is a Helsinki-based games studio founded in 2013 by a team of industry veterans representing market leaders such as Rovio, Supercell, and Disney. Focused on crafting visually impressive and engaging titles, Next Games' mission was clearly applied to their top-grossing title, *Compass Point: West*™, a visually-rich 3D action strategy game set in the Wild West. The free-to-play title employs a card-collecting mechanic built into the heart of the game design. From the outset, Next Games saw ad monetization as an integral part of their overall business strategy. As a result, they were thoughtful not only in selecting a monetization partner, but also in deciding how to integrate ads into their overall gameplay.

Key Findings

$0.05	**$20**	**60%**	**4-5**
ARPDAU	Average eCPM	DAU engaging with at least one ad	Average video completions

Joakim Achrén, Chief Product Officer, Next Games

"Selecting a reliable mediation partner is as key to your overall ad strategy as the integration itself. After testing multiple providers, we strongly believe that Fyber is the best possible choice for mediation. Not only is their technology strong, but their team knows the market, is highly responsive, and will truly partner with you to make your title a success."

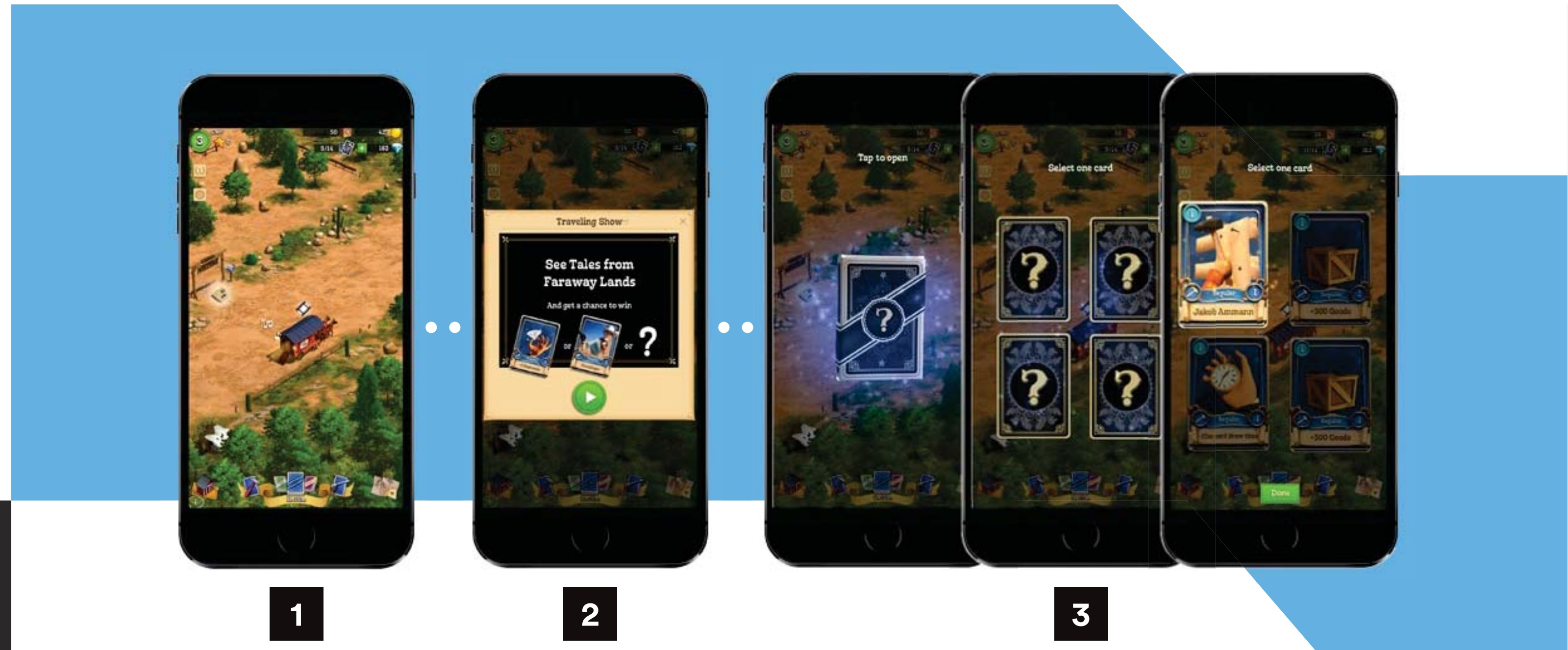
Mediation matters

The decision to integrate ads into Compass Point: West™ was a relatively easy one: Next Games' team knew that ads would provide a more stable revenue stream than in-app purchases (IAP), especially given that aggressive user acquisition spending and the influx of brand dollars to mobile are driving up industry eCPMs. They also believed that rewarded video ads, if implemented correctly, could invigorate the game's economy and encourage additional spending from players. The first step to executing a solid monetization strategy was to select a mediation partner. Next Games knew that working with multiple ad networks would drive competition, and therefore boost eCPMs, and that working with a mediation platform could help them optimize their returns across demand sources on a per-impression basis. Furthermore, mediation would ensure optimal fill rates, streamline the integration of multiple ad network SDKs, and save precious resources for ongoing maintenance. After testing multiple providers, Next Games ultimately chose to work with Fyber due to the quality and responsiveness of the account management team, the reliability of the technology, and the strong performance that Fyber was able to deliver relative to others. Fyber currently handles mediation for Compass Point: West™, and will also be integrated in Next Games' upcoming title The Walking Dead: No Man's Land, the official mobile game based on AMC's record-breaking hit TV show "The Walking Dead."

A winning integration

Next Games knew from the outset that ads would be an integral component of their monetization strategy for Compass Point: West™. They therefore made a strategic business decision to invest in the development and design of a "deep" video ad integration that would match the look and feel of the game, going hand-in-hand with the title's gameplay.

Rather than interrupting gameplay with an intrusive pop-up or requiring users to "dig" for ads through a complicated menu, Next Games incorporated them into the game's core loop. The Traveling Show wagon is positioned as a regular object in the game, indicated by a floating movie reel icon. By tapping the icon,the user is prompted to watch a video in exchange for a random card. The user can pick from one of four mystery cards in the Traveling Show deck. After making a selection, the three remaining cards are revealed so that the player can see which ones they missed.



1 "Traveling Show" wagon appears when a user can access rewarded ads (up to three times every eight hours)

2 User is prompted to watch video

3 After completing video, user can select one of four mystery cards

Throughout the development process, Next Games employed three key tactics that influenced the success of their integration:

1 Taking UI and UX into consideration

If ads feel fundamentally out-of-place in a game, it's a recipe for trouble. Encouraging engagement and retention is challenging enough, without putting additional obstacles in the user's way. Every aspect of Next Games' ad integration was designed to engage and delight the user: From the attractive design of the interface, to its positioning within the natural flow of the game. Not only are users encouraged to re-engage by revealing the cards that they missed, they are also directed to this spot within the game on a daily basis, and provided an extra bonus for returning.
The Traveling Show wagon is only shown when users have the option to watch a rewarded ad (up to three times every eight hours), rounding out a user experience that is designed to influence and encourage repeat engagement.

2 Offering a reward that entices the user

Rather than offering users a reward that directly correlates to their ad payout, Next Games decided to provide users with a high-value reward that equated to about $0.30 of in-game value. This was intended to not only increase the likelihood that users would continue to engage with ads, but also boost the chance of an IAP by providing gamers with a "taste" of what they could receive.
Of course, it takes a good amount of experimentation to find the payout that perfectly complements your in-game economy. Fyber encourages its clients to run A/B tests to pinpoint the payout that works best, and to explore offering a reward that is unique and cannot be earned any other way. Our Monetization and Growth team works closely with clients develop the ideal reward implementation for each title.

3 Infusing fun into the ad experience

Who says the ad experience can't be fun? Next Games' integration proves that, when executed correctly, rewarded ads can provide an interaction that mirrors the playfulness of the game itself.
In *Compass Point: West*™, the "lottery style" rewarding mechanism infuses an element of gaming and excitement into the overall user experience, as players are left to chance in terms of the reward they will receive. Furthermore, employing a card collection mechanism encourages re-engagement, as users are tempted to collect as many as possible.

Results

1 Rewarded ads are a perfect complement, rather than a detriment, to IAP

Next Games spent significant time testing various ad strategies and ultimately found that the integration of rewarded ads increased overall IAP spending, rather than cannibalizing it. They noted that even the game's highest-spending players would typically max out the allotted number of rewarded ads allowed per day. While this indicates that even the most lucrative users found value in the content provided by rewarded ads, it did not deter their willingness to spend.

2 Ads provide a significant and reliable revenue stream

Rewarded ads provided Next Games with a more stable source of revenue than IAP – and in fact, this revenue stream was so significant that it accounted for more than 40% of their total revenue for *Compass Point: West*™. Furthermore, 60% engage with video ads daily, which allows Next Games to significantly increase percentage of players that are monetized.

3 Players enjoy and find value in rewarded videos

The final benefit that Next Games noted from integrating rewarded ads can perhaps be considered the "cherry on top." Not only did ads establish a healthy revenue stream and encourage IAP – they found that players genuinely liked them!
In fact, about **10% of users that leave a positive App Store review specifically mention video ads.**

$0.05
ARPDAU (average revenue per daily active user)

$20
Average eCPM

60%
Percent of DAU (daily active users) that engage with at least one ad per day

4-5
Average video completions per day

Across the board, Next Games demonstrated exceptional performance KPIs for Compass Point: West™. Their ARPDAU and average eCPM were double the industry benchmark for games in the same genre. Engagement rates also soared at 60%, while even top performers in their genre usually achieve closer to 30-40%.

Complementing in-app purchases with rewarded ads

Fyber's client, a leading international publisher of mobile and social games, wanted to explore adding rewarded ads to complement in-app purchase features in one of their award-winning titles. The free-to-play fantasy role-playing game had earned top chart rankings and achieved hundreds of millions of player-vs-player battles.

The client was interested in integrating ads, but had questions about how it might affect their existing monetization strategy and overall user experience. So they conducted a series of studies examining user behavior, both before and after integrating rewarded ads through Fyber's monetization platform. Ultimately, the client wanted to answer the question that many developers ask:

"Can rewarded ads increase the likelihood that a user would make an in-app purchase?"

Key findings for players who engage ads

up to
100%
boost with in-app purchase spend

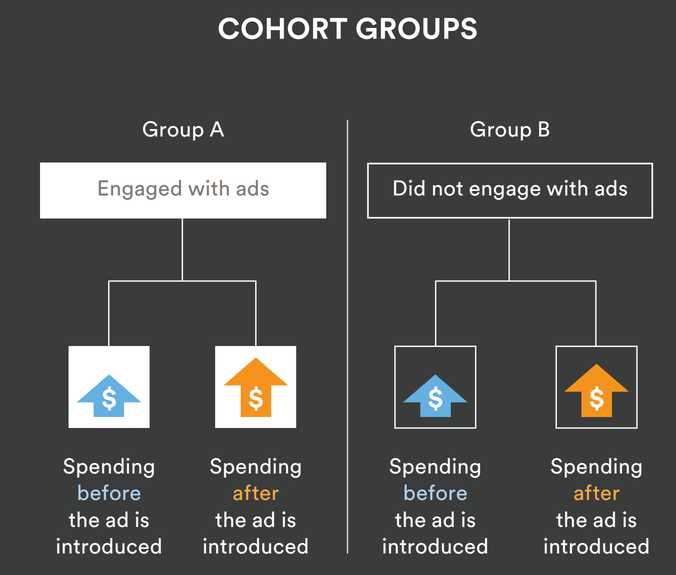
more than
2x
as likely to make an in-app purchase

2.5x
more likely to remain active in the game

Players that engage with rewarded ads spend more

Users were divided into six cohorts by the size of their recent spending. Then, each cohort was divided into two groups: Those who engaged with rewarded ads (Group A) and those who did not (Group B). Over a period of time, the client compared the amount of spending by Group A & B, both before and after the rewarded ads were introduced.

If rewarded ads cannibalized in-app purchase revenue, then the ratio of spending by those who engaged with ads should decrease relative to users in their cohort who did not. Instead, the client found that in all cohorts except one, those that engaged with ad content eventually spent more than their counterparts. The user cohorts with lower spending amounts showed the biggest boost: Spending 40-100% more after interacting with ads.



Using ads is a strong predictor of future spending

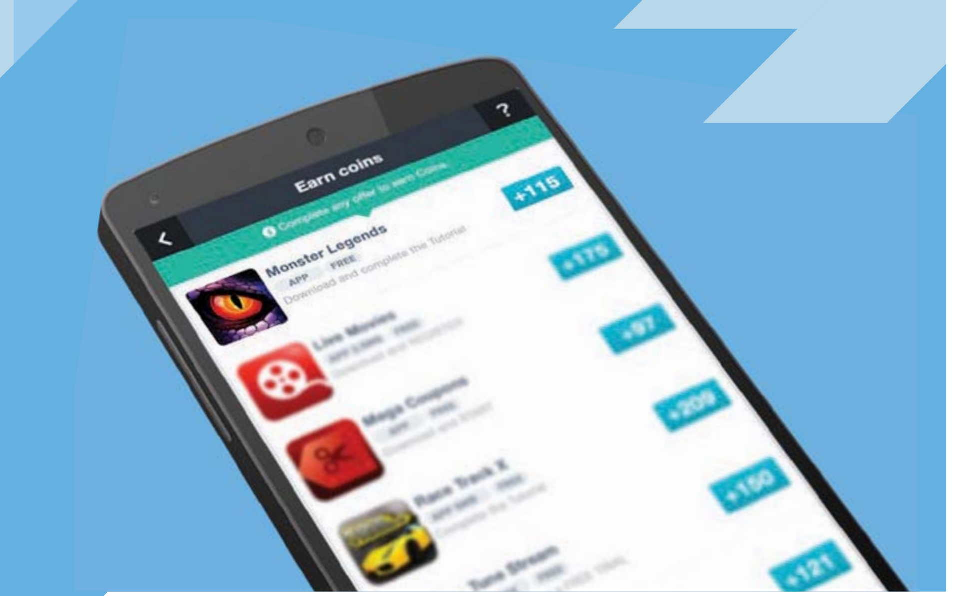
To explore whether rewarded ads could help users learn to use and understand the value of in-app currency, the client also studied spending behavior, while controlling for a broad array of engagement metrics (e.g. logins per day, storyline completion, and collecting in-app currency from other sources).

In all regression models evaluated, interacting with rewarded ads was a strong, positive, and statistically significant predictor of whether the player would eventually make an in-app purchase. Specifically, the player who interacted with rewarded ads was more than twice as likely to make an in-app purchase than the player who did not.

Boost retention, as well as revenue

Contrary to widely held concerns that ads might drive players to another game or negatively impact user experience, the client found that users who watched at least one video offer were 2.5x more likely to be active the following month. The key takeaway from the study was that integrating rewarded ads was an excellent complement to in-app purchases.

Getting UA right



Launching Social Point's *Monster Legends* Android with premium inventory and expert targeting

As Spain's largest mobile game studio, Social Point ranks globally as a developer of top-grossing mobile and social games. Worldwide, their games have garnered over 50 million monthly active users and more than 100 million downloads. Following the success of their hit mobile game Dragon City, Social Point partnered with Fyber to launch their second title, Monster Legends, in the United States and Europe.

Partnering with monetization experts

Social Point was not only looking for a partner that could drive traffic, but one that they could trust to inherently understand app monetization and deliver valuable, engaged users. Having already worked with Fyber to successfully refine their ad monetization strategy, partnering on user acquisition was the logical next step. Fyber's expertise in developing sustainable revenue for mobile developers, and its extensive global inventory from top-ranking apps, made for a natural partnership.

Monster Legends rose to the #2 spot amongst US Android games

66%

of users completed the game's tutorial

Delivering high-quality users at scale

During the first week of the launch, more than 46,000 new users driven by Fyber's install (CPI) campaigns downloaded and started the game. By targeting specific users from relevant app categories – including mid-core simulation and strategy games – Fyber matched *Monster Legends* with a unique and engaged audience. The value of these users was confirmed by their post-install actions: Over 66% completed the game's tutorial, indicating that they continued to engage with the game after receiving their reward. Combining organic growth with this type of high-quality traffic from multiple providers, *Monster Legends* rose to the #2 spot amongst US Android games during its week of launch.

Maria Teixidor, User Acquisition Specialist, Social Point

"Fyber delivered an impressive volume of downloads just days after kicking off the campaign. Fyber exceeded our expectations; the quality of their traffic is outstanding, with an ROI comparable to that of non-incentivized traffic. Their account management team was also extremely helpful and played a vital role in launching Monster Legends to the US Android market."

socialpoint

Sustaining growth and success

To ensure the continued success of Monster Legends post-launch, Social Point worked with Fyber on their user acquisition strategy, enabling Social Point to further grow their user base. In the following months, Monster Legends maintained its rank as one of the top 50 grossing games in the US. Fyber continues to provide valuable, ROI-positive users for Monster Legends and other Social Point titles.

Average ROI per user during release week

7-10%

Report of the Management Board

Company Structure

RNTS Media N.V. is a public company with limited liability (naamloze vennootschap) incorporated under the laws of the Netherlands, having its corporate seat in Amsterdam, the Netherlands, and its office address in Berlin, Germany, operating through its subsidiaries Fyber GmbH and Big Star Global Co. Ltd., the latter being a discontinued operation as of December 2015.

The Group consists of thirteen legal entities. SponsorPay Co. Ltd. (Korea), SponsorPay K.K. (Japan) and RNTS Media Deutschland GmbH (Germany) are currently dormant entities. The chart below sets out the Group's structure per March 2016.

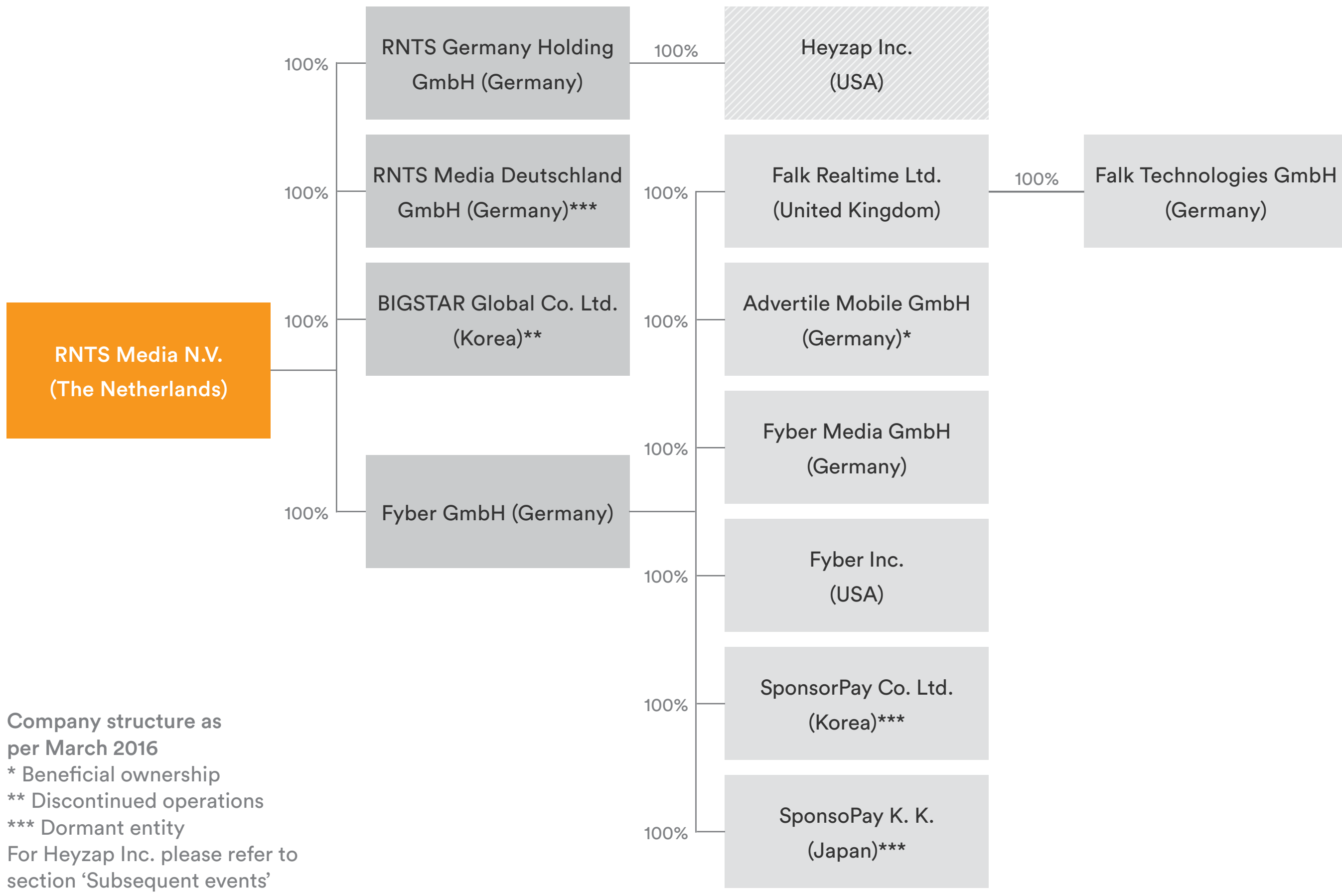
In comparison to December 2015, Heyzap Inc. has been added due to the Closing of the transaction in January announced in December 2015.

The Company's Management Board consists of the CEO, Andreas Bodczek and Managing Director Janis Zech. Heiner Luntz joined the Company as Chief Financial Officer on 1 October 2015. His appointment to the Management Board will be proposed to the shareholders at the forthcoming Annual General Meeting.

Once the sale or discontinuation of Big Star Global Co. Ltd. has been concluded, the Company will be focused fully on providing advertising technology solutions for the monetization of traffic through its investment in the Fyber Group (Fyber GmbH and its subsidiaries) and future acquisitions in this field. Fyber today is a fast-growing group of technology companies with headquarters in Berlin, Germany. The Company's core competency lies in the development and operation of a supply-side platform to allow publishers of mobile applications the monetization of their user base through advertisements. Fyber does this by creating a connection between advertisers looking for targeted user segments at scale and publishers, delivering and tracking the advertisements and settling the related payments. The services are provided through different entities and in different countries but overall represent one integrated offering to the company's customer base.

In December 2015 RNTS Germany Holding GmbH, Berlin, Germany was set up by RNTS Media N.V. for the purpose of acquiring 100% of the shares of Heyzap Inc. Please refer to the 'Subsequent events' section below for further details.

Group Structure



Company structure as per March 2016
* Beneficial ownership
** Discontinued operations
*** Dormant entity
For Heyzap Inc. please refer to section 'Subsequent events'

Market Development

RNTS Media's growth is fuelled by major industry trends including

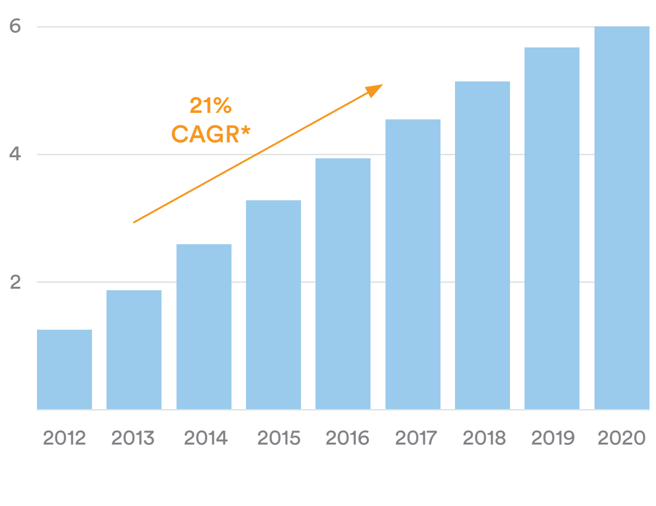
- Mobile adoption: Mobile has become the new digital paradigm and will become the largest internet enabled device, with 6bn forecasted users by 2020.
- Mobile advertising: In line with the growing mobile usage, and marketers naturally following to where the users are, mobile ad spend will continue to grow at a 30% CAGR 2015-2019.
- In-app dominance: The majority of time spent on mobile devices is spent in-app as opposed to the mobile web.
- App economy's dependency on ad monetization: The vast majority of applications are free and freemium apps, dependent on in-app advertising to be financially successful.

Ericsson estimated 3.3bn global smartphone subscriptions for 2015, forecasting double digit growth numbers to over 6bn smartphone subscriptions by 2020. Not only is the user base growing fast in terms of enabled devices, but also the time spent on mobile now exceeds the total usage of desktop computers and other connected devices.

Mobile ad spend is also increasing, with advertising dollars naturally following the audiences. For the US market in 2014, KPCB estimated that there was a significant disconnect between the total time spent (24%) vs. the allocation of total ad spend (8%) for mobile media, implying an additional revenue opportunity of $25bn in 2014 (US). The pace with which this gap is likely to close is illustrated by research from eMarketer, which forecasts that the proportion of ad spend allocated to mobile will overtake ad spend on desktop in 2016 and go on to reach more than $65bn by 2019 in the US alone.

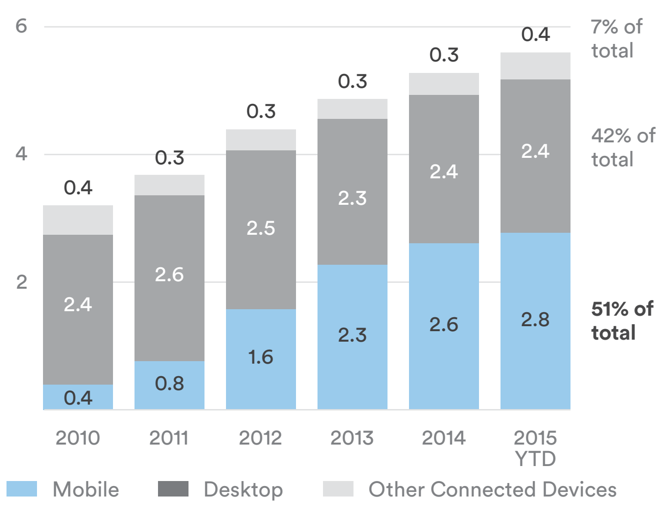
Mobile in-app ad spend was already outpacing mobile web 3-to-1 in 2015 and will make up a $30bn market by 2016 (US).

Smartphone subscriptions
Global, # in Bn



Growing use of smartphones | Source: Ericsson, Dec 2015
Note: *CAGR calculated based on 2012-2020

Time spent per user per day with digital media
US, Hours per Day



Mobile usage overtaking time spent on desktop
Source: KPCB/Mary Meeker, May 2015

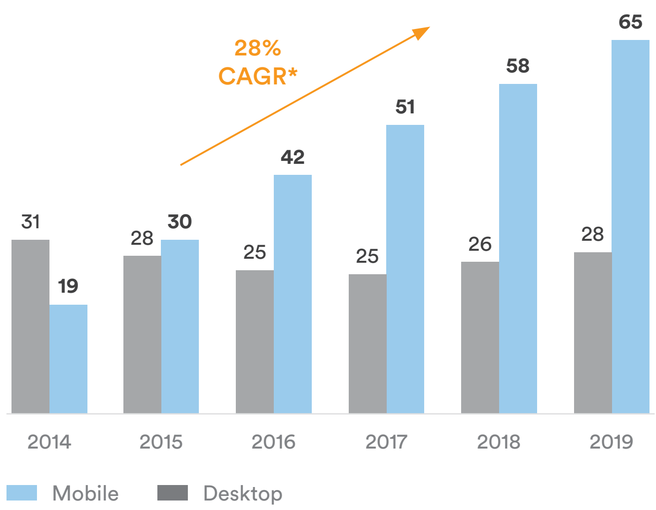
These trends originate in the underlying growth in app usage and a fundamental change in the way users are engaging with the internet – apps being the primary way of accessing online content and the main channel for entertainment, communication, shopping and productivity. AppAnnie contests the strategic importance of apps well beyond gaming and media industries, saying "Now all companies need to view themselves as app publishers irrespective of their mobile strategy. Apps drive engagement and brand loyalty and can be monetized directly through app stores, advertising, commerce or any combination of the above."
(Source: AppAnnie Jan 2016, Mobile App Forecast 2016)

According to App Annie's recap of the 2015 mobile industry, the time spent in apps grew by more than 60% from 2014, climbing to more than 2.7 hours per day and with making up more than 90% of the time spent on mobile. This number is poised to grow further, with the annual app downloads forecasted to grow 33% during 2016, and exceeding 280bn downloads by 2020, representing a 5-year CAGR of more than 20%.
(Source: AppAnnie Jan 2016, Mobile App Forecast 2016)

RNTS Media targets the in-app advertising market, the fastest-growing segment of digital advertising. For US alone, eMarketer estimated the in-app ad spend for 2015 at $21bn, which adds up to an addressable market of about $12bn for RNTS Media, looking at the addressable independent app verticals Entertainment, Gaming, Messaging/Social, Utility, Productivity.

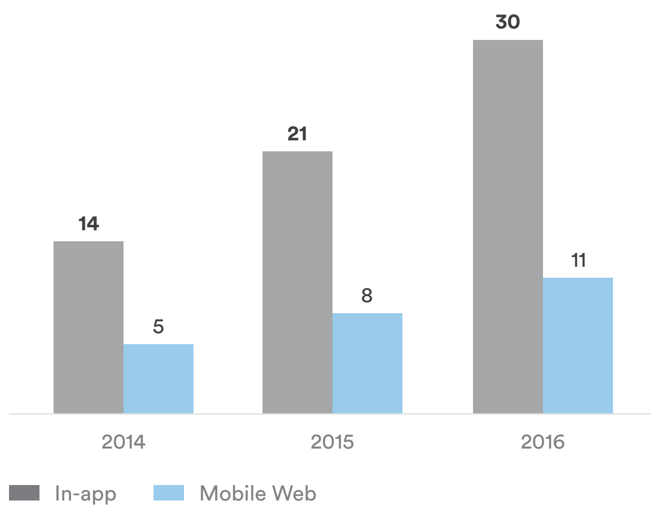
Another specific segment of RNTS Media's core market is the app-install advertising market. With thousands of app developers and millions of active apps worldwide, visibility and app installs are crucial for developers and publishers. Fyber's ad formats enable them to present their apps to targeted user segments to efficiently expand their user base. BI Intelligence estimates app install ad revenues in the US at $3.6bn in 2014 and forecasts $6.8bn until 2019. With that, app install advertising made up almost 20% of the total mobile advertising revenues in 2014.
(Source: BI Intelligence, Jun 2015)

Digital ad spending by device
US, $bn



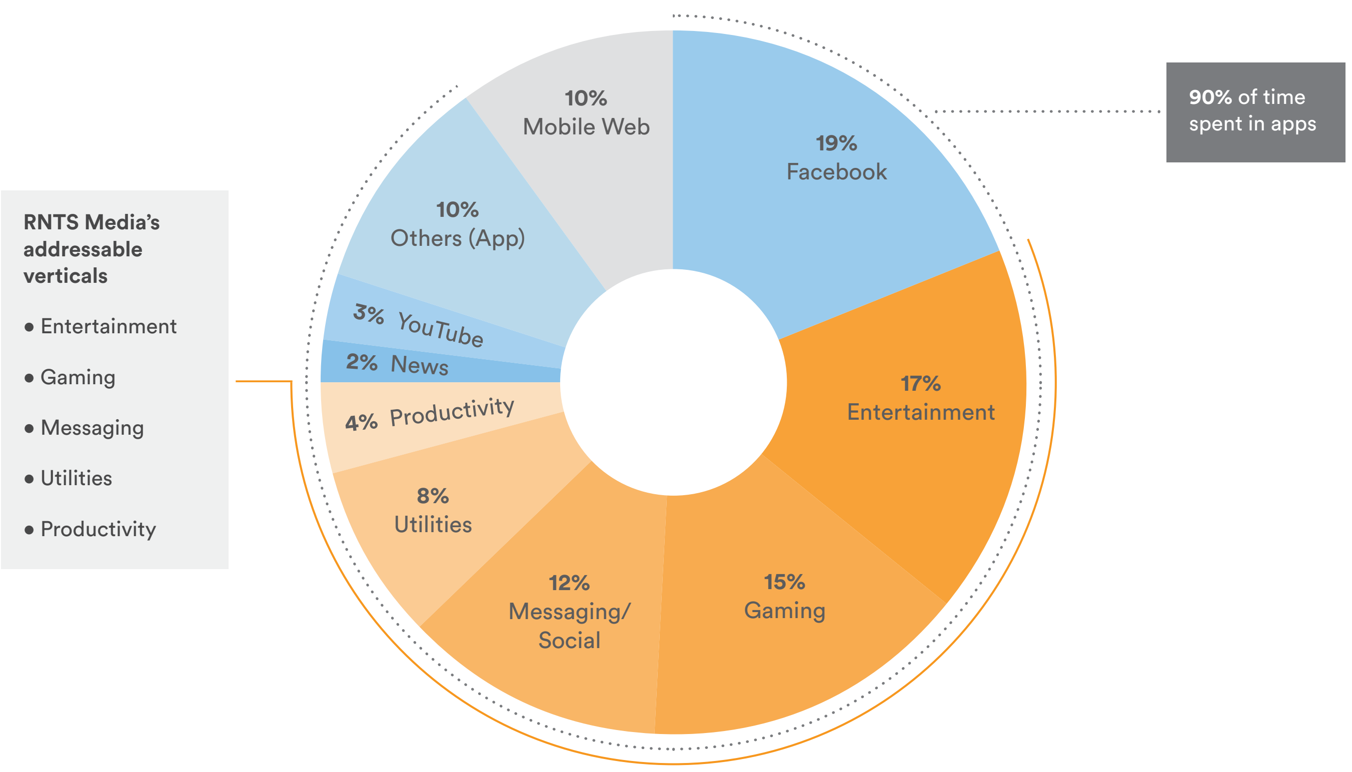
Mobile ad spend outpacing desktop | Source: eMarketer, Sep 2015 | Note: *CAGR calculated based on 2014-2019

Mobile ad spending by channel
US, $bn



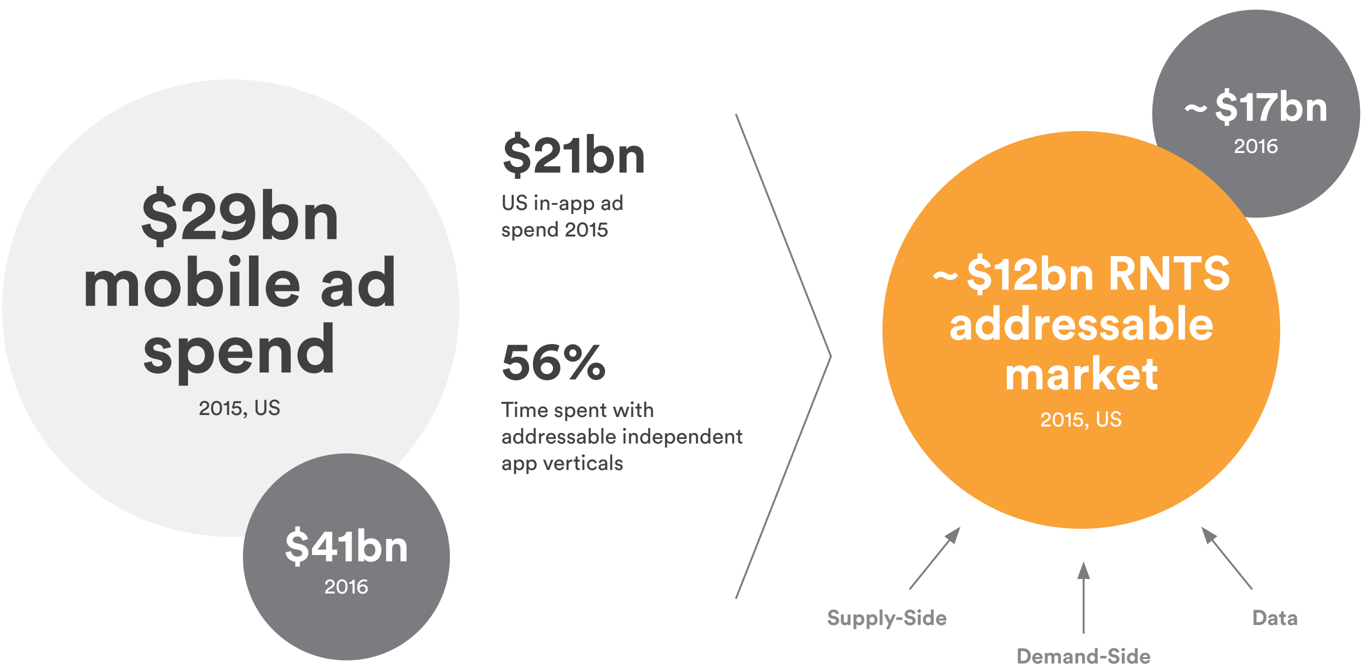
In-app ad spend outpacing mobile web
Source: eMarketer, Mar 2015

App verticals by usage



Source: Flurry Analytics Jun 2015, Comscore, Net Marketshare

RNTS Media's addressable market estimate



Source: eMarketer, Mar 2015; ; Flurry Analytics Jun 2015, Comscore, Net Marketshare; Addressable app verticals: Gaming, Entertainment, Messaging, Utilities, Productivity

With the latest acquisitions of Falk Realtime and Heyzap, RNTS Media addresses major market trends around growth in programmatic advertising and RTB as well as video in-app advertising.

eMarketer forecasts mobile programmatic display advertising to hit $20bn by 2017 in the US alone, representing over 76% of all programmatic digital display ad spending. This is especially noteworthy as programmatic buying originated in the desktop digital media market, making banner ad trading more efficient.

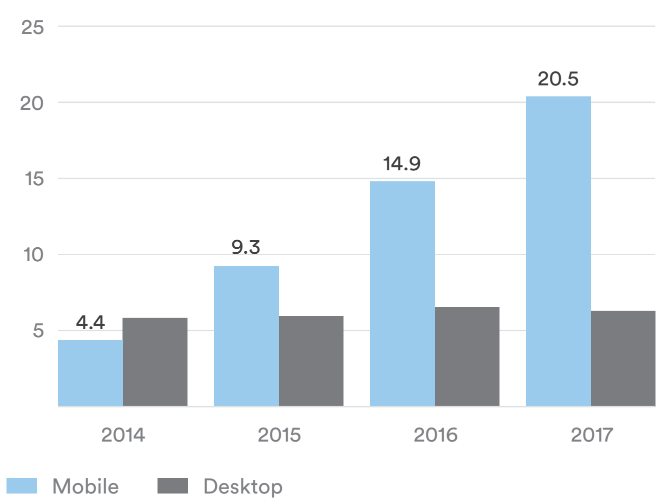
Mobile video advertising has seen 80% growth in 2015, making up one-third of the total digital video ad spend and is forecasted to reach $6.8bn by 2019 in the US alone (5-year CAGR of over 25% '15-'19), representing almost 50% of the overall digital video budgets.

In line with RNTS Media's own findings and client feedback, market research also identifies the core benefits of mobile video advertising in increasing brand awareness, driving engagement and interaction. Mobile video advertising is more aligned with users' mobile consumption behaviour and thus results in higher click-through rates than desktop ads and is perceived as less intrusive.
(Source: eMarketer Jan 2016)

RNTS Media's own Inneractive (see the 'Subsequent events' section) recently investigated the demand for video inventory together with eMarketer and found clear evidence of rapid growth since 2014. In the second half of 2014, just 4% of mobile ad requests worldwide were for video inventory. By the first half of 2015, that share had more than quadrupled to 17%. And in the second half of 2015, 40% of mobile ad requests were for video inventory – more than twice the share again.
(Source: Inneractive and eMarketer, Feb 2016)

Digital programmatic display ad spend by device

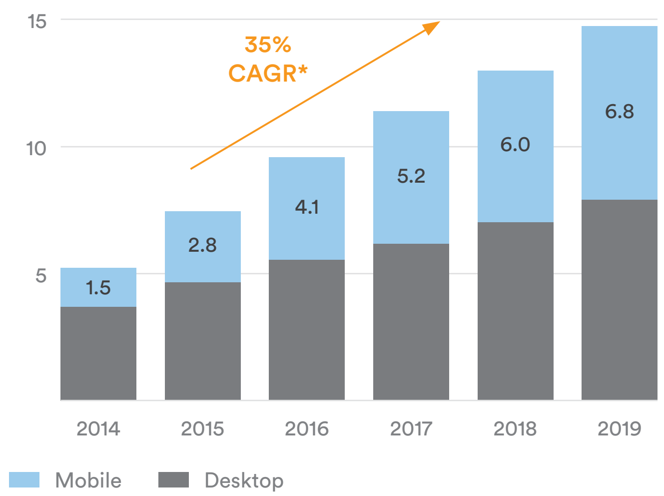
US, $bn



Mobile programmatic ad spend outpacing desktop
Source: eMarketer, Oct 2015

Digital video ad spend by device

US, $bn



Digital video growth led by strong growth on mobile | Source: eMarketer, Sep 2015 | Note: *CAGR calculated based on 2014-2019

Business Model & Products

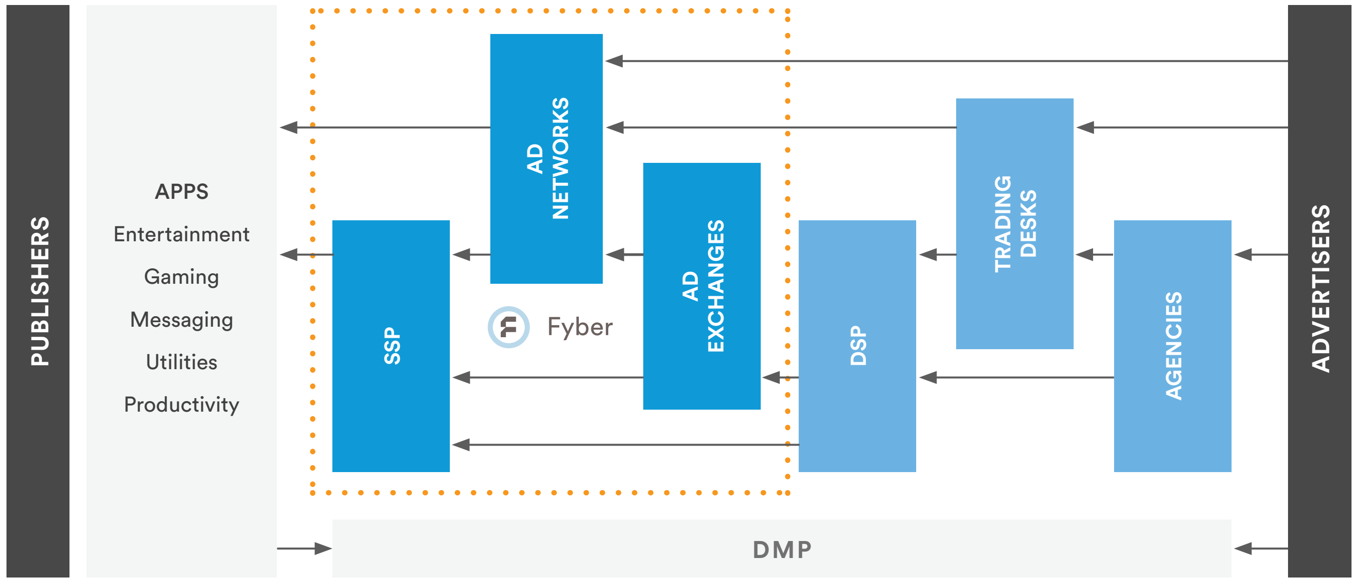
The Group's core asset is Fyber, accounting for 100% of 2015 pro-forma group revenues after discontinuation of Big Star Global with its revenues being presented separately. Fyber is a mobile supply-side platform monetizing the ad inventory of app developers and publishers through in-app advertising. Mobile app developers and publishers monetize their users through advertising or in-app purchase transactions. On the back of the fast adoption of smartphones, the increase in numbers of app developers and time spent in apps, mobile advertising has become an important revenue stream for mobile app developers and publishers. They face inherent commercial challenges when it comes to advertising:

- Demand fragmentation & integration hurdles
  - Hundreds of ad demand partners (direct advertisers & brands, advertising agencies, ad networks that function as aggregators of demand for ad space and demand-side platform)
  - High technical integration & maintenance costs
  - RESULT Publishers need to work with a multitude of demand sources to get access to enough demand to be able to effectively monetize their apps. The actual process of delivering ads requires a technical integration within the code of the app, which is time-consuming, costly, error-prone and needs regular updating.
- Subpar yield optimization
  - Sell impression at highest price
  - Enrich audiences with data
  - RESULT When working with several demand sources, publisher face the challenge of optimizing the yield for every single one, i.e. decide which ad source to prefer for each impression[1] based on reliable data.
- Lack of sophisticated reporting and tools
  - Audience & ad stack management
  - Unified reporting & actionable insights
  - RESULT With every integrated demand source, publishers also face different reporting and stack management tools and need to make an effort to consolidate the results to derive actionable insights across all advertising partners.

Fyber's unified approach solves these challenges by offering a technology which acts as the infrastructure for app developers and publishers to integrate, manage and optimize all ad revenue partners through one unified platform. With that, app developers can focus on what they do best - building great apps!

1 Instance in app usage, where the user could see an ad; An ad request is being sent to the demand source, generating an ad impression if an ad is actually served and viewed by the end-user.

Fyber connects app developers and publishers with mobile-specific advertising demand sources



SSP = supply-side platform | DSP = demand-side platform | DMP = data management platform

Its platform provides publishers with integrated access to a wide range of advertising partners, including ad networks, demand-side platforms, agencies and direct advertisers, and offers key solutions like user-friendly addition of new demand sources, algorithm-based yield optimization, stack management, ad analytics and reporting tools to optimize revenues - all accessible through one centralized dashboard. Fyber's platform comprises an Ad Exchange, a Mediation and an Ad Serving layer – the core channels for app developers and publishers to access demand for advertising inventory.

Mediation

The ad network Mediation grants app developers easy access to major ad networks through one technical integration. App developers and publishers can choose which ad networks to work with, easily enable them for their apps, manually prioritize them on the fly as they analyse their performance, or let Fyber's autopilot handle the yield optimization for them. While this is a free service for the app developers and does not directly contribute to Fyber's revenue, it is a strategically important product in terms of traffic generation on the platform. With more publishers signing up and using Mediation, more advertisers are inclined to integrate with Fyber to reach its large user numbers. These network effects strengthen the liquidity of the entire platform including Fyber's own Ad Exchange and optimize the outcome for all stakeholders.

Ad Exchange

Alongside the Mediation layer, the Fyber Ad Exchange connects app developers and publishers to demand-side platforms and direct advertisers bidding on their inventory, much like on a stock exchange or a marketplace where an advert is 'matched' to an app's user, based on the user's and advertisers' pre-defined criteria (e.g. user's profile and assumed preferences) and the publisher's pricing thresholds.

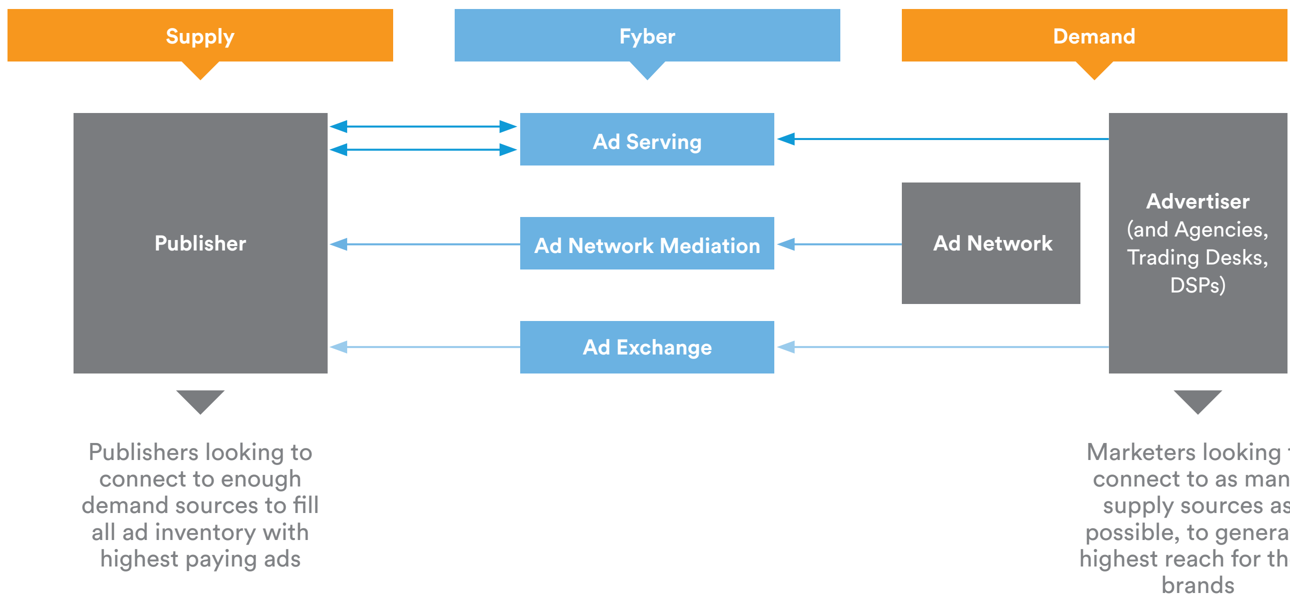
The Ad Exchange is Fyber's main source of revenue, by taking a share of ad spend that is being processed on the Exchange.

Ad Serving

Ad Serving enables app developers and publishers to directly sell their inventory to advertisers and networks at premium rates. In addition, the product allows app developers to cross-promote audiences from one of their own apps to another.

Ad Serving is free for cross-promotion campaigns, whereas Fyber charges a technical CPM fee for direct-sold campaigns that are executed through the Fyber Ad Server.

Schematic overview of Fyber's SSP



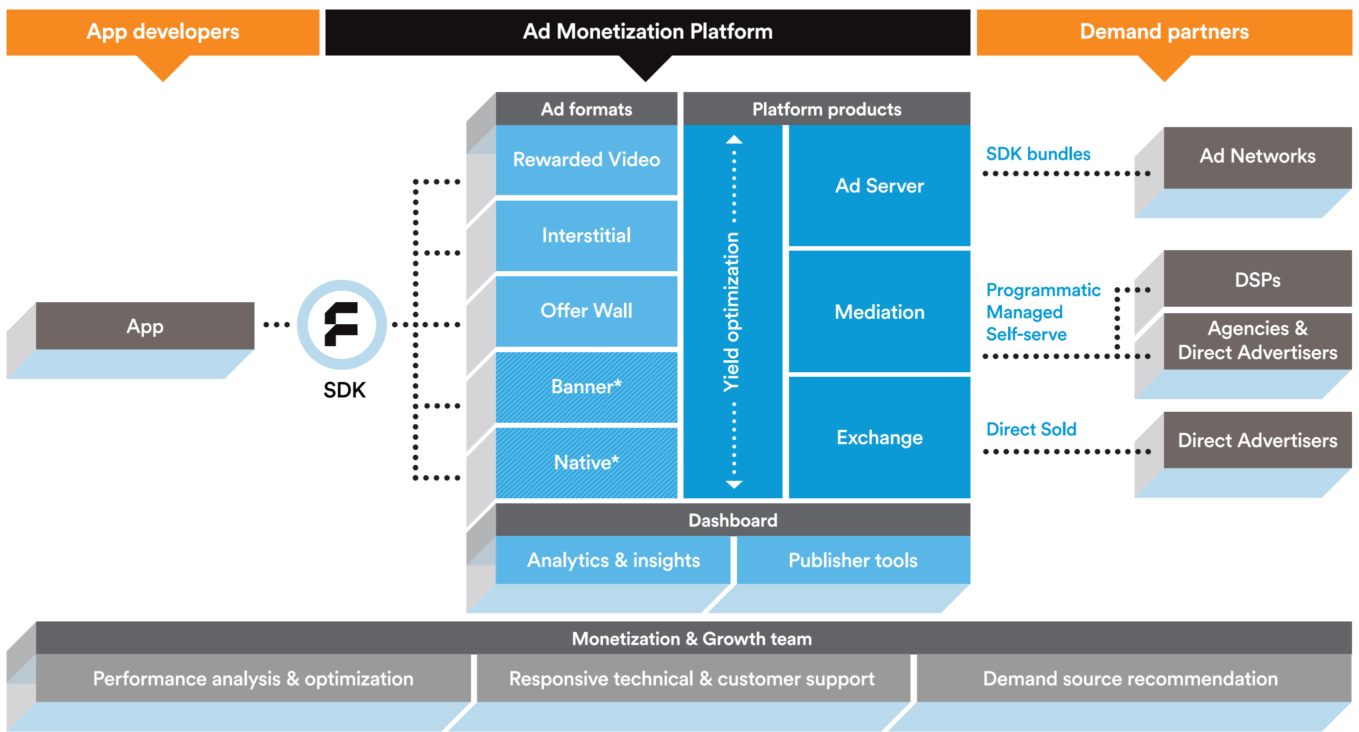
Yield Optimization

Connecting all channels of demand is the yield optimization mechanism that ensures that only highest paying ads are being delivered to the app. Fyber's platform runs a unified auction for every ad request, comparing mediated ad networks and the other demand sources (direct advertisers, DSPs, agencies etc.) that are integrated with the Ad Exchange and the Ad Server. This way, highest paying campaigns are being identified and delivered to maximize publishers' yield.
From Fyber's perspective this means that its Ad Exchange competes with the mediated ad networks to fill the ad requests. Product enhancements and added capabilities also aim to monetize a bigger share of traffic through the Ad Exchange, on the premise of yield optimization for the publishers and unbiased treatment of all demand sources. Given the overall strong growth in impressions, both segments show positive relative growth.

Offering for Advertisers

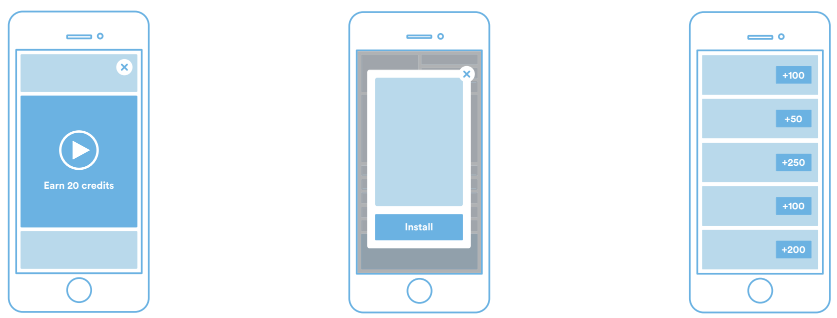
Fyber's ad tech platform enables advertisers to reach global audiences at scale. The flexible solutions allow for any combination of creatives, targeting settings & pricing model and also provides pre-packaged campaign types built to drive success along the demand partners' advertising objectives.

Fyber's mobile supply-side platform and growth services



*Banner and Native ads to be rolled-out in the course of 2016

Fyber's ad formats



Rewarded video · Interstitials · Offer Wall

Currently the main supported ad formats are Rewarded Video, Offer Wall and Interstitial Ads, with Banner and Native Ads being rolled-out in the course of 2016. With this balanced portfolio of opt-in (i.e. user-initiated) and non-obtrusive display formats, advertisers drive brand awareness and visibility (mainly Video, Interstitial campaigns) as well as performance, engagement and user acquisition (mainly Rewarded Video and Offer Wall)

- Rewarded Video: After opting in, app users are being shown full-screen video ads and are rewarded upon finishing watching the full video ad. A powerful add-on are optional post-video actions that the user is invited to complete, that drive particular high user engagement, e.g. download a featured app.
- Offer Wall: This opt-in format presents the user with a wide selection of relevant ads and actions, with rewards attributed to each, e.g. download and start an app, take a survey, watch a video etc.
- Interstitial Ads: This non-rewarded formats presents ad content at natural breaks in an app, i.e. during load times or in-between levels or menu screens, and is as such seamlessly integrated within the app flow. Various designs are supported, e.g. full or part screen videos, rich media creatives or static images.

Fyber RTB (formerly Falk Realtime)

The acquisition of Falk Realtime in May 2015 added important programmatic buying functionalities as well as the Ad Server to Fyber's tech stack. Recently re-branded as Fyber RTB, demonstrating the integrated approach of combining the two platforms under one roof, the team focuses on finishing the technical integration in the course of the first half of 2016.

Programmatic advertising describes the automated process of buying and selling of ad inventory through computer-run auctions based on predefined criteria, as opposed to the traditional buying through manual request for proposal, negotiations and insertion orders for each campaign. Real-time bidding allows for this automated, dynamic selling to happen in real-time during the loading time of the application or website, on an impression-by-impression basis.

Fyber RTB enables the Ad Exchange to serve programmatically traded campaigns, answering major industry trends and client needs. The two platforms also benefit significantly from accessing each other's client base both on the supply and the demand side.

Heyzap

Heyzap, acquired in January 2016, shares Fyber's vision of empowering the app economy with smarter ad monetization solutions, offers a mobile monetization platform similar to Fyber and also operates a Mediation layer, an Ad Exchange and cross-promotion functionalities. This highly compatible offering accelerates Fyber's global reach of unique users and direct publisher partnerships. It creates a market leading position in Mediation and makes the combined platform one of the largest independent mobile monetization platforms in the market.

In the course of 2016, Heyzap's monetization platform will be fully integrated with Fyber's platform, adding relevant mobile ad formats and creating an even more robust suite of mobile app monetization tools. Already today Fyber benefits from the added client base, both publishers and advertising clients, creating a more liquid platform. The success of optimizing the yield from advertising for publishers depends, as in every market, on quantity and price. Publishers are looking to optimize their fill-rate[1] and eCPM[2], which are directly influenced by the number of relevant demand sources bidding on their ad inventory.

1 Ratio between the number of ad requests (a user reaches an instance in the application where he/she could see and add, and the app requests an ad from the Fyber platform) and the times, this ad request could potentially be "filled" by delivering an ad to the user in the app. It is calculated as (number of fills / number of ad requests).

2 In digital advertising it is common to track the pricing of ad units in eCPM, the "effective cost per mille" or the advertising revenue generated per 1,000 ad impressions. It is calculated as (total earnings/total impression) * 1,000)

Summary - Fyber Group's full-stack supply-side platform
Fyber owns a comprehensive, scalable and technologically advanced infrastructure platform, which supports major ad formats and advertising campaign pricing models. The Company has reached a critical mass of supply, a key competitive benefit to create a scalable and defensible platform, especially with a strong track-record of long-term client relationships.

Highlights

- Leadership through technical competitive edge: Operating a technology platform that was built from the ground up geared towards app developers' needs, strengthened by targeted acquisitions to add technology features and scale.
- Full-stack supply-side offering: Featuring major mobile ad formats, pricing models and selling methods. Connecting advertisers and publishers, Fyber offers exposure and competitive app monetization through one single technical integration.
- Direct-to-publisher: Direct partnership with thousands of app developers and publishers with the deep technical integration creating client stickiness and among others, preferred market access to the fast growing app-install ad market (see section 'Market Development')
- Independent platform: Fyber is one of the few remaining independent players: being agnostic to the inventory it sources directly from publishers, its interests are solely aligned with the publishers' needs and not focused on serving its own inventory. This addresses the concerns of many advertisers and app developers with regards to the visibility and usage of their data, balance of power, competitive positioning and efficiency as well as their reluctance to work exclusively with the major Owned & Operated ('O&O') platforms like Google or Facebook. Independent players have the advantage to support all major O&O ad networks and demand-side platforms, provide full visibility and transparent access to data, leading to optimal pricing for all publishers and advertisers without any structural conflicts of interest.
- Industry relevance: Combining the reach of Fyber's, Falk's and Heyzap's platforms, the Company's offering achieves critical mass of publishing and advertising clients to realize competitive fill rate and eCPM values across formats.
- Fyber's platform delivers strong network effects and deep technical lock-in, with almost 40% of the payout generated in 2015 coming from the top 50 developers of 2013, 70% of Fyber's publishers in 2015 having had a contractual relationship in previous years and 30% more than three years.

Investments & Technology

2015 again saw many product enhancements and additions to further strengthening the offering to support app developers and publishers in optimizing their advertising revenue streams. The main focus points of product and technology development evolved around the Mobile Video product, programmatic and RTB trading and the integration of Falk Realtime into Fyber's technology stack, the ease-of-use for publishing clients to add new demand sources, publisher and advertiser tool sets as well as the technical scalability of the platform.

Highlights of product and technology development

- Enhancements to the Rewarded Video product to increase competitive positioning, user experience and technical capabilities, e.g. the video pre-caching controls strengthen the video advertising offering and give app developers and publishers maximum control over the user experience (reduction of mobile data, memory usage and loading time leading to improved app performance); as well as the addition of mobile and video specific demand sources to the Fyber Mediation and Exchange offering, to increase fill-rate and eCPM for the publishers.
- Roll-out of programmatic selling and RTB on the Fyber Exchange, to unlock this important source of demand for the app developers, with global DSPs and their advertisers bidding on the inventory in real time and applying fine-tuned targeting on the ad space most relevant to them. The integration of Falk Realtime's capabilities allows to serve programmatically traded campaigns and adds global programmatic-specific demand sources to the combined platform.
- Adding new ad controls to enable app developers to define even more granular monetization strategies, e.g. with the impression capping features, publishers can define the number of impressions a user will see from a particular ad network each day. This is especially important to control the valuable first impressions, meaning publishers can sell these first impressions at premium rates to maximize their ad revenues.
- Introduction of Mediation bundles simplify the process for app developers to integrate with the Fyber Mediation platform, resulting in a quicker time-to-market and less integration effort, by providing all components needed for the integration (adapter, SDK, associated libraries) in one pre-set 'bundle'.
- Provision of a Software Development Kit (SDK) for Adobe Air extends the addressable market to app developers using this technology.
- Audience segmentation capabilities to enable developers to serve ads and sell audiences differently.
- Expansion of supported mediated ad network partners
- Continuous conversion of the architecture towards distributed systems and cloud services

Outlook Product Developments 2016

RNTS Media will continue to build out its technology stack around mobile ad monetization and will focus on integrating the added assets of Falk Realtime and Heyzap to the Fyber platform as well as further optimize the existing platform offerings and tools. With this, RNTS Media further develops its position to be the leading mobile independent ad tech provider for app developers and publishers, providing them with best-in-class tech solutions and comprehensive market access, as well as the must-buy solution for mobile advertisers.

Key projects in 2016 include

- Full integration of Falk Realtime to the Fyber platform: Roll-out of full functionality of the publisher Ad Server, added programmatic demand for the Rewarded Video and Interstitial Ads product, cross-platform advertising solutions connecting to Falk's desktop advertising product.
- Full integration of Heyzap to the Fyber platform: publisher and ad format migration to unlock Banner and Native ads for Fyber.
- Adding publisher tools to further enhance the integration process and enable granular ad control, driving adoption on the publishers' side and with that overall reach of the platform.
- Expansion of ad format capabilities, e.g. supporting more video-related industry standard ad formats, to give full flexibility to our advertising partners and support all creative requirements.
- Adding more partners to Fyber's Open Mediation platform, after its launch in February 2016. It allows ad networks to connect to Fyber's monetization platform themselves, following a standardized process set up and monitored by Fyber, but without Fyber having to build the mediation bundles for these new networks first. With that, app developers and publishers can quickly get any ad networks they would like to work with but which are not part of the Fyber network yet, to join the platform. This new flexibility reflects the fast growing and evolving mobile advertising market, with new ad networks continuing to enter the market. Open Mediation will ensure that Fyber participates in this growth in the best possible way.

Strategic Developments

Acquisition of Falk Realtime

In May 2015 RNTS Media acquired Falk Realtime Ltd. through Fyber for a total consideration of €10.65m to strengthen its RTB and Ad Serving technology. Since acquisition, Falk has built strategic partnerships with existing and new demand-side platforms as well as increased the number of impressions due to strong publisher partnerships. Coming from no revenue in 2014, Falk has contributed revenue of €11.3m during 2015, generating revenues of €3.2m for December 2015 alone.

The Company has finished the initial integration of the Falk Realtime technology solution into the Fyber SSP, with a full integration to be completed during the first half of 2016. By that time, the targeted platform product stack (Ad Server and RTB-based SSP) will have been completed to enable Fyber to benefit from the industry trend of buying behaviour shifting towards RTB, which we expect to form an important pillar of the Company's growth in 2016.

So far all strategic and operational objectives linked to the acquisition have been achieved.

Convertible Bonds

RNTS Media successfully placed €100.0m of convertible bonds on 17 July 2015, convertible into c. 23.8m new shares representing up to c.17.2% of share capital following full conversion of the bonds. The conversion rights can be executed at the will of the bearers of the Bonds at any time during the Bonds' duration until 27 July 2020. The significant funds raised will allow the Company to fund its organic growth as well as acquisitions, allowing it to take an active role in the consolidation of the mobile advertising market.

Following the settlement of the bonds on 7 August 2015, the Company has repaid all shareholder loans, including accrued interest, amounting to €23.2m.

Listing on Frankfurt Stock Exchange

On 12 August 2015, the shares of RNTS Media commenced trading on the Prime Standard of Frankfurt Stock Exchange under the symbol RNM. On the same day, RNTS Media's listing on the Euro MTF market, the multilateral trading facility operated by the Luxembourg Stock Exchange, was terminated.

The listing on the Prime Standard of Frankfurt Stock Exchange provides a significantly more liquid and transparent market in the Company's shares. It will also allow the Company to access a broader investment audience and increase future funding options.

Acquisition of Heyzap Inc. and Inneractive Ltd.

In an effort to further build scale for the Group and to play an active role in the consolidation process of the ad tech industry, in late 2015 and early 2016 RNTS Media entered into definitive agreements to acquire two additional companies: Heyzap Inc., San Francisco, USA and Inneractive Ltd., Tel Aviv, Israel. The Heyzap transaction has closed in January 2016. The Inneractive transaction is due to close in early May 2016. Please refer to the 'Subsequent events' section for further details.

Financial Report

Business Performance

2015 has been a transformational year for the company with many events described in this management report. On the business side, the decision to fully concentrate the Group on the ad tech space by classifying the Big Star Global business as an asset held for sale and to aggressively pursue an acquisitive growth story in addition to the development of new and enhanced ad formats, were the most important decisions. Specifically, these investments have addressed the further evolution of publisher and advertiser requirements and behaviour by strengthening the Rewarded Video offering, to compensate reduced growth in Offer Wall and by acquiring Falk Realtime to invest into the dominant future trend of programmatic trading. Both investments have shown significant positive impact on business performance already in the fourth quarter of 2015 and will continue to do so in 2016.

Financial Results, Segmental Performance, Statutory Results, Strategic Development

The acquisition of Fyber was completed on 21 October 2014 and the business consolidated as of this date. To provide investors with meaningful comparative financial information on the development of RNTS Media in its current form, the financial results of RNTS Media will be discussed in the paragraphs below largely on a pro-forma basis as if Fyber had been acquired and fully consolidated from 1 January 2014; unless expressly indicated otherwise by the prefix "reported", all figures for 2014 quoted in the following paragraphs are pro-forma. The Falk business was very small in 2014 and including it in the pro-forma figures for 2014 would therefore not make any material difference on income or cash flow. It was therefore included as of the acquisition in May 2015 only. Both years do not include Big Star Global which has been classified as discontinued operation in Q4 2015 and has therefore also been re-classified in the full year numbers for 2014 and 2015.

Unaudited Pro-Forma Revenue, Gross Margin (€) and Gross Margin (%)

Revenues increased 26.7% to €81.1m in 2015 compared to €64.0m for the last year. Growth was impacted by a faster shift of mobile advertising preferences from the still strongest product category, the Offer Wall format. However the Rewarded Video offering, substantially enhanced and relaunched in the third quarter of 2015, benefitted from that shift and helped to compensate the impact once relaunched. The Falk Realtime companies, acquired in May 2015, have contributed revenues of €11.3m and thus accounted for 66.1% of the overall revenue growth.

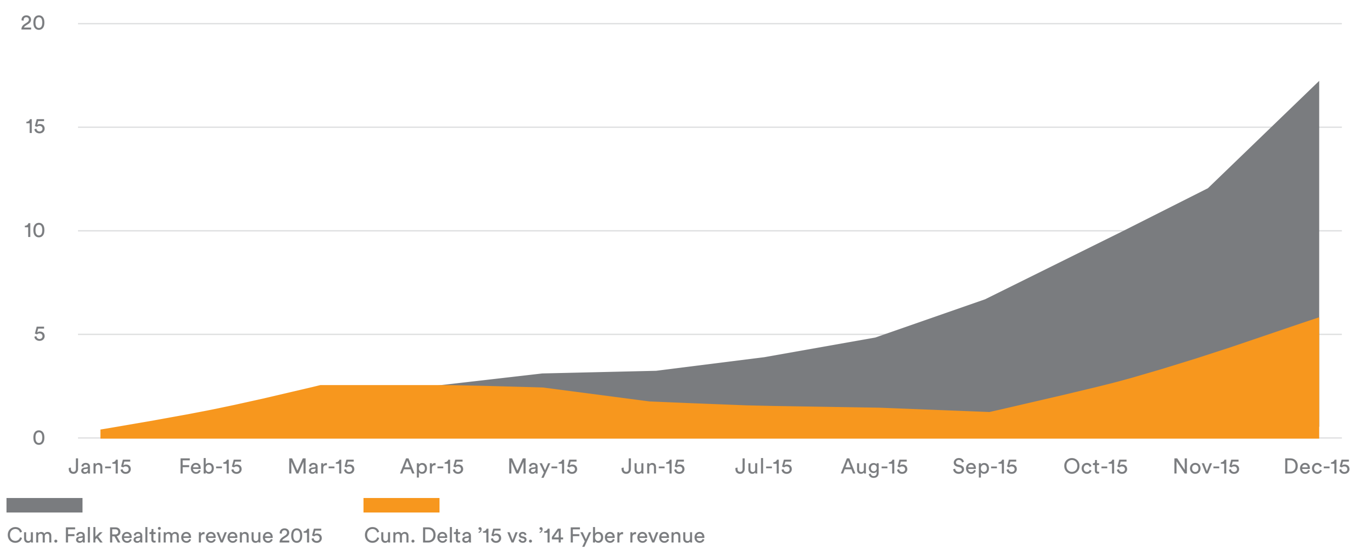
Fyber saw strong revenue growth in the second half of 2015 after slightly declining numbers in the first and second quarter.

This is partially due to inherent seasonality effects of the industry as well as to product developments that have been rolled-out in the course of the first half of 2015 and only started generating revenues in the second half of the year. The negative growth trend was partially offset by the strong stand-alone growth of the newly acquired Falk Realtime. Both companies recorded strong growth in the fourth quarter, with revenues being up 35%+ for Fyber and 160%+ for Falk compared to September 2015.

- Falk Realtime: The business of RNTS Media's new entity grew more than 400% in gross revenues between May and December (the company has been acquired on 12 May 2015). We expect to see further growth in 2016 and plan to further monetize the connection between Fyber's and Falk's traffic
- Mobile video advertising: The refreshed Mobile Video product has shown strong growth, albeit from a small base; with impressions up 125% between September and December, and monthly revenues growing from ~€300k to over €1m in December 2015
- Introduction of new sales organization: Fyber strengthened its global sales leadership teams and simultaneously introduced a new sales focus to a more localized and regional approach to be able to respond even quicker to customer needs. As Fyber expands targeting and enhances campaigns for their advertising partners, it is crucial to have regional experts with deep knowledge about the successful ad formats and campaign types. By implementing this regional approach, the Company was able to improve the return for advertiser, publishers and itself.

Revenue variance to 2014

€m



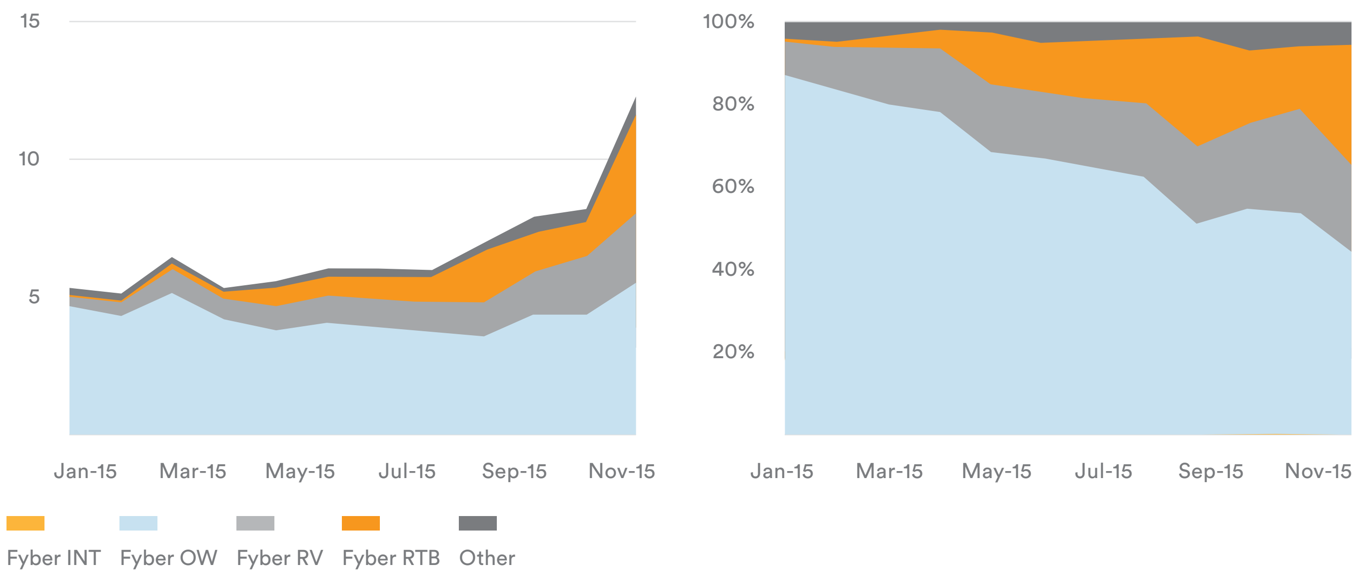
Fyber Group's gross revenue development

Management had taken the strategic decision to invest into the build of the Mediation offering that is expected to lead to accelerated growth in the future through the adoption of Fyber's solution as an infrastructure amongst publishers but does not contribute to revenues short-term. Between December 2014 and December 2015, ad impressions on the Mediation Platform grew by more than 300%, evidencing the strengths of Fyber's proposition.

Gross margin (%) decreased to 30.0% in 2015 compared to 38.1% in 2014 reflecting mainly the mix of the high margin (%) Fyber business with the lower margin (%) Falk Realtime business acquired in 2015, but also the margin (%) decline at Fyber from the competitive market environment especially in light of the pressure on the Offer Wall product. In Q4 2015 with the relaunch of the Rewarded Video product showing initial impact, the margin (%) in the Fyber business excluding Falk Realtime has been stabilized compared to Q3.

Monthly gross revenue by source

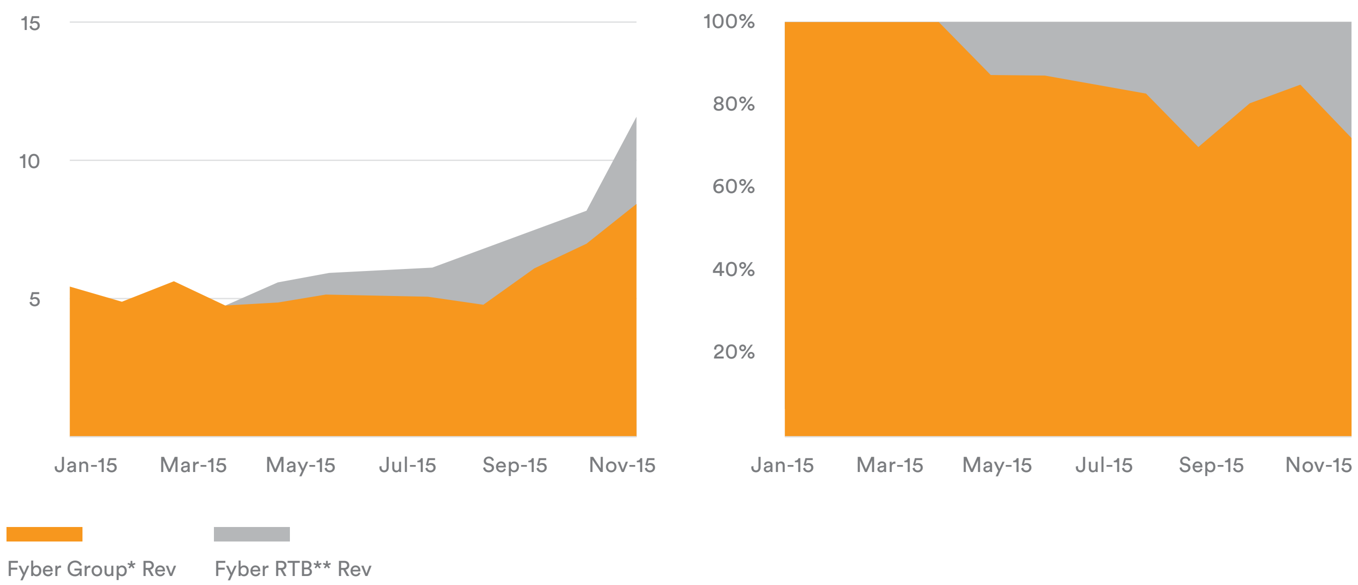
€m



INT = Interstitial Ads; OW = Offer Wall; RV = Rewarded Video; Fyber RTB = Real-time bidding (former Falk Realtime); Other = Other revenues; 'Fyber RTB' shows total programmatically monetised traffic across formats

Monthly gross revenue by entity

€m



Pro-forma gross revenue comparison between Fyber and Fyber RTB (former Falk Realtime)
Rev = Gross Revenue; *Fyber Group = Incl. Fyber GmbH, Fyber Media; Consolidated; based on HGB figures
**Fyber RTB = Incl. Falk Technologies, Falk Realtime; Consolidated; based on HGB figures

In consequence of the decreased gross margin (%), the overall growth in revenues could not yet be translated into increased gross margin (€), which remained substantially stable at €24.3m vs. €24.4m in the prior year.

Unaudited Pro-Forma Operating Expenses and Income

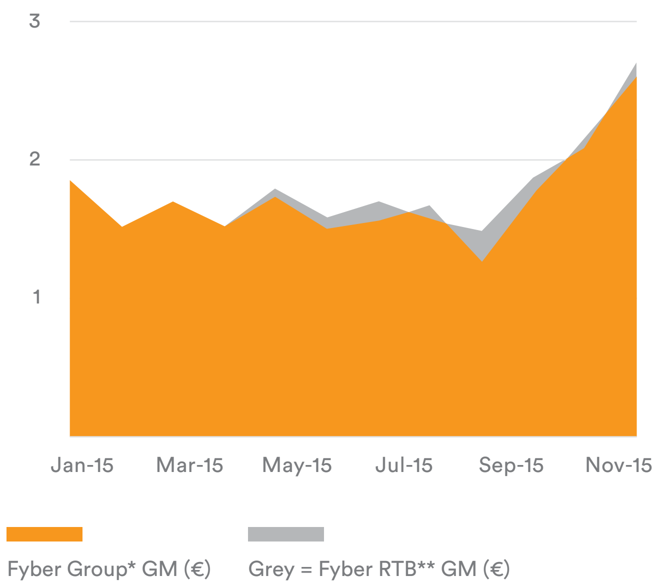
Overall operating expenses adjusted for separately disclosed items have increased by 64.3% from €26.2m to €43.0m and thus from 40.9% to 53.1% of revenues. The further investment in operating expenses was split between personnel costs (+ €10.4m (82.3%)), on the back of a headcount increase from 272 at the end of December 2014 to 306 at the end of December 2015, and other operating expenses (+€6.4m (+47.6%)) and related mainly to product and services development, implementation of stronger production and support systems, building of a strong management at all levels and increased sales activities to prepare the company for both organic and acquisitive growth in the future.

Other operating expenses also included currency losses of €3.7m (up from €0.7m in 2014) which were economically offset by currency gains of €4.8m representing 96.4% of the other operating income. Currency gains and losses are mainly caused by the devaluation of the Euro against almost all major currencies and in particular US-Dollar in the course of 2015.

Adjusted EBITDA for 2015 was €-13.7m compared to €0.7m in 2014 resulting from the investment in the above mentioned areas while gross margins (€) remained flat.

Monthly gross margin (€) by entity

€m



Pro-forma gross margin (€) comparison between Fyber and Fyber RTB (former Falk Realtime) | GM(€) = gross margin (€) | *Fyber Group = Incl. Fyber GmbH, Fyber Media; Consolidated; based on HGB figures | **Fyber RTB = Incl. Falk Technologies, Falk Realtime; Consolidated; based on HGB figures

Adjusted net loss after tax was €-16.2m in 2015 compared to €-1.8m in 2014 additionally reflecting the interest on the newly issued convertible bond and bridge funding prior to the issuing thereof.

Separately disclosed items were €-21.7m in 2015, of which €-5.6m affected EBITDA. These resulted from the grant of stock options to employees €-2.6m, cost related to the listing upgrade €-1.8m and transaction cost for the Falk, Heyzap and Inneractive acquisitions €-1.2m. Below EBITDA, a charge of €-14.2m for the full impairment and provision for outstanding cost related to BSG and €-2.5m for the amortization of acquisition intangibles and of €-0.2m for the discontinued mobile/online games and publishing businesses was separated out. With the full provision of all expected cost relating to BSG and the complete discontinuation of the former RNTS mobile games activities, no further costs are expected for 2016 in this field. This compares to a total of €-18.3m in separately disclosed items in 2014, of which €-3.0m were related to the warrants granted in connection with the business consultancy services provided by members of the Supervisory board, €-3.4m to the acquisition of Fyber and €-9.6m to discontinued operations.

As such, reported EBITDA was €-19.3m whilst reported loss after tax was €-37.9m in 2015. This compares to €-5.8m and €-20.2m in the prior year.

Adjusted diluted loss per share in 2015 was €-14ct compared to €-3ct in the same period the year before.

Unaudited Pro-Forma Cash Flow and Financial Position

Operating cash flow in 2015 was €-12.6m vs. €-8.6m in 2014. The increase in cash used resulted from higher losses before tax (€-26.6m (2014: -€10.8m)) whilst the working capital situation was improved (+€7.1m) mainly due to the reimbursement of certain stock option components by the former Fyber shareholders. Under the terms of the Virtual Stock Plan (VSP) and certain amendment agreements entered into as part of the acquisition by RNTS Media, Fyber has a liability towards employees, which is paid out over time but is then compensated by the former Fyber Shareholders, so that the total cash effect for RNTS Media from the VSP is neutral over time. Details on the Fyber acquisition and the VSP can be found in the listing prospectus on RTNS Media's website. Compared to prior cash flow presentations, RNTS Media recognized all VSP effects in cash flow from operating activities. For 2015 net cash flow was €0.7m resulting from reimbursement by former shareholders that were not paid out yet since not all claims have already vested.

Free cash flow was €-18.9m for 2015 vs. €-10.0m for the same period 2014, adjusted for the VSP payments, free cash flow was €-19.6m.

Net debt for the Group was €11.6m as of 31 December 2015 vs. €9.3m net cash as of 31 December 2014. In July 2015 the company issued a €100m convertible bond with net proceeds of €98.8m. This was matched only by €87.7m being recorded as long-term borrowings whilst €11.1m was recognized as the equity component due to the convertibility. At the same time, €23.2m of the proceeds have been used to repay shareholder loans and accrued interest existing prior to the issuance.

Prior to this bond issuance, the Group had undertaken a number of financing activities during the first six months of the year to increase and extend the facilities available. Most importantly, it has entered into two shareholder loans with Sapinda Invest S.à r.l. and Sapinda Asia Ltd. to provide the Group with sufficient capital for its operating needs and to finance the Falk acquisition; a total of €21.3m had been drawn under these loans prior to issuing of the bond of which €4.8m was satisfied through shares in RNTS Media transferred directly from Sapinda Invest S.à r.l. to the sellers of Falk to cover for certain seller guarantees provided in the transaction. The full amount has been repaid out of the proceeds of the Convertible Bonds.

RNTS Media's subsidiary Fyber has a working capital facility for $8.0m with Silicon Valley Bank (SVB) which is limited until September 2016. Already in Q4 2015 SVB has agreed in principle to provide an increased credit line of up to €10m (or the equivalent in certain other currencies). With the acquisitions of Heyzap and Inneractive the Company has now agreed to renegotiate a new facility at Group level in the course of the first half of 2016. The existing facility is secured over the accounts receivable of Fyber as well as its other assets.

Total borrowings as at 31 December 2015 amount to €88.6m.

The Company was in a position to fulfil its financial obligations at all times throughout the financial year. Based on current financial planning, the company has secured sufficient liquidity for the coming 12 months, also.

In February 2016 RNTS Media has entered into a Revolving Credit Facility for €27.0m with Sapinda Invest S.à r.l., Luxembourg limited until 30 April 2017, which has subsequently on 11 April 2016 been increased to €37.0m. The facility is intended for the ongoing business financing as well as the payment of purchase price and earn-out components for the acquisitions of Heyzap Inc. and Inneractive Ltd. The loan is immediately repayable and ceases on successful placement of an additional tranche under the July 2015 convertible bonds, under which additional €50m are available should management decide to place them.

Segmental Performance and Business Development

In Q4 2015 management has taken the decision to focus the Group 100% on the ad tech space and the business of its Fyber Group. The business of Big Star Global has been reclassified as an asset held for sale. Therefore, until further changes the Group is managed as a one-segment business and no segmental information beyond the description above can be provided.

Subsequent events

On 23 December 2015 the Company announced that it has entered into a definitive agreement to acquire 100% of the shares of Heyzap Inc., a fast growing California, USA, based supply-side platform and mediation provider. The maximum consideration has been agreed to be $45.0m in cash ($43.0m) and shares ($2.0m) consisting of an initial payment ($20.0m) and earn-out as well as retention components (up to $25.0m), mostly payable over up to 18 months post-Closing of the transaction.

On 7 January 2016 all conditions for completion as stipulated by the acquisition documentation were met and the transaction closed.

On 3 March 2016 the company announced that it has entered into a definitive agreement to acquire 100% of the shares in Inneractive Ltd., Tel Aviv, Israel, a fast growing supply-side platform and ad server for programmatic selling. The maximum consideration has been agreed to be $72.0m in cash consisting of an initial payment of $46.0m at closing and earn-out as well as retention components payable over three years – mostly dependent on future revenue growth.

By the time of publication, the transaction has not yet closed, mainly due to applicable mandatory waiting periods for the specific form of corporate transaction under Israeli law.

On 5 March 2016 the Supervisory Board approved to wind down Big Star Global in case that no satisfactory sale can be finalised by the end of Q2 2016.

During the acquisition of the Fyber Group by RNTS Media in 2014 new shares have been issued to the former shareholders of Fyber GmbH as well as those employees participating in the virtual stock plan. Put-options have been granted for these shares by Sapinda Asia Limited falling due in four tranches. A fall-back mechanism for the shares in Fyber GmbH has been defined in case the put options were not honoured. Until February 2016 all put options falling due have been exercised. The settlement of the final tranche of put options was outstanding as of the date of this report.

Risk Management

RNTS Media's decisions, plans and objectives for the future are based on its current views and expectations of the risks. Risk management therefore is an integral part of RNTS Media's daily business operations and is promoted by top-level management and designed to ensure that the most relevant strategic, operational, financial and compliance risks are identified, monitored and managed appropriately.

In considering these risks, the management applies different levels of risk tolerance based on factors such as the likelihood of a risk and the potential financial impact. It also understands that in a fast developing industry and marketplace, management needs to be prepared to take calculated risks and weigh-off time for analysis against the duration of a window of opportunity. Management therefore also defined its risk appetite (i.e. the degree of risk that the company is willing to accept) in regards to each of these identified risks. Defining this risk appetite then allows management to prioritize the allocation of the company's scarce resources to optimize their use against the company's objectives.

Management has performed a risk analysis which is summarized in the table on the next page.

Management seeks to actively manage these risks and where appropriate, also works with mitigation or compensation mechanisms such as insurances to reduce or eliminate the potential impact on the company.
In general, management realizes that risk management is a continuous process and acknowledges the need to continue to invest into this process in the future. During 2015, management has determined that the internal risk management and control systems have worked properly as the management board was closely involved in the daily operations of the Company and no major failings have occurred. The internal risk management and control systems provide reasonable assurance that the financial reporting does not contain any errors of material importance.

Strategic Risk

Fyber has been active for just over 6 years and has grown substantially over this period. Furthermore, the mobile advertising industry is still very much in the early stages of its development. Therefore, trends can develop or disappear very quickly putting pressure on the company to permanently review and potentially adjust its strategy.

Specifically, underlying technologies and advertising trends may change very quickly leading to obsolete efforts, loss of competitive positioning and revenue. Other market participants with stronger market positions may decide to aggressively push RNTS Media out of the market. Also, concentration trends amongst advertisers and publishers may lead to direct business relationships which bypass the Fyber platform and thus make the business model obsolete.

The group continues to depend on additional financing being available to fund its start-up and business expansion losses and capital needs. These funds have recently been secured through a Convertible Bond. Management expects that additional funding needs will exist in the future and that the company will be able to fulfil these.

Overcoming the start-up losses will depend on achieving scale in the business, i.e. the ability to expand revenues without further building the cost base at the same speed. The platform built by Fyber is scalable in principle. However, only the actual future expansion of the business will prove whether there is enough business available and the platform scales well enough to cover the fixed cost base that has been built.

Finally, major players in the market such as the mobile operators or the providers of application eco systems such as Apple and Google may decide to introduce ad blockers to their systems. These could potentially seriously obstruct the delivery of advertisements to users of mobile apps and thus harm the business of Fyber.

In all of these fields, management addresses the risks by actively monitoring the developments and evaluating the actual exposure to these risks. This includes participation in industry events, discussions with analysts, creating business cases for new developments and securing required financing for at least 12 months on that basis. Matters of substantial significance are also reviewed with the Supervisory Board through the 2-tier board structure. In general, management's risk appetite in this field is low to medium with the potential impact being mostly high. Management sees the likelihood of the risks mostly medium to low.

Operational and Technology Risks

The Fyber business depends on Personnel, Infrastructure, Technology and Customers. In all of these areas lie operational risks that management permanently addresses:

Personnel are crucial especially for the development of the technology underlying the company's platform. There is a fierce competition for the best talent and unfilled positions or fluctuation of personnel can lead to substantial delays in the development of new products and customer solutions. The same is true for account management staff needed to support customers, operations staff needed for the management of the platform and administration staff responsible for all areas of shared services including among others finance, human resources, marketing. Management addresses the risk of not attracting, retaining and developing this staff through appropriate pay levels, a positive work environment and relevant incentive schemes including a stock option program. Similarly, a 2-year retention program has been implemented on the original acquisition of Fyber to ensure that the key personnel at that time would fully support the transition to RNTS

Risk Category	Risk	Risk Appetite	Imapct	Likelihood
Strategic Risk	Failure to identify market trends correctly	Low	High	Low
	Inability to compete with substantially larger market participants such as Google, Facebook and Twitter	Medium	High	Medium
	Failure to secure sufficient funds to support the necessary cash intensive growth phase	Low	High	Medium
	Failure to achieve scale in the business to turn into profitability	Low	High	Medium
	Mobile operators or providers of mobile apps may decide to block ads in the mobile ecosystem and thus endanger the Fyber business as such	Medium	High	Low
	Technology developments may not turn out to represent a profitable business	Low	Low	Medium
	Advertisers and Publishers may decide to connect directly bypassing Fyber and making the business model obsolete	Low	Medium	Low
Operational Risk	Inability to attract, retain and develop appropriate personnel	Low	Medium	Medium
	Major break-down of the central server infrastructure leading to unavailability of the service	Low	High	Medium
	Concentration both on the Publisher and the Advertiser side may lead to dependence on individual partners	Medium	Low	Low
	Retention of key management after retention mechanisms expire	Medium	Medium	Medium
	Financial loss resulting from fraudulent advertiser campaigns	Low	Low	High
	Inability to finish technology develop-ments that have been started	Low	Low	Low
Legal and Compliance Risk	Non-compliance due to lack of knowledge or capacity to cover all requirements	Low	Low	Medium
Financial Risks	Foreign exchange fluctuations	Medium	Low	High
	Necessity to fund cost of financing structure	Low	High	High
	Impairment risk from high value acquisi-tions should the business performance not meet the initial expectations	Medium	Medium	Low
	Expansion of the business requires working capital due to the nature of the payment flows in the business. This increases collection risks.	Medium	Low	Low

Media. In the meantime, management has introduced a stock option program in which all employees participate. This will also act as a retention mechanism subsequent to the expiry or the initial retention program.

Revenue is earned by delivering advertisements to publishers' applications through the platform.
A break-down of the platform immediately reduces revenue for the duration of the break-down. Management addresses this risk through redundant server structures, which have been enhanced further in 2015 and prepares a move to the cloud for the future.

Concentration risks on the publisher and advertiser side exist and could lead to a strong dependence on individual business partners. These could then exploit their weight e.g. through price negotiations, technology demands or other means. RNTS Media has very strong and long-standing business relationships and does not yet see any major concentration risk.

In the past, the Group has faced malicious activities on its platform, mainly fraudulently generated advertising impressions, leading to reduced ROI for advertisers, refusals to pay or even refund demands for these impressions. In 2015 a dedicated fraud team has been built that identifies unusual patterns ideally already in the design phase of advertising campaigns or latest in the initial use patterns after launch.

In addition to the measures already described above, operational risks are also managed through the ongoing budgeting, forecasting and reporting process as well as training activities to constantly improve and update the employees' skills. Management generally considers the likelihood of risks in the operational and technology area as low to medium while evaluating the financial impact of each event as low to high depending on the specific risk field. The fairly young industry still shows some tolerance e.g. for system downtimes. At the same time, management's risk appetite in this field is low to medium and management seeks to mitigate risks through contracts, service level agreements, insurances and cooperation with established partners.

Legal and Compliance Risk

The Group is subject to a variety of laws and regulations in different jurisdictions, including the Netherlands, Germany, the US, South Korea and other jurisdictions. As the company is growing fast in a complex environment and is in the process of establishing and improving relevant processes, regulatory violations may occur. Management's risk appetite is low and it also estimates the impact of violations to be low. However, the likelihood of risks occurring is medium. Management mitigates the risk by working with well-established external partners such as tax, legal and audit advisors in all countries as well as building in-house capabilities through new hires and training and qualification measures for existing staff. Management has also established processes and provided guidance to its employees through guidelines (e.g. Code of Conduct and Insider Trading Regulations) and the opportunity of a Whistleblower mechanism.

Financial Risks

RNTS Media's business consists of Fyber, which was acquired in 2014 and continues to be in a growth pattern with additional funds being required to cover operating losses, working capital needs for the expansion of the business and capital expenditure including acquisition funding. The €100.0 million Convertible Bond issued in 2015 carries €5.0 million of annual interest payments and is repayable in 2020. The company will therefore need to start generating significant positive cash flows within the next years and / or secure additional funding. Additional funding may not be available on favourable terms, or at all, which could compromise the Group's ability to meet its financial obligations and grow its business.

From the acquisitions the company has recorded significant intangible assets which it reviews regularly for potential impairments when events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill arising from acquisitions is in any case tested once per year. The Group has significant goodwill and other intangibles including those acquired in business combinations totalling €157.9m as of 31 December 2015. Critical changes in market conditions, and therefore in the Group's assumptions, could result in a change to the estimated recoverable value and therefore in an impairment charge to the goodwill or other intangible assets.

A substantial portion of the Group's business is sourced through advertising agencies that do not pay until they receive payment from the advertisers. This may require significant working capital, as the Group forwards payouts to publishers for purchased inventory independent of receiving the payment from the ad agencies.

The Group's reporting currency is the Euro which is also the functional currency of the Parent Company. It is exposed to exchange rate risks, particularly with respect to transactions in foreign currencies arising mainly from the relative value of the Euro compared to the value of the US dollar (USD). The majority of the company's revenues are generated in USD. The company is therefore significantly exposed to currency fluctuations between the USD and Euro. Management seeks to minimize these through natural hedging by increasing its cost base in USD. No other hedging or option strategy is applied. For a further review of risks relating to financial instruments, reference is made to Note 40. to the consolidated financial statements.

Management addresses the financial risks mainly through transparency, a culture of open communication and the permanent review process in connection with monthly results, forecasting and budgeting. Important matters are also reviewed in weekly Fyber management board meetings in which the members of the RNTS management board participate. Management realize that the expansion of the business does require some risk taking and evaluates its risk appetite as medium. While the group continues to be dependent on additional liquidity to fund its expansion, the risk of not finding these funds is always present. However, due to the strong strategic position already developed and the strategic shareholder base management estimates this risk to be moderate. Should the risk materialize, it would have a very high, potentially critical impact. Management takes this risk very seriously and therefore constantly reviews capital needs and seeks to secure additional funds rather early.

Remuneration Report

The most recent version of the Remuneration Policy governing the remuneration of all of the Group's employees, including the Management Board, has been adopted by the General Meeting on 30 June 2014. The Remuneration Policy reflects the Group's objectives for sustained and long-term value creation for shareholders of the Company. In addition, it is aimed at attracting, developing and motivating employees in a competitive, international market, offering employees a competitive remuneration package, ensuring that employees feel encouraged to create sustainable results, establishing a link between shareholder and employee interests and supporting the Group's focus areas. Furthermore, the Remuneration Policy focuses on ensuring sound and effective risk management through a stringent governance structure for setting goals and communicating these goals to employees, including business goals in performance and result assessment and making fixed salaries the main remuneration component.

Management Board Remuneration

Pursuant to the Remuneration Policy, the remuneration of the Management Board and Group employees in general may consist of the following fixed and variable components:

- fixed remuneration (including fixed supplements);
- performance-based remuneration (variable pay);
- long-term incentive plan (in the form of a stock option plan);
- pension schemes;
- other benefits; and
- severance payments.

The Supervisory Board establishes the remuneration and other conditions of employment of the members of the Management Board with due observance of the Remuneration Policy set by the General Meeting.

Fixed remuneration

The fixed remuneration of the individual members of the Management Board is based on the individual situation, such as employment contracts with subsidiaries or other, and is set at a level that is on par with the rest of the market and reflects the qualifications and contribution required in view of the Group's complexity and the extent of the responsibilities of the member of the Management Board.

Performance-based remuneration

The objective of the performance-based remuneration plan is to motivate and reward high performers who strengthen long-term customer relations, and generate income and shareholder value. On an annual basis, performance conditions will be set by the Supervisory Board on or before the beginning of the relevant calendar year. These performance conditions may include criteria concerning the Company's financial performance, qualitative criteria representing Company performance and/or individual performance. The Supervisory Board will annually define the performance ranges, i.e. the values below which no payout will occur (threshold performance), the 'at target' value and the maximum at which the payout will be capped.

Performance-based remuneration may be disbursed as cash bonus, shares, share-based instruments, including conditional shares and other generally approved instruments, as it may be legally allowed and most advantageous in each jurisdiction.

The performance conditions for members of the Management Board for 2016 relate mainly to the group's 2016 Revenue, EBITDA and improved investor awareness for the stock.

Long-term incentive plan / Stock option plan

In line with the Remuneration Policy, the members of the Management Board as well as other employees may become eligible to a (conditional) right to purchase Ordinary Shares against payment of a pre-determined exercise price. Typically all employees are awarded stock options at joining the company without any further vesting conditions other than elapsing of time and continued employment with the company attached. A Stock Option Plan has been implemented based on the approvals by the Supervisory Board at its meeting of 10 March 2015 and which insofar as it relates to the members of the Management Board, has been approved at the Extraordinary General Meeting of Shareholders held on 1 April 2015.

As of 31 December 2015, 4,681,690 Options have been granted to Group employees not being members of the Management Board. No Ordinary Shares have been issued under the Option Plan as at the date of this report. Unless determined otherwise by the Supervisory Board the Options granted will vest, i.e. options will actually become exercisable, annually over a period of three years in equal portions at the first, second and third anniversary of the start date, subject to continued employment. In principle, vested Options may be exercised until five years from the Start Date.

A lock-up period may apply to Ordinary Shares obtained by members of the Management Board and members of the Fyber Management Team after the exercise of Options.

In 2015 the Supervisory Board approved a grant of a total of 4,000,000 Options to members of the Management Board. The approval of the grant to Janis Zech and Andreas Bodczek comprises 2,000,000 Options of which 500,000 Options vested on 1 January 2016. Over the year 2016, another 500,000 Options will vest. The remaining 1,000,000 Options for each board member is subject to the following performance based vesting conditions - the vesting is to take place in three equal yearly instalments, activating a share price of €4.00/€5.50/€7.00 on 1 July 2016/2017/2018 respectively.

The Options of a participant to the Stock Option Plan that have not vested, are forfeited in case the employment, management or other relevant business relationship between a participant and the Company or any subsidiary is terminated for any reason, including but not limited to the death of a participant or long-term illness or disability, prior to the first anniversary of the applicable Start Date.

Retention bonus pool for Fyber management team

In the course of the acquisition of the Fyber Group in 2014 to promote retention of the members of the Management Board and selected key staff of the Group at that time and to safeguard the ability of the Group to deliver on the growth strategy a total retention bonus pool of €2.5m has been made available by the Group of which €0.9m was reserved for the Management Board. The retention program is limited to September 2016.

Deferred compensation as a result of reconciliation of the Fyber Virtual Share Program

The Fyber management team received significant (non-recurring) deferred compensation in 2014 consisting of their holdings of virtual Fyber shares under the Fyber Virtual Share Program (VSP). The three programs under the Fyber Virtual Share Program had only marginally differing terms and conditions. After the issuance of the virtual Fyber shares to the respective individuals, they had to fulfil a vesting period between 12 and 48 months to be eligible to the virtual shares. In case of a sale of more than 75% of Fyber's shares in a single transaction, the vested virtual Fyber shares were executed in a way that employees holding vested virtual shares would be put in a position as if they would be holders of registered shares of Fyber in the amount they held virtual shares and as if they would have sold these shares in the same ratio as Fyber's shareholders and would, therefore, receive an extra payment from Fyber. In the course of the sale of the Fyber Acquisition, Fyber entered into VSP Execution and Reconciliation Agreements with employees who were granted virtual Fyber shares and into an Indemnification Agreement with its shareholders.

By virtue of the VSP Execution and Reconciliation Agreements entered into between employees and Fyber, employees are entitled to deferred compensation linked to their virtual Fyber shares in a total estimated aggregate amount of €21.9m, which will, subject to the put option arrangements being honoured by Sapinda Asia Ltd. to the Former Fyber Shareholders, be paid out in single tranches contingent on the execution of each of the put options. Until 31 December 2015, an amount of €5.7m have been paid out to employees. The outstanding deferred compensation relating to Mr Bodczek and Mr Zech as of the reporting date amounting to €3.6m and €4.0m respectively.

Fyber entered into an indemnification agreement with the Former Fyber Shareholders pursuant to which the latter shall indemnify and/or hold Fyber harmless from all claims arising out of the Fyber Virtual Share Program (and corresponding VSP Execution and Reconciliation Agreements).

Respective liabilities and assets have been recorded in the accounts.

Pension and Other Benefits

The members of the Management Board do not participate in a pension scheme.

The Company offers the members of the Management Board a competitive package of secondary employment benefits in accordance with those offered to its other employees.

Pursuant to Article 25 of the Articles of Association, the Company provides for and bears costs of an adequate directors and officers insurance for sitting and former members of the Management Board.

Severance Arrangements

The members of the Management Board are not entitled to a contractual severance arrangement.

Management Board remuneration in 2015
The table thereafter shows the remuneration received by the members of the Management Board during the year ended 31 December 2015, for the period where they had been members of the Management Board.

Supervisory Board Remuneration in 2015
The General Meeting determines the remuneration of the members of the Supervisory Board. The Supervisory Board periodically submits proposals to the General Meeting in respect of the remuneration of the Chairman and the other members of the Supervisory Board. The remuneration of the members of the Supervisory Board does not depend on the results of the Company and no Ordinary Shares, options and/or similar rights to subscribe for Ordinary Shares have been granted to the members of the Supervisory Board by way of remuneration. Apart from the remuneration, the members of the Supervisory Board are entitled to reimbursement of costs. No member of the Supervisory Board has received remuneration for its services for the Company during the year ended 31 December 2015; however, the members were compensated for their expenses in connection with carrying out their duties. None of the Supervisory Board members were given personal loans, guarantees or any similar financial assistance.

Shareholdings
The number of Ordinary Shares held by the Management Board members and Supervisory Board members as of the date of the Accounts is set out in the table above. Mr Bodczek indirectly owns all shares in Adetra Capital Ventures GmbH. Adetra Capital Ventures GmbH holds 3,220,178 Ordinary Shares on behalf of eight previous investors in Fyber. Mr Bodczek has no economic interest in these Ordinary Shares and no voting rights. Adetra Capital Ventures GmbH is one of the Former Fyber Shareholders. After all put options under the Put Option Agreement will have been settled, the proceeds will be for the eight investors and Adetra Capital Ventures GmbH will no longer own Ordinary Shares in RNTS Media. No additional shares or options have been granted to members of the Supervisory Board during the year.

Management Board Remuneration in 2015

(€ thousands)	Fixed salary/ fee	Performance based remuneration	Long-term incentive	Other emoluments	Pension costs	Social charges	Total
A. Bodczek*	231	58	2,280	162	0	24	2,755
R.P. van Diepen**	160	0	0	0	0	0	160
H. Han***	95	0	0	0	0	0	95
J. Zech*	160	17	2,453	1	0	8	2,639
Total	**646**	**75**	**4,733**	**163**	**0**	**32**	**5,649**

*incl. VSP Payouts of €1,673k for Mr Bodczek and €1,885k for Mr Zech | ** resigned from MB with effect of 30 June 2015
*** Resigned from MB with effect of 30 November 2015; 119.166.630 KRW (1:1,251.90, www.oanda.com)

Management Board and Supervisory Board Members' Shareholdings

As of 31 December 2015	Number of Ordinary Shares	Number of Options over Ordinary Shares*
A. Bodczek**	3,220,178	1,000,000
Knight Global Services LLC / R. Kavanaugh	2,710,000	2,700,000
G. Dubois	2,550,000	—
H. Han***	2,000,000	—
D. van Daele	250,000	2,000,000
J. Zech**	—	1,000,000
Total	**10,730,178**	**6,700,000**

*Number of options granted with vesting periods started before 31 December 2015 | ** Additional 1,000,000 stock options have been granted to Mr Bodczek and Mr Zech respectively with a vesting period to start as of 1 January 2016 | ***resigned from MB with effect of 30 November 2015

Personnel Report
2015 has been a year of headcount growth within Fyber GmbH, Fyber Inc. and due to the acquisition of Falk Technologies GmbH. Overall the headcount increased from 272 full time equivalents ('FTE'; thereof 72 FTE at Big Star Global) to 306 FTE (+13%; thereof 30 FTE at Big Star Global). Within Fyber Group 52% of the personnel worked in Business and Business Operations, 35% in Technology and 23% in the Finance and Administration function by the end of 2015. The headcount increase is supposed to enable organizational scalability in 2016 and 2017. With senior placements such as Heiner Luntz (RNTS CFO), Jim Schinella (Fyber CBO), Hendrik Basten (Fyber CTO) and latest Michael Bullion (Fyber CPO) the Company has built a strong position with regards to future management capabilities that will enable the Company to reach its' ambitious business targets.

- **Heiner Luntz** has 20 years of acquisition-driven growth experience, previously serving as CFO at information security company NTT Com Security AG, SES Global's ND Satcom and First Data International's Acquisition Group. He started his career with Arthur Andersen where he gained the qualifications as tax advisor and chartered accountant and led several IPO and acquisition projects.
- **Henrik Basten** has been cofounder and CTO of Falk Realtime where he served as Managing Director in charge of the development and strategy of the platform. Before that, he held leadership positions as Experian's German Head of Technology and Operations, and CTO and MD at United MailSolutions.
- **Michael Bullion** brings two decades of global product, marketing and operations experience, having served at companies such as Microsoft, Hibu, and PwC, as well as a variety of advertising technology start-ups. Most recently, Bullion was Chief Product Officer at London-based ad tech company, Glow Digital Media, where he led product strategy and delivery.
- **Jim Schinella** has led many digital companies, bringing over 20 years of digital advertising industry experience. He previously managed Yahoo!'s Right Media Exchange, the Broadband business, the Affiliate Search Network and all of North America Business Development for the company. He's also held business development and sales roles for AOL and Netscape, and was previously CEO and founder of Manilla.com, a bill management service funded by Hearst Corporation.

The management team is supported by a dedicated team of 40+ nationalities and with a strong commitment to reaching the Company targets 2016.

Outlook
2015, the first full year after the acquisition of Fyber, has been a year of transition for RNTS Media:

- Strategic decision to create a leading mobile advertising technology company, leveraging Fyber's mobile monetization platform and fast growing number of key clients.
- Exit from legacy businesses that did not meet expectations
- 2nd acquisition in the ad tech space with Falk Realtime
- Move to the regulated market (Prime Standard) in Frankfurt Stock Exchange
- Placement of € 100 million convertible bonds to fund the transition, acquisitions and growth strategy
- Building a strong management team with a view to lead the Group into future growth and profitability

The company has started 2016 to further build momentum on this path:

- Acquisition of Heyzap Inc. in January
- Signing of the acquisition of Inneractive Ltd. in March
- Proposed expansion of the Supervisory Board in March

Following this, management intends to now focus on the successful integration of the acquired companies, the further strengthening of the technology platform and double digit revenue growth. 2016 will also see additional investment into the robustness of the back-office operations to be prepared for scalable growth with a goal of first-time profitability in the course of 2017. Specifically, for 2016 management expects pro-forma revenues (Inneractive Ltd. included as if acquired on 1 January) to grow to more than €160m with improved EBITDA performance. In addition, management is convinced that with the discontinuation of Big Star Global being provided for in the 2015 accounts, separately disclosed items will be reduced substantially as well.

Report of the Supervisory Board

Throughout the fiscal year 2015 the Supervisory Board performed the duties imposed on it by law and by RNTS Media's articles of association, monitoring and advising the Management Board on an ongoing basis. The Management Board briefed the Supervisory Board in detail on the Company's condition, the risk situation and risk management as well as the planned business strategies including corporate forecasts in written and oral reports submitted at a single meeting as well as in regular telephone conferences and individual telephone conversations. All material investment decisions as well as decisions of fundamental and strategic importance were reviewed and approved by the Supervisory Board. The Management Board and the Supervisory Board worked together closely and consulted on RNTS Media's strategic orientation in regular intervals. For this purpose, the Management Board kept us regularly informed in both written and oral reports of all relevant aspects of the group's plans and strategic development, its business and financial performance, the course of business and its status on a timely and comprehensive basis. In addition to the risk situation and risk management, the Supervisory Board also devoted its attention to RNTS Media's compliance program. In addition, the remuneration system for the Management Board including the main contractual elements and the stock option components was regularly reviewed. The details of any variances in business performance from targets and plans were submitted and explained to the Supervisory Board and examined on the basis of documents provided.

No conflicts of interest on the part of the members of the Management Board and the Supervisory Board, which must be disclosed to the Chairman of the Supervisory Board, arose in the Fiscal Year 2015.

Meetings and Resolutions passed by the Supervisory Board

In 2015 the Supervisory Board held four meetings in person and four meetings by conference call.

Topics that appeared on the agenda of all meetings are the financial performance of RNTS Media and relevant business developments.

At the beginning of the financial year 2015 the Supervisory Board held a private meeting in San Francisco to approve the creation of the Convertible Bonds and it decided to convene an extraordinary general meeting. At that meeting it also set the performance goals for the Management Board for 2015. Prior to the launch of the Convertible Bond in June, the Supervisory Board held a call and adopted a written resolution approving the resolution of the Management Board to issue the Convertible Bonds in one or more tranches and to apply for trading of the Convertible Bonds at the Open Market (Freiverkehr) of the Frankfurt Stock Exchange.

The Supervisory Board also met to discuss the 2014 annual results, as well as the quarterly and half-yearly results. The report of the external auditor was discussed with the auditor during a separate meeting whereby the 2015 audit plan was also discussed.

At the meeting in which the Supervisory Board approved the pro forma unaudited 2014 results it also discussed and approved the process of the intended move of the listing from the EURO MTF market of the Luxembourg Stock Exchange to the regulated market in Frankfurt was approved and the need for strengthened processes and back office resources was discussed and acknowledged.

In addition to its regular meetings the Supervisory Board was closely involved in the acquisitions of Falk Realtime, Heyzap and Inneractive and extraordinary meetings were held in which not only the risks and benefits of these transactions were discussed and considered but also the commercial conditions of the transaction were discussed as well as the impact of these transactions on, among other things, RNTS Media's risk profile, employment conditions and future profitability and development of the RNTS Media share. These meetings were also attended by the members of the Management Board.

In October 2015 the Supervisory Board met in London, the Supervisory Board discussed major investments into Fyber's data centre infrastructure as well as an update on the acquisitive growth strategy. The business performance was reviewed and based on reports about the Big Star Global activities, the Supervisory Board asked the Management Board to investigate both the sale as well as the closing of the business. Heiner Luntz was welcomed as the new CFO.

In December 2015, the Supervisory Board met in a telephone conference and discussed the budget proposal presented by the Management Board and approved the organic budget for 2016. At the same time Management Board was asked to continue to develop the acquisitive growth strategy and create an inspirational 2016 budget reflecting at least 2 further acquisitions. Various acquisition opportunities were reviewed and the Supervisory Board confirmed the support for the potential deals. Specifically, the acquisition of Heyzap Inc. was discussed and approved by the Supervisory Board. Further the Chairman reported on the current status of efforts to further strengthen the Supervisory Board. Finally, efforts to improve the visibility and attractiveness of the RNTS Media share including the idea of a potential relocation of the entity to Germany were discussed.

Also in December 2015, the Supervisory Board resolved on the remuneration of the members of the Management Board.

In addition, we collectively and individually interacted with members of the Management Board and senior management outside regular meetings.

No committees of the Supervisory Board have been formed as it was determined that at a size of three members only, all matters should be discussed by all members. Ryan Kavanaugh has not been able to attend all meetings of the Supervisory Board. RNTS Media does not have an internal audit function. The Supervisory Board periodically considers the need to establish an internal audit function and following these discussions makes a recommendation to the Management Board. Considering the current size of the operations of RNTS Media and taking into account its risk profile the Supervisory Board advised to the Management Board that it does not yet deem it necessary to create an internal audit function.

Composition of the Supervisory Board

There have been no changes to the composition of the Supervisory Board during the year 2015.

Mr van Daele, Mr Dubois and Mr Kavanaugh were appointed at General Meetings where Sapinda Holding B.V. was the sole Shareholder or Sapinda Holding B.V. and Centrics Holding S.à r.l. (both members of the Pooling Parties) had the majority of the votes present.

Mr van Daele is a Belgian national and joined the Company in 2013 and has served as member of the Supervisory Board since 8 January 2013 and as chairman since 30 June 2014. He is also chief executive officer, member of the board of directors, member of the management board and controlling shareholder of Anoa Capital S.A. Mr. van Daele is member of the board of Track Group Inc. (former SecureAlert Inc.), a global tracking and electronic monitoring services company. Furthermore, Mr van Daele is member of the board of Better African Foods Ltd. Mr van Daele has broad experience in the commercial banking and alternative finance industries. From 2006 to 2009 he was the Co-Chief Executive Officer at DAM Capital S.à r.l., a joint-venture between Philip Anschutz and Dresdner Bank and subsequently board member and CEO of Belvall Capital S.A. Mr van Daele holds an MA in Economics from the University of Louvain, Belgium and Licentiaat Toegepaste Economie from the University of Antwerp, Belgium. He was also admitted to the Centre of Creative Leadership in Greenboro, NC, USA.

Mr. Dubois is a Belgian national and has been a member of the Supervisory Board since 30 June 2014. Mr. Dubois is Chairman of the Board of Directors and serves as Co-Member of the Executive Committee of Track Group Inc. a global leader in providing criminal justice agencies with the most reliable Offender Monitoring and Safety Solutions. He is also the founder and Chairman of Singapore-based Tetra House Pte. Ltd., a provider of consulting and advisory services worldwide. He is a former director and CEO of gategroup AG, and held various executive leadership roles (including as CFO) at Gate Gourmet Holding LLC. He has held executive management positions at Roche Vitamins Inc. in New Jersey, as well as regional management roles in that firm's Asia Pacific operations. He also served the European Organization for Nuclear Research (CERN) team in Switzerland in various roles, including treasurer and chief accountant. Mr. Dubois holds a degree in financial science and accountancy from the Limburg Business School in Diepenbeek, Belgium. He acts as the financial expert in the Supervisory Board.

Mr Kavanaugh is a US national and has been a member of the Supervisory Board since 30 June 2014. He is a media entrepreneur and founder and CEO of Relativity Media, LLC. Mr Kavanaugh previously had success as a producer and global expert in film finance. Relativity Media, LLC has produced distributed or provided structured financing for over 200 motion pictures generating more than USD17 billion in worldwide box-office revenues and receiving 60 Oscar nominations. In the past Mr Kavanaugh has held a position as architect of innovative slate financing arrangements for major studios. He created feature-film funding structures for Sony, Universal and Warner Bros., introducing over USD10 billion in capital to the sector. Relativity Media, LLC evolved from finance and production company into a full-fledged movie studio after Mr Kavanaugh led its acquisitions of Overture Films' marketing and distribution operations. Mr Kavanaugh further sits on the board of directors of Relativity Sports LLC, a sports management company as well as on the board of Major League Gaming Corp., an eSports company that organises and provides platforms for online video game tournaments. Mr Kavanaugh is a partner in a multi strategy global investment firm called Autorus. Mr Kavanaugh is furthermore a member or board member of over a dozen partnerships, privately held companies and charitable organisations. Mr Kavanaugh holds a B.A. in Business from the University of California, Los Angeles.

On 14 March 2016 the Company announced that it intends to propose to the Annual General Meeting in 2016 the nomination of three additional independent Supervisory Board members to enhance the industry knowledge as well as the governance and public company competence of the Supervisory Board. Upon the appointment of these independent Supervisory board members the composition of the Supervisory Board will meet the objectives as set out in the Supervisory Board profile.

Dutch law stipulate a requirement to make efforts towards achieving a quota of at least 30% women and 30% men on the Supervisory Board. This target has not been reached at present on the Supervisory Board or the Management Board, where none of the members is a woman. Also, none of the nominees that will be proposed to the next General Meeting is a woman. The Supervisory Board considers diversity, including as concerns gender, a relevant criterion in the Board member selection process. It does achieve diversity in nationality but not yet in gender. However, top priority in filling open positions will continue to be the suitability in regards to quality, expertise and experience. In any future vacancies that arise, gender diversity will continue to be one of the criteria in the selection process.

Present members of the Supervisory Board

Name	Date of birth	Position	Member since	Independent / Non- independent	Term
D.K.J. (Dirk) van Daele	27 April 1961	Chairman	20 November 2012	Non- independent	4 years
G.M.C.Y. (Guy) Dubois	30 October 1958	Member	30 June 2014	Independent	4 years
R. (Ryan) Kavanaugh	4 December 1974	Member	30 June 2014	Non- independent	4 years

Evaluation of the Supervisory Board

The Supervisory Board is responsible for the quality of its own performance. The Supervisory Board monitors its performance and quality and discusses these items as well as the performance of individual members annually without members of the Management Board being present. The Supervisory Board has concluded that the Supervisory Board as a whole but also its members individually are performing well. At the same time, it has defined the target of strengthening the Supervisory Board by proposing additional members specifically in the area of AdTech industry know how, Corporate Governance know how and the duties and regulations associated with being a listed company. Resulting from this, three additional members of the Supervisory Board will be proposed to the Annual General Meeting in June.

The Supervisory Board has also regularly discussed, without the Management Board members being present, the functioning of the Management Board as an organ as well as the performance of its individual members. Based on this discussion, the Supervisory Board has concluded that the Management Board is very well staffed both strategically as well as technically but needs to be strengthened by the appointment of a Chief Financial Officer with experience as an officer of a company listed in a regulated market. Resulting from this, Heiner Luntz will be proposed as Chief Financial Officer and member of the Management Board to the Annual General Meeting in June.

The principal concepts or remuneration are described in the 'Report of the Management Board' and the Notes to the Financial Statements and are therefore not repeated here. The Supervisory Board regularly reviews these concepts to align them to the needs of the Company and ensure that appropriate talent can be attracted and retained.

13 April 2016,

The Supervisory Board
Dirk van Daele (Chairman)
Guy Dubois
Ryan Kavanaugh

Corporate Governance

The corporate governance framework of RNTS Media is based on our strategy and in line with the requirements of the Dutch Civil Code, the Dutch Corporate Governance Code (the Code) as well as applicable securities laws, including the rules and regulations of the Frankfurt Stock Exchange. The provisions in the Dutch Civil Code that are referred to as the 'large company regime' (structuurregime) do not apply to the Company. Furthermore, the company is governed by its Articles of Association and internal procedures, such as the by-laws of the Board of Management and the Supervisory Board.

RNTS Media N.V. is a public limited liability company incorporated under Dutch law and listed on the Regulated Market of the Frankfurt Stock Exchange (Prime Standard) in Germany. We have a two-tier board structure, consisting of a Management Board (raad van bestuur) and a Supervisory Board (raad van commissarissen), accountable to the General Meeting for the performance of their duties. Each member of the Management Board and Supervisory Board owes a duty to the Company to properly perform the duties assigned to such member and to act in the Company's corporate interest. Under Dutch law, a company's corporate interest extends to the interests of all of the company's stakeholders, including its shareholders, creditors, employees and clients.

We continuously monitor and assess our corporate governance structure and compliance with the Code and applicable laws and regulations. In order to drive governance, consistency and functional excellence throughout the company, the Management Board has established a Code of Conduct, and a set of business policies and procedures, which have been rolled out to all employees globally.

In this section, we address our overall corporate governance, and provide information on our compliance with the best practice provisions of the Code. Occasional deviations from the Code are explained and information on the reasons for any such deviations are provided at the end of this section.

In case of any substantial changes to the corporate governance structure of RNTS Media and its compliance with the Code, the shareholders shall be informed hereof at a General Meeting.

Management Board

The Management Board is the executive body and is entrusted with the day-to-day management of the operations of the group. Its responsibilities involve setting and achieving the company's strategic objectives, managing the company's strategic risks, legal compliance and corporate social responsibility matters insofar as relevant to the company's business. The Management Board is accountable for this to the Supervisory Board and to the General Meeting. In performing its duties, the Management Board must carefully consider and act in accordance with the interests of the Company and the business connected with it, taking into consideration the interest of all the stakeholders of the Company as a whole.

The Management Board is required to keep the Supervisory Board informed, to consult with the Supervisory Board on important matters and to submit certain important decisions to the Supervisory Board for its prior approval.

The Management Board may perform all acts necessary or useful for achieving the Company's corporate purposes, except for those prohibited by law or expressly attributed to the General Meeting or the Supervisory Board as a matter of Dutch law or pursuant to the Articles of Association or the Management Board By-laws.

Appointment, Dismissal and Suspension

The Articles of Association provide that the Management Board must consist of at least one member, with the total number of members of the Management Board determined by the Supervisory Board. At present there are two members, Mr. Andreas Bodczek, Chief Executive Officer and Managing Director A, and Mr. Janis Zech, a Managing Director B.

Mr. Hyounghoon Han, another Managing Director B, has left the Management Board with his resignation on 30 November 2015. The Supervisory Board intends to propose Mr. Heiner Luntz as Chief Financial Officer for approval at the next General Meeting.

The General Meeting appoints the members of the Management Board pursuant to and in accordance with a proposal of the Supervisory Board or upon a nomination submitted by the Supervisory Board. If the appointment of a member of the Management Board occurs upon a proposal of the Supervisory Board, the resolution of the General Meeting to appoint the relevant member of the Management Board requires an absolute majority of the votes cast.

If the appointment of a member of the Management Board occurs in accordance with a binding nomination by the Supervisory Board and the list of candidates contains one candidate for a vacancy to be filled, the resolution in respect of the proposed appointment results in the appointment of the candidate of the Supervisory Board, unless the binding nature of the nomination is overruled by resolution of the General Meeting, which requires a majority of two- thirds of the votes cast representing at least a third of the outstanding and issued share capital. If the General Meeting with a majority of at least two-thirds of the votes cast overrules the binding nomination(s), then a new meeting may be convened in which a new binding or non-binding nomination can be made.

As far as regarded necessary, the Management Board discuss and assess together with the Supervisory Board whether its current composition and structure is still appropriate.

The members of the Management Board can be suspended or dismissed at all times by the General Meeting. Pursuant to the Articles of Association, a resolution of the General Meeting to suspend or dismiss a member of the Management Board requires an absolute majority of the votes cast if the suspension or dismissal is proposed by the Supervisory Board. However, such resolution of the General Meeting requires a majority of at least two-thirds of the votes cast, which majority must represent at least half of the Company's issued share capital, if the suspension or dismissal has not been proposed by the Supervisory Board.

The Supervisory Board is also entitled to suspend members of the Management Board. A suspension by the Supervisory Board may, at any time, be discontinued by the General Meeting. Any suspension may be extended one or more times, but may not last longer than six months in aggregated. If, at the end of that period, no decision has been taken regarding cancelling the suspension or dismissal by the General Meeting, the suspension shall automatically terminate.

The members of the Management Board are appointed for a period of 4 years.

Remuneration Information
The company has defined a remuneration policy governing the remuneration of all of the Group's employees, including the Management Board, which has been adopted by the General Meeting on 30 June 2014 (the Remuneration Policy). In accordance with the Articles of Association, the Remuneration Policy was proposed by the Supervisory Board to the General Meeting. Any material amendments to the Remuneration Policy or the implementation of a new Remuneration Policy will need to be proposed by the Supervisory Board to the General Meeting for adoption.

The Remuneration Policy applies to all Group employees, including the members of the Management Board, and reflects the Group's objectives for good corporate governance as well as sustained and long-term value creation for shareholders of the Company. In addition, it is aimed at attracting, developing and motivating employees in a competitive, international market, offering employees a competitive remuneration package, ensuring that employees feel encouraged to create sustainable results, establishing a link between shareholder and employee interests and supporting the Group's focus areas.

Pursuant to the Remuneration Policy, the remuneration of the Board members may consist of the following fixed and variable components:

1. fixed remuneration
   (including fixed supplements);
2. a long-term incentive plan
   (in the form of a stock option plan);
3. performance-based remuneration
   (variable pay);
4. pension schemes;
5. other benefits; and
6. severance payments

The company does not operate a pension scheme and does not provide for defined severance payments to the Board members.

For further information about the remuneration policy and how it is applied in 2015. Reference is made to the Remuneration Report in the Management Report and in the Note on the Remuneration of the members of the Management Board and the Supervisory Board in the consolidated financial statements.

Conflict of Interest
Dutch law provides that a member of the management board of a Dutch public limited liability company, may not participate in the adoption of resolutions (including deliberations in respect hereof) if he or she has a direct or indirect personal interest conflicting with the interests of that company. Pursuant to the Management Board By-laws, each member of the Management Board must immediately report any (potential) personal conflict of interest to the Chairman of the Supervisory Board and to the other members of the Management Board and must provide all information relevant to the conflict.

The Management Board By-laws provide detailed rules

under which circumstances a conflict of interest of a member of the Management Board exists and determines that the Management Board member may not be present at the meeting discussing such matters.

During 2015 no conflicts of interest were reported.

The Management Board By-Laws covering, among others the decision making process, are posted on the company's investor relations website.

Supervisory Board

The Supervisory Board supervises the conduct and policies of the Management Board and the general course of affairs of the Company and supports the management by providing advice. The Management Board can also request the Supervisory Board's advice. In performing its duties, the Supervisory Board acts in the interest of the Company as well as that of its stakeholders as a whole.

The Supervisory Board has drawn up a profile for its size and composition taking into account the nature of the Company's business, the Supervisory Board's activities and the desired expertise and background of the Supervisory Board members. The Supervisory Board has discussed the profile at the occasion of its adoption and will subsequently discuss it with each amendment thereof in the General Meeting.

Pursuant to the Articles of Association, the Supervisory Board on 23 May 2014 adopted by-laws of procedure concerning the division of its duties and its working method (the Supervisory Board By-laws).

Appointment, Dismissal and Suspension
The Articles of Association provide that the number of members of the Supervisory Board will be determined by the Supervisory Board. In addition, the Articles of Association provide that the Supervisory Board will consist of a minimum of three members. At present, the Supervisory Board consists of three members. On 14 March 2016 RNTS Media has announced the intention to nominate three further members to the upcoming General Meeting for approval.

The General Meeting appoints the members of the Supervisory Board pursuant to and in accordance with a proposal of the Supervisory Board or upon a binding nomination by the Supervisory Board. If the appointment of a member of the Supervisory Board occurs in accordance with a proposal of the Supervisory Board, the resolution of the General Meeting to appoint the relevant member of the Supervisory Board requires an absolute majority of the votes cast.

If the appointment of a member of the Supervisory Board occurs in accordance with a binding nomination by the Supervisory Board and the list of candidates contains one candidate for a vacancy to be filled, the resolution in respect of the proposed appointment results in the appointment of the candidate of the Supervisory Board, unless the binding nature of the nomination is overruled by resolution of the General Meeting, which requires a majority of two- thirds of the votes cast representing at least a third of the outstanding and issued share capital. If this majority of two- thirds does not represent at least one-third of the Company's issued share capital, then a new meeting may be convened in which the nomination can be overruled by a majority of at least two-thirds of the votes cast irrespective of the capital present or represented at the meeting. If the General Meeting with a majority of at least two-thirds of the votes cast overrules the binding nomination(s), then a new meeting may be convened in which a new binding or non-binding nomination can be made.

The Articles of Association provide that each member of the Supervisory Board shall be appointed for a maximum period of four years. A member of the Supervisory Board may be re-appointed for a total of three four-year terms. The Supervisory Board appoints a chairman from among its members and may appoint a vice-chairman.

The Articles of Association provide that the General Meeting has the authority to suspend and dismiss a member of the Supervisory Board. Under the Articles of Association, a resolution of the General Meeting to suspend or dismiss a member of the Supervisory Board requires an absolute majority of the votes cast if the suspension or dismissal is proposed by the Supervisory Board. However, such resolution of the General Meeting requires a majority of at least two-thirds of the votes cast, which majority must represent more than one-half of the Company's issued share capital if the suspension or dismissal has not been proposed by the Supervisory Board.

Any suspension may be extended one or more times, but may not last longer than three months in aggregate. If, at the end of that period, no decision has been taken regarding cancelling the suspension or dismissal by the General Meeting, the suspension shall automatically terminate.

Conflict of Interest
Similar to the by-laws that apply to the Management Board as described above, Dutch law also provides that a supervisory board member of a Dutch public company, such as the Company, may not participate in the adoption of resolutions (including deliberations in respect of these) if he or she has a direct or indirect personal interest conflicting with the interests of the company.

No transactions in which there were conflicts of interest with members of the Supervisory Board were reported in 2015.

The Supervisory Board By-Laws covering, among others the decision making process, are posted on the company's investor relations website.

Due to the current size of only three Supervisory Board members in 2015, no separate Audit Committee, Remuneration Committee and Selection and Appointment Committee have been set up. In the absence of such specialized Committees, the tasks that typically would have been addressed by the Committees have been handled by the full Supervisory Board.

Remuneration Information

The General Meeting determines the remuneration of the members of the Supervisory Board. The Supervisory Board periodically submits proposals to the General Meeting in respect of the remuneration of the chairman and the other members of the Supervisory Board. The remuneration of the members of the Supervisory Board does not depend on the results of the Company and no Shares, options and/or similar rights to subscribe for Shares will be granted to the members of the Supervisory Board by way of remuneration. The Company has, however, issued Warrants to two members of the Supervisory Board as consideration under consulting agreements.

Apart from the remuneration, the members of the Supervisory Board will be entitled to reimbursement of costs, the reasonableness of such costs being assessed by the chairman of the Supervisory Board (costs incurred by the chairman are assessed by the vice-chairman, or by the other members of the Supervisory Board if no vice-chairman is in place).

In 2015 no member of the Supervisory Board has received remuneration for its services for the Company; however, the members were compensated for their expenses in connection with carrying out their duties.
The Company is aware of the fact that all members of the Supervisory Board directly hold Shares and/or Warrants. Their interests as shareholders could potentially conflict with their duties as Supervisory Board members.

Also, the Company is aware that Mr van Daele and Knight Global Services, LLC (Mr Kavanaugh) have been, are or are seeking to engage in commercial relationships with the Company through Anoa Capital S.A. and Knight Global Services, LLC, LLC, in which they hold shares and/or have executive roles. Since the interests of the Anoa Capital S.A. and Knight Global Services, LLC, respectively do not have to be aligned with the interests of the Company, a potential conflict of interest might arise.

Further, Sapinda Holding B.V., Sapinda Asia Ltd. and Sapinda Invest S.à r.l. and affiliated companies are the major clients of Anoa Capital S.A., of which Mr van Daele is the CEO and a majority shareholder. Also, Mr Dubois is chief executive officer and Mr van Daele is a board member of Track Group Inc., which is owned by the Company's shareholder Sapinda Asia Ltd. Finally, all current Supervisory Board members were appointed at annual general meetings, where Sapinda Holding B.V. was the sole Shareholder or Sapinda Holding B.V. and Centrics Holdings S.à

General Meeting of Shareholders

A General Meeting of Shareholders is held at least once a year within six months after the end of the preceding financial year and generally takes place in Amsterdam, the Netherlands. Extraordinary General Meetings are held as often as considered desirable by the Management Board or Supervisory Board and also as often as requested in writing to the Executive Board or Supervisory Board by shareholders representing at least 10% of the issued capital, with a specification of the topics to be discussed. RNTS Media endorses the principles and underlying best practice provisions formulated in chapter IV of the Code.

The agenda for the annual general meeting must contain certain subjects, including, among other things

- discussion of the annual report;
- discussion and adoption of the annual accounts;
- dividend proposal (if applicable);
- discussion of the remuneration of the Management Board;
- appointment of an external auditor (if applicable);
- other subjects presented for discussion by the Supervisory Board or the Management Board and announced with due observance of the provisions of these Articles of Association, as for instance: (i) release of the Management Board members and Supervisory Board members from liability; (ii) discussion of the policy on reserves and dividends; (iii) designation of a body of the Company authorised to issue Shares; and/or (iv) authorisation of the Management Board to make the Company acquire own Shares or depositary receipts for Shares.

Shareholders holding at least 3% of the Company's issued and outstanding share capital may request that an item is added to the agenda. Such requests must be made in writing, must either be substantiated or including a proposal for a resolution, and must be received by the Company at least 60 days before the day of the General Meeting.

Each Shareholder (as well as other persons with voting rights or meeting rights) may attend the General Meeting, to address the General Meeting and, in so far as they have such right, to exercise voting rights pro rata to its shareholding, either in person or by proxy. Shareholders may exercise these rights, if they are the holders of Shares on the record date.

Voting Rights

Each Shareholder that holds Shares at the record date may cast one vote for each Share held at the General Meeting. Pursuant to Dutch law, no votes may be cast at a General Meeting in respect of Shares which are held by the Company. Resolutions of the General Meeting are passed by an absolute majority of the valid votes cast, except where Dutch law or the Articles of Association prescribe a greater majority. If there is a tie in voting other than a vote for the election of persons, the proposal concerned will be rejected.

Amendment of the Articles of Association

The General Meeting may resolve to amend the Articles of Association upon a proposal of the Management Board, which proposal requires the approval of the Supervisory Board. A proposal to amend the Articles of Association must be included in the notice of the General Meeting. A copy of the proposal, containing the verbatim text of the proposed amendment, must be lodged with the Company for the inspection of every Shareholder and other persons holding meeting rights from the date on which notice of the meeting is given until the end of the General Meeting (free of charge). A resolution by the General Meeting to amend the Articles of Association requires an absolute majority of the votes cast.

Substantial Shareholdings

Shareholders owning 3% or more of the issued capital of a listed company (a substantial shareholding or short position) must report this to the Netherlands Authority for Financial Markets (AFM) as soon as this threshold is reached or exceeded.

Subsequently, notifications to the AFM must be done as soon as a substantial shareholding or short position reaches, exceeds or falls below set thresholds. The thresholds are 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95% of the company's issued share capital.

As of the date of this report, the following shareholders owning 3% or more of the company's capital rights were registered with the AFM.

Publication Requirements under German Law

In accordance with section 26(1) of the German Securities Trading Act (Wertpapierhandelsgesetz), the Company, in its capacity as a so called domestic issuer (Inlandsemittent) under the German Securities Trading Act, must publish any shareholding notifications under Dutch law immediately, but no later than within three trading days after receiving them, via qualified media outlets. The Company must also transmit the notice t o the BaFin and to the German Company Register (Unternehmensregister).

Substantial shareholdings

Person obliged to notify (Direct Holder)	% Capital Rights real	% Capital Rights potential*
Consortia Trustees Limited (Centricts Holding Sarl, Sapinda Invest Sarl, Sapinda Holding BV)	18.53 %	6.69 %
Lars Windhorst (Sapinda Asia Limited)	2.63 %	50.16 %
FIL Limited (FIL Investments International, FIL Pension Management)	3.87 %	–
Y. Suk Hwa (SYSK Limited)	10.26 %	3.93 %
Ryan Kavanaugh (Ryan Kavanaugh Trust)	2.37 %	2.36 %

These percentages, which include both direct and indirect capital interests do not necessarily reflect the actual shareholding in the company due to the notification requirements with the AFM.
*potential capital interests also include indirect/potential and/or future holdings through bonds, warrants and/or options

Compliance with the Dutch Corporate Governance Code

As of the admittance of our shares to trading on the Prime Standard of the Frankfurt Stock Exchange, RNTS Media must comply with the requirements for companies that fall within the scope of the Dutch Corporate Governance Code. We endorse and therefore endeavour to comply with the principles and best practices of the Code. If we do not apply a provision we explain why. With the exception of the following provisions we applied the Code since we came to fall within its scope:

Best practice provisions II.2.3, II.2.4 and II.2.7, which provide that:

- With regard to remuneration of members of the Management Board the Supervisory Board shall take into account financial and non-financial indicators with due regard for risks to which variable remuneration may expose the enterprise.
- Options granted to members of the Management Board shall not be exercised in the first three years after the date of grant and the number of Options to be granted shall be dependent on the achievement of challenging targets specified beforehand.
- Neither the exercise price nor the other conditions regarding the granted Options shall be modified during the term of the Options, except in so far as prompted by structural changes.

A Deviation in order to honour existing agreements

At the time of the acquisition of Fyber GmbH in October 2014 the management board of Fyber GmbH consisted of Mr Bodczek and Mr Zech. As part of the transaction, agreements were made that aimed to incentivise and retain senior Fyber management. In December 2015 the Supervisory Board resolved to grant these options to Mr Bodczek and Mr Zech respectively and they entered into option agreements that include, among other things, the exercise price of these Options which exercise price was based on the share price directly prior to the date of the grant. The terms of these agreements subsequently had to be modified to comply with the aforementioned existing agreements of the Fyber transaction pursuant to which the exercise price equalled the price for which RNTS Media shares were valued in connection to the Fyber transaction.

B Deviation because of the nature and purpose of the Stock Option Plan

The variable (equity based) part of the remuneration package for 2015 included financial-based performance criteria only. These criteria are now deemed especially important since RNTS Media is active in a consolidating market in which we intends to grow both organically and through M&A transactions that often include share based purchase price considerations. Share performance is therefore considered a crucial driver of RNTS Media's growth and success.

However as RNTS Media recruits its staff and management in a competitive international environment, the Stock Option Plan also allows Options to be granted without predetermined performance criteria (the Option grant and the vesting schedule is time based) and stipulates that Options are exercisable within three years from the year the options were granted. The number of Options which may be granted to the members of the Management Board can but does not need to be dependent on the achievement of targets specified beforehand. The remuneration policy does not provide for any share awards to be retained by our members of the Management Board for a period of at least five years or until at least the end of employment.

The character of the share awards as medium to long term components of the remuneration package is further apparent from the fact that the Stock Option Plan provides for a lock-up for shares issued to members of the Management Board of up to 12 months after exercise of these Options.

As described the Stock Option Plan intends to incentivise and retain key management, many of whom are based in the US. In the context of stock option award programs under US law we have been advised by US counsel specialised in incentive programs that a three-year waiting period for the exercise of these options and hurdles for vesting should be deemed too restrictive and not in line with option plans that are considered market practice in the tech sector. We therefore believe that the Stock Option Plan (including the technical changes that will be submitted to the general Meeting for approval) enables us to attract international skills and talent and retain high calibre members of our Management Board so that a deviation from the Code in this respect is considered justified.

Best practice provision III.2.1 (Independence of Supervisory Board members):
RNTS Media does not comply with best practice provision III.2.1, which provides that all members of the Supervisory Board, with the exception of not more than one person, shall be independent within the meaning of best practice provision III.2.2. Currently, two out of three Supervisory Board members are not independent. Mr van Daele is affiliated with Anoa Capital S.A., a regulated platform offering investment advisory services and alternative financing solutions across a range of tailored and innovative primary and secondary market placements, which closely advises RNTS Media. Mr Kavanaugh is affiliated with Knight Global Services, LLC and Relativity Media, LLC, a global media company, which entered into collaboration with RNTS Media. Both have business consulting agreements with RNTS Media. In addition, Mr van Daele and Knight Global Services, LLC have been granted Warrants.

We believe that the Supervisory and Management Board in most circumstances can currently function properly and with the requisite degree of unbiased judgment by its members without its full compliance with best practice provision III.2.1. However, on 14 March 2016 it was announced that the Supervisory Board nominates Mr Thorsten Grenz, Mr Jens Schumann and Mr Crid Yu, who all comply with the criteria for independence as set out in best practice provision III.2.2, for appointment by the General Meeting as members of the Supervisory Board. If appointed the majority of the members of the Supervisory Board will be independent.

Best practice provision III.3.1 (Expertise and composition of the Supervisory Board):
The Supervisory Board will be composed in such manner that the combination of experience, expertise and independence of its members satisfies the requirements set out in its profile. We believe that the composition of the Supervisory Board allows it to properly and effectively carry out its duties. The Supervisory Board aspires a diverse composition in terms of, among other things, gender and age in achieving a desired balance in its composition but it does not strictly follow the recommendation of best practice provision III.3.1 to formulate an explicit target on diversity in terms of gender, age or other criteria. Although the Supervisory Board pays close consideration to gender diversity in the profiles of new members in accordance with Section 2:166 subsection 2 of the Dutch Civil Code, RNTS Media does not yet strictly follow the recommendation for an explicit target on gender diversity.

Best practice provision IV.3.3. The company may not pay any fee(s) to parties for the carrying out of research for analysts' reports or for the production or publication of analysts' reports, with the exception of credit rating agencies.

RNTS engaged Edison Investment Research to prepare analyst research reports in connection to our recent M&A transactions. We have been fully transparent about engagement of Edison and we appear on Edison's website as one of its customers. We feel that our engagement with Edison ensures the quality that we expect from analyst reports and allows us to produce reports to meet with demands of (potential) investors.

This report also includes the information which RNTS Media is required to disclose pursuant to the Dutch Decree on additional requirements for management reports and the Decree on Article 10 of the EU Takeover Directive.

External Auditor

The external auditor is responsible for the audit of the financial statements. The external auditor reports to the Management Board and the Supervisory Board to discuss findings pertaining to their review activities for the quarterly and audit of the annual financial results. The external auditor attends the Annual General Meeting of Shareholders to answer questions pertaining to the independent auditor's report as included in the Annual Report. The Supervisory Board approves every engagement of the external auditor in order to avoid any breaches of the external auditor's independence. The Annual General Meeting of Shareholders appoints the external auditor on a yearly basis upon the recommendation of the Management Board and the Supervisory Board.

Ernst & Young Accountants LLP have been external auditor of the company since 2012.

Corporate Governance Statement

Article 2a of the Dutch Decree on additional requirements for annual reports, last amended on 1 January 2010, requires companies to publish a statement concerning their approach to corporate governance and compliance with the Corporate Governance Code. The information required to be included in this corporate governance statement as described in articles 3, 3a and 3b of the Decree are incorporated in the Corporate Governance section of this annual report.

The main characteristics of the company's internal risk management measures and control systems connected to its financial reporting process, as required by article 3a sub a of the Decree, are described in the Risk Management section in the Management Board Report.

The information regarding the functioning of the General Meeting and the main authorities and rights of the shareholders as required by article 3a sub b of the Decree, can be found in the chapter on Corporate Governance.

The information regarding the composition and functioning of the Management Board and the Supervisory Board as required by article 3a sub c of the Decree can be found in the chapter on Corporate Governance and the Report of the Management Board.

The information referred to in the Takeover Directive (Article 10) Decree as required by article 3b of the Decree can be found in the chapter on Corporate Governance and in note 27.1. to the financial statements.

Equity Information

Information about the Company

RNTS Media N.V. is incorporated in Amsterdam, The Netherlands, and is registered with the Dutch Chamber of Commerce under the number 54747805. The Company's head-office is at Johannisstrasse 20, 10117 Berlin, Germany.

RNTS Media is a mobile advertising technology company, with a focus on developing monetization solutions for connected devices. The Company operates through its operating subsidiary Fyber.

Its financial year runs from 1 January to 31 December each year.

The nature of RNTS Media's activities means that the Group must deal with a multitude of regulations in various countries, such as intellectual property protection, data privacy, tax legislation and competition. The Company also has to respect the rules and regulations of the Frankfurt Stock Exchange related to the listing as well as Dutch law.
Due to the nature of its business, the use of natural resources by the Company is limited and mostly concerns energy.

Information about the Shares

The Company's shares are traded on the Prime Standard of the Frankfurt Stock Exchange under the symbol "RNM" and the ISIN code NL0010315453. The issued capital of RNTS Media amounts to €11.453 million and is divided into 114,533,333 common bearer shares, with a nominal value of €0.10 each. The issued capital as of 31 December 2015 consisted entirely of fully paid-up ordinary shares.

The authorized capital amounts to €40.0m and is divided into 400,000,000 shares, with a nominal value of €0.10 each.

Potential dilution can arise from the exercise of warrants for a total of 4,700,000 shares as well as from the exercise of options under the Stock Option Plan. 11,453,333 options are approved with 8,681,490 being issued. At year-end, RNTS Media shares were traded for a share price of €3.00. As this is also the strike price for the warrants, they were at the money whereas the weighted average strike price of the stock options was at €3.27 and therefore out of the money.

Furthermore, the Convertible Bond of €100.0m with a conversion price of €4.20 may lead to a maximum dilution of further 23,809,524 shares.

The Management Board was designated by the General Meeting to be the competent body to issue up to 40,000,000 shares in connection with a possible conversion of the Convertible Bonds and to restrict or exclude pre-emptive rights in this respect. Further, the Management Board is authorized by the General Meeting to issue shares for a period until 1 April 2020 restricted to 30% of the entire share capital of the Company on a fully diluted basis per 1 April 2015 and to restrict or exclude respective pre-emptive rights. Such issue is generally subject to approval of the Supervisory Board. The Management Board is further authorized to acquire own shares in the capital of the Company for a period until 21 January 2017 for specific reasons particularly for the purpose of mergers and acquisitions or otherwise. The number of shares to be acquired is limited to the maximum allowed under Dutch law.

On 23 March 2016, RNTS Media's market capitalization reached €246m on a share price of EUR 2.15. Daily volumes traded continued to be very low. The share price fluctuated between €3.50 and €3.00 during 2015[1].

Major Shareholders

As RNTS Media has issued bearer shares, there is no exact information on the shareholder structure, the names of the shareholders and the amounts of voting interests they hold, available. To the knowledge of the company, major shareholders of the Company are: Sapinda Holding B.V., SYSK Ltd., Sapinda Invest S.à r.l., Sapinda Asia Ltd., Lars Windhorst and Centrics Holding S.à r.l., Team Europe Holding I GmbH & Co KG, Nokia Growth Partners II L.P., MB Wirtschaftstreuhand, Overseas Ventures Limited, Deutsche Bank AG and Adetra Capital Ventures GmbH.

The parties Sapinda Holding B.V., SYSK Ltd., Sapinda Invest S.à r.l., Sapinda Asia Ltd., Lars Windhorst and Centrics Holding S.à r.l. have entered into a Pooling Agreement. These pooling parties held shareholding in excess of 44,1% as of October 2015, and may therefore be deemed to hold a controlling interest in the Company.

Over the course of 2016, Sapinda Asia Ltd. may additionally acquire up to 30,666,667 shares through exercise of put options by the Former Fyber Shareholders. Sapinda Asia Ltd. is fully owned by Lars Windhorst. Adetra Capital Ventures GmbH holds 3,220,175 Ordinary Shares on behalf of previous investors in Fyber, including Sapinda Asia Ltd.. Mr Bodczek indirectly owns all shares in Adetra Capital Ventures GmbH. Mr Bodczek has no economic interest in these

1 Share price information based on Xetra price information between 12 August 2015 and 30 December 2015

Ordinary Shares. Adetra Capital Ventures GmbH is one of the Former Fyber Shareholders.

Consortia Trustees Limited, of which Lars Windhorst is the settlor and currently the sole beneficiary without voting power, is the majority shareholder of Sapinda Holding B.V. Furthermore, Mr Windhorst is the chairman of Sapinda Holding B.V..

Sapinda Invest S.à r.l and Centrics Holding S.à r.l are owned by a trust of which Lars Windhorst is the settlor and a beneficiary without voting power. Mr Windhorst also sits on the board of managers of Sapinda Invest S.à r.l.

Responsibility Statement

Within the meaning of Section 5:25c paragraph 2 of the Dutch Act on Financial Supervision

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements, give a true and fair view of the assets, liabilities, financial position and operating results of the Group. We believe, based on the activities performed in 2015 and in accordance with best practice provision II.1.5 of the Dutch Corporate Governance Code, that the risk management and control systems with regard to the financial reporting risks have functioned effectively in 2015, and that the risk management and control systems provide a reasonable assurance that the 2015 financial statements do not contain any errors of material importance. In addition, the management report of RNTS Media provides a fair review of the situation on the balance sheet date and of development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of RNTS Media.

The above does not imply that RNTS Media can provide certainty as to the realisation of operational and strategic business and financial objectives. Nor can RNTS Media's approach to internal control over financial reporting be expected to prevent or detect all misstatements, inaccuracies, errors, fraud or violations of laws or regulations.

On behalf of the Management Board

Andreas Bodczek

Financial Calendar 2016

Q1 2016 Results
25 May 2016

H1 2016 Results & Analyst Call
21 September 2016

Q3 2016 Results
23 November 2016

Annual General Meeting
15 June 2016

Annual Analyst Meeting
23 November 2016

Editorial

RNTS Media N.V. (Naamloze Vennootschap) is a public company with limited liability, incorporated under the laws of the Netherlands
Corporate Seat: Amsterdam
Kamer van Koophandel, KvK number 54747805

RNTS Media N.V., Zweigniederlassung Deutschland
Corporate Seat: Berlin
Office Address: Johannisstraße 20, 10117 Berlin, Germany
Amtsgericht Charlottenburg HRB 166541B

Management Board: Andreas Bodczek (CEO) & Janis Zech
Chairman of the Supervisory Board: Dirk van Daele

VAT ID No .: DE283688947
ISIN Code: NL0010315453

Unaudited Pro-Forma Financial Statements

For the year ended 31 December 2015

UNAUDITED PRO-FORMA FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015
RNTS Media N.V.

PRO FORMA INCOME STATEMENT[1]

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015

EUR k	Notes	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2014	1 Jan – 31 Dec 2014	1 Jan – 31 Dec 2014
		Adjusted results	Separately disclosed items	Reported results	Adjusted results	Separately disclosed items	Reported results
Revenue		**81,076**	0	**81,076**	**64,024**	0	**64,024**
Revenue share to third parties		-56,739	0	-56,739	-39,580	0	-39,580
Gross Margin (EUR)		**24,337**	**0**	**24,337**	**24,444**	**0**	**24,444**
Other operating income		4,936	0	4,936	2,419	543	2,962
Personnel costs		-22,975	-2,635	-25,610	-12,601	-545	-13,146
Other operating expenses		-20,038	-2,915	-22,953	-13,577	-6,458	-20,035
EBITDA		**-13,740**	**-5,550**	**-19,290**	**685**	**-6,460**	**-5,775**
Depreciation, amortization and impairment		-1,456	-2,469	-3,925	-2,231	-2,292	-4,523
EBIT		**-15,196**	**-8,019**	**-23,215**	**-1,546**	**-8,752**	**-10,298**
Finance income		146	0	146	0	0	0
Finance expenses		-3,543	0	-3,543	-495	0	-495
Loss for the year before tax		**-18,593**	**-8,019**	**-26,612**	**-2,041**	**-8,752**	**-10,793**
Income tax gain		2,348	739	3,087	215	0	215
		-16,245	**-7,280**	**-23,525**	**-1,826**	**-8,752**	**-10,578**
Loss for the year from discontinued operations after tax		0	-14,409	-14,409	0	-9,595	-9,595
Loss for the year after tax		**-16,245**	**-21,689**	**-37,934**	**-1,826**	**-18,347**	**-20,173**
Profit / loss attributable to:							
Owners of the parent		-16,245	-21,689	-37,934	-1,827	-18,347	-20,174
Non-controlling interest		0	0	0	1	0	1
		-16,245	-21,689	-37,934	-1,826	-18,347	-20,173
Earnings per share							
Basic loss per share (EUR)		-0.14	-0.19	-0.33	-0.04	-0.14	-0.18
Diluted loss per share (EUR)		-0.14	-0.18	-0.32	-0.03	-0.14	-0.17

[1]The pro forma income statement is intended to illustrate how the income statement 1 Jan – 31 Dec 2014 would have been affected if Fyber would have been acquired as per 1 Jan 2014. This pro forma income statement has not been reviewed or audited by Ernst & Young Accountants LLP.

PRO FORMA STATEMENT OF CASH FLOWS[1]

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015

EUR k	1 Jan - 31 Dec 2015	1 Jan – 31 Dec 2014
Loss for the year before tax	**-26,612**	**-10,793**
Depreciation, amortization and impairment	3,925	4,523
Financial income and expenses	3,397	495
Cash flow from discontinued operations	-402	-3,211
Profit / loss from sale of assets	0	176
Other non-cash effects	5,551	3,937
Reimbursement of Virtual Share Program by former Fyber shareholders	6,194	0
Changes in provisions, employee benefit obligations	-3,891	499
Changes in working capital	954	-4,065
Cash generated from operations	**-10,884**	**-8,439**
Interest received	145	0
Interest paid	-1,186	-40
Income tax paid	-690	-168
Net cash flow from operating activities	**-12,615**	**-8,647**
Purchases of property and equipment	-3,481	-860
Proceeds from sale of property and equipment	0	31
Purchases, capitalization of intangible assets	-2,840	-1,909
Proceeds from sale of intangible assets	0	1,412
Free cash flow	**-18,936**	**-9,973**
Acquisition of a subsidiary, net of cash acquired	-10,455	
Change in financial assets, net	9,099	
Cash flow from discontinued operations	-703	
Net cash flow from investing activities	**-8,380**	
Proceeds from the issue of shares	0	
Transaction costs on the issue of shares	0	
Proceeds from long-term borrowings	115,000	
Transaction costs on the issue of convertible bonds	-1,227	
Repayment of long-term borrowings	-15,000	
Proceeds from short-term borrowings	1,500	
Repayment of short-term borrowings	-11,783	
Net cash flow from financing activities	**88,490**	
Net changes in cash	**67,495**	
Cash at beginning of period	12,078	
Net foreign exchange difference	31	
Net changes in cash	67,495	
Cash presented in assets held for sale	-481	
Cash and cash equivalents at end of period	**79,123**	

[1] The pro forma statement of cash flows is intended to illustrate how the free cash flow 1 Jan – 31 Dec 2014 would have been affected if Fyber would have been acquired as per 1 Jan 2014. This pro forma statement of cash flows has not been reviewed or audited by Ernst & Young Accountants LLP.

Statutory Financial Statements

Consolidated financial statements for the year ended 31 December 2015

CONSOLIDATED INCOME STATEMENT

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015

EUR k	Notes	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2014	1 Jan – 31 Dec 2014	1 Jan – 31 Dec 2014
		Adjusted results	**Separately disclosed items**	**Reported results[1]**	**Adjusted results**	**Separately disclosed items**	**Reported results[1]**
Revenue	9	**81,076**	0	**81,076**	**14,925**	0	**14,925**
Revenue share to third parties		-56,739	0	-56,739	-8,984	0	-8,984
Gross Margin (EUR)		**24,337**	**0**	**24,337**	**5,941**	**0**	**5,941**
Other operating income	10	4,936	0	4,936	1,084	543	1,627
Personnel costs		-22,975	-2,635	-25,610	-2,714	-242	-2,956
Other operating expenses	11	-20,038	-2,915	-22,953	-4,887	-6,140	-11,027
EBITDA		**-13,740**	**-5,550**	**-19,290**	**-576**	**-5,839**	**-6,415**
Depreciation, amortization and impairment	12	-1,456	-2,469	-3,925	-407	-471	-878
EBIT		**-15,196**	**-8,019**	**-23,215**	**-983**	**-6,310**	**-7,293**
Finance income		146	0	146	0	0	0
Finance expenses	13	-3,543	0	-3,543	-634	0	-634
Loss for the year before tax		**-18,593**	**-8,019**	**-26,612**	**-1,617**	**-6,310**	**-7,927**
Income tax gain	14	2,348	739	3,087	705	0	705
Loss for the year from continuing operations		**-16,245**	**-7,280**	**-23,525**	**-912**	**-6,310**	**-7,222**
Loss for the year from discontinued operations after tax		0	-14,409	-14,409	0	-9,595	-9,595
Loss for the year after tax		**-16,245**	**-21,689**	**-37,934**	**-912**	**-15,905**	**-16,817**
Profit / loss attributable to:							
Owners of the parent		-16,245	-21,689	-37,934	-913	-15,905	-16,818
Non-controlling interest		0	0	0	1	0	1
		-16,245	-21,689	-37,934	-912	-15,905	-16,817
Earnings per share	16						
For continuing operations							
Basic loss per share (EUR)		-0.15	-0.06	-0.21	-0.02	-0.09	-0.11
Diluted loss per share (EUR)		-0.14	-0.06	-0.20	-0.01	-0.09	-0.10
For total operations							
Basic loss per share (EUR)		-0.14	-0.19	-0.33	-0.04	-0.21	-0.25
Diluted loss per share (EUR)		-0.14	-0.18	-0.32	-0.04	-0.20	-0.24

[1] The Reported results represent IFRS figures.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015

EUR k	Notes	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2014	1 Jan – 31 Dec 2014	1 Jan – 31 Dec 2014
		Adjusted	**Separately disclosed items**	**Reported results[1]**	**Adjusted**	**Separately disclosed items**	**Reported results[1]**
Loss for the year after tax		**-16,245**	**-21,689**	**-37,934**	**-912**	**-15,905**	**-16,817**
To be reclassified to profit and loss in subsequent periods							
Exchange differences on currency translation		379	0	379	828	0	828
Income tax effect		0	0	0	0	0	0
		379	0	379	828	0	828
Not to be reclassified to profit and loss in subsequent periods							
Actuarial gains on defined benefit plans		-7	0	-7	-15	0	-15
Income tax effect		0	0	0	0	0	0
		-7	0	-7	-15	0	-15
Other comprehensive income for the year, net of tax		**372**	**0**	**372**	**813**	**0**	**813**
Total comprehensive income for the year		**-15,873**	**-21,689**	**-37,562**	**-99**	**-15,905**	**-16,004**
Total comprehensive income attributable to:							
Owners of the parent		-15,873	-21,689	-37,562	-100	-15,905	-16,005
Non-controlling interest		0	0	0	1	0	1
		-15,873	-21,689	-37,562	-99	-15,905	-16,004

[1] The Reported results represent IFRS figures.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

EUR k	Notes	31 Dec 2015	31 Dec 2014
Non-current assets			
Intangible assets			
Goodwill	18	144,176	144,383
Other intangible assets	19	13,753	15,346
Property and equipment	20	2,195	674
Non-current financial assets	21	690	12,749
		160,814	**173,152**
Current assets			
Inventories	22	408	556
Trade and other receivables	23	23,160	16,443
Other current financial assets	24	14,992	18,209
Other current assets	25	2,054	803
Cash and cash equivalents	27	79,123	12,078
		119,737	48,089
Assets held for sale		618	0
		120,355	**48,089**
Total Assets		**281,169**	**221,241**
Equity			
Issued capital	28.1	11,453	11,453
Share Premium	28.1	184,812	184,782
Other capital reserves	28.2	13,366	3,021
Accumulated deficit	28.3	-65,979	-28,038
Other components of equity	28.4	1,197	818
Equity attributable to shareholders of the company		**144,849**	**172,036**
Non-controlling interests		0	-20
Total equity		**144,849**	**172,016**
Non-current liabilities			
Long-term employee benefits liabilities	29	613	12,589
Long-term borrowings	30	88,572	2,869
Deferred tax liabilities		0	249
Other non-current liabilities		68	0
		89,253	**15,707**
Current liabilities			
Trade and other payables	31	21,732	13,065
Short-term employee benefits liabilities	29	17,473	10,055
Short-term borrowings	32	0	8,912
Other current liabilities	33	3,360	1,277
Income tax payables		908	209
Provisions	34	598	0
		44,071	33,518
Liabilities directly associated with the assets held for sale		2,996	0
		47,067	**33,518**
Total liabilities		**136,320**	**49,225**
Total equity and liabilities		**281,169**	**221,241**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015

EUR k	Notes	Equity attributable to owners of the parent							
		Ordinary shares	Share Premium	Other capital reserves	Accumulated deficit	Other components of equity	**Total equity**	**Non-controlling interest**	**Total equity**
01 Jan 2015	28	**11,453**	**184,782**	**3,021**	**-28,038**	**818**	**172,036**	**-20**	**172,016**
Loss for the year after tax		0	0	0	-23,525	0	-23,525	0	-23,525
Loss for the year from discontinued operations after tax		0	0	0	-14,409	0	-14,409		-14,409
Other comprehensive income for the period, net of tax		0	0	0	-7	379	372	0	372
Total comprehensive income for the year		**0**	**0**	**0**	**-37,941**	**379**	**-37,562**	**0**	**-37,562**
Acquisition of a subsidiary		0	0	0	0	0	0	20	20
Additional reserves		0	0	0	0	0	0		0
Share-based payments	8	0	0	2,635	0	0	2,635	0	2,635
Issue of share capital		0	0	0	0	0	0	0	0
Discount on low-interest shareholder loans		0	30	0	0	0	30	0	30
Equity component of the convertible bond, net of tax	4	0	0	7,710	0	0	7,710	0	7,710
31 Dec 2015		**11,453**	**184,812**	**13,366**	**-65,979**	**1,197**	**144,849**	**0**	**144,849**
01 Jan 2014	28	**5,653**	**17,757**	**0**	**-11,206**	**-10**	**12,194**	**0**	**12,194**
Loss for the period after tax		0	0	0	-16,817	0	-16,817	1	-16,816
Other comprehensive income for the period, net of tax		0	0	0	-15	828	813	0	813
Total comprehensive income for the period		**0**	**0**	**0**	**-16,832**	**828**	**-16,004**	**1**	**-16,003**
Acquisition of a subsidiary		0	0	0	0	0	0	-21	-21
Share-based payments		0	0	3,021	0	0	3,021	0	3,021
Issue of share capital		5,800	168,200	0	0	0	174,000	0	174,000
Transaction costs		0	-1,308	0		0	-1,308	0	-1,308
Discount on low-interest shareholder loans		0	133	0	0	0	133	0	133
Equity component of the convertible bond, net of tax		0	0	0	0	0	0	0	0
31 Dec 2014		**11,453**	**184,782**	**3,021**	**-28,038**	**818**	**172,036**	**-20**	**172,016**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015

EUR k	Notes	1 Jan - 31 Dec 2015	1 Jan – 31 Dec 2014
Loss for the year before tax		**-26,612**	**-7,927**
Depreciation, amortization and impairment	12	3,925	3,170
Financial income and expenses	13	3,397	634
Cash flow from discontinued operations	7	-402	-4,145
Profit / loss from sale of assets		0	231
Other non-cash effects		5,551	2,231
Reimbursement of Virtual Share Program by former Fyber shareholders		6,194	0
Changes in provisions, employee benefit obligations	29/34	-3,891	0
Changes in working capital		954	-919
Cash generated from operations		**-10,884**	**-6,725**
Interest received		145	0
Interest paid		-1,186	-355
Income tax paid		-690	415
Net cash flow from operating activities		**-12,615**	**-6,665**
Purchases of property and equipment	20	-3,481	-126
Proceeds from sale of property and equipment	20	0	12
Purchases, capitalization of intangible assets	19	-2,840	-2,258
Proceeds from sale of intangible assets	19	0	1,494
Free cash flow		**-18,936**	**-7,543**
Acquisition of a subsidiary, net of cash acquired		-10,455	-8,234
Change in financial assets, net		9,099	-8,972
Cash flow from discontinued operations		-703	-1,428
Net cash flow from investing activities		**-8,380**	**-19,512**
Proceeds from the issue of shares		0	36,000
Transaction costs on the issue of shares		0	-1,308
Proceeds from long-term borrowings	30	115,000	0
Transaction costs on the issue of convertible bonds	4	-1,227	0
Repayment of long-term borrowings	30	-15,000	-2,146
Proceeds from short-term borrowings	32	1,500	5,286
Repayment of short-term borrowings	32	-11,783	-385
Net cash flow from financing activities		**88,490**	**37,447**
Net changes in cash		**67,495**	**11,270**
Cash at beginning of period	27	12,078	763
Net foreign exchange difference		31	45
Net changes in cash		67,495	11,270
Cash presented in assets held for sale	27	-481	0
Cash and cash equivalents at end of period	27	**79,123**	**12,078**

GENERAL INFORMATION

1. Corporate information

RNTS Media N.V. invests in Advertising Technology (AdTech) with significant growth potential. Its principal activities are currently mobile advertising through its subsidiaries in the Fyber Group and Heyzap Inc., which was acquired in January 2016.

Fyber headquartered in Germany has developed a mobile advertising technology platform on which the Company's growth strategy is based. Fyber's supply-side platform helps app developers and publishers monetize their traffic more effectively. Fyber's platform comprises an ad exchange and a mediation layer which provides app developers and publishers easier access to a wide range of demand-side partners and advertisers as well as it offers software-based solutions (like ad analytics & reporting, yield optimization, ad stack management, audience segmentation tools) to increase performance. Fyber also has a direct sale and provides consulting services to its partners to help them I optimizing the capitalization of their customer base.

Heyzap Inc., San Francisco, USA, has been acquired on 7 January 2016. Heyzap complements Fyber's global by offering a mobile monetization platform that operates a Mediation layer, ad exchange and cross-promotion functionalities. Over the course of 2016, Heyzap's monetization platform will be fully integrated with Fyber's platform, adding relevant mobile ad formats and creating an even more robust suite of mobile app monetization tools.

The Company's shares are traded on the Prime Standard of the Frankfurt Stock Exchange under the ISIN code NL0010315453.

RNTS Media is incorporated in Amsterdam, The Netherlands, and is registered with the Dutch Chamber of Commerce under the number 54747805. The Company's head-office is at Johannisstraße 20, 10117 Berlin, Germany.

The financial statements of RNTS Media N.V. and its subsidiaries (collectively, the Group) have been signed by the Management and Supervisory Board Members on 12 April 2016 and adopted for publication.

2. Accounting policies

2.1. Basis of preparation

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code at the balance sheet date. The amendments to Part 9 of Book 2 of the Netherlands Civil Code, which are effective for financial years starting on or after 1 January 2016 have not been early adopted.

The consolidated financial statements have been prepared on a going concern basis, which assumes the realization of assets and the satisfaction of liabilities in the normal course of business. Please refer to note 2.2. for further details.

The consolidated financial statements comprise the full year 2015. The consolidated financial statements provide comparative information in respect of the previous period from 1 January 2014 to 31 December 2014.

The Group's consolidated financial statements are presented in Euro, which is also the parent company's functional currency. All figures are stated in thousands of Euro (EUR k) unless otherwise indicated. Amounts are rounded to the nearest thousand Euro which may cause rounding differences.

The consolidated financial statements of the Group have been prepared on a historical cost basis, except for derivative financial instruments.

The consolidated income statement is presented closely aligned to the nature of expense method.

2.2. Going concern considerations

In 2015, the Group has operated with losses, caused primarily by changing the focus on its AdTech business which was strongly expanded both organically as well as through acquisitions. This has required additional funding which was gained through the placement of EUR k 100,000 of Convertible Bonds.

Also for 2016, management expects further cash requirements to fund operating losses, working capital expansion as well as acquisitions announced in 2015 and early 2016.

In 2016, the operating cash flow is expected to improve vs. 2015 (EUR k -12,600) but stay negative in the Fyber group as it was at year-end. This is caused both by improved operations (revenue and gross margin (€) growth while operating expenses grow less) and lower non-recurring spend due to less corporate projects (such as the Convertible Bond, the listing upgrade to Frankfurt and acquisitions). The negative investing cash flow will increase significantly vs. 2015 (EUR k -8.400) due to the Closing of Heyzap Inc. (USD k 20,000 initial payment) and Inneractive Ltd. (USD 46,000 initial payment) which have already been announced. Both entities are expected to contribute slightly negative cash flow in 2016 including cash flow from integration activities.

At 31 December 2015, the Group showed EUR k 79,123 in cash. In addition, RNTS Media has credit facilities with Silicon Valley Bank and Sapinda Invest S.à r.l. (see note 46.3.) and an additional volume of EUR k 50,000 of Convertible Bonds available for placement.

Management therefore has reasonable expectation that RNTS Media Group has adequate resources to continue as a going concern for the foreseeable future.

2.3. Basis of consolidation

The consolidated financial statements comprise the financial statements of RNTS Media N.V. and its subsidiaries as at 31 December 2015. Subsidiaries are entities that are controlled, directly or indirectly, by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if it has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over the investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of the subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date it ceases to control the subsidiary.

The financial statements of the consolidated subsidiaries were prepared as at 31 December 2015, the same balance sheet date as the parent company. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full on consolidation.

Total comprehensive income within a subsidiary is attributed to the equity holders of the Group and to the non-controlling interests, even if that results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interests and other components of equity while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

2.4. Summary of significant accounting policies

The following significant accounting and valuation principles were applied uniformly across RNTS Group to prepare the financial statements.

2.4.1. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at fair value at acquisition date and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in other operating expenses. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IAS 39 Financial Instruments: Recognition and Measurement, is measured at fair value with changes in fair value recognized either in profit or loss or as change to OCI. If the contingent consideration is not within the scope of IAS 39, it is measured in accordance with the appropriate IFRS. Contingent consideration that is classified as equity is not re-measured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the fair value of the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the income statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.4.2. Foreign currencies

The functional currency of the parent of the Group is Euro, which is also the currency in which the Group prepares its financial reports. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

2.4.2.1. Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates of exchange at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognized in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

2.4.2.2. Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Euro at the rate of exchange prevailing at the reporting date and their income statements are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognized in the income statement.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

The exchange rates of foreign currencies to Euro, that are significant for RNTS Group, were subject to the following changes:

Foreign currency per EUR	Exchange rate at balance sheet date		Average exchange rate	
	31 Dec 2015	31 Dec 2014	2015	2014
US Dollar	1.09	1.22	1.11	1.33

2.4.3. Accounting for separately disclosed items

In order to present the performance of the Group in a clear, consistent and comparable format, certain items are disclosed separately in the Income Statement.

Separately disclosed items include:

- One-off costs from restructuring, reorganization and integration;
- Non-cash accounting charges for stock options, warrants;
- Impairment of goodwill, amortization of acquired intangible assets;
- Transaction costs related to acquisitions;
- Income from reversal of such costs;
- Discontinued operations
- Other non-recurring income and costs for all Group companies;
- And all the related tax effects of the items listed above.

Restructuring and reorganisation costs, such as reducing overhead and consolidating facilities, are included in the Separately Disclosed Items as Management believes that these effects are not indicative of the normal operating income and expenses.

Certain gains/losses are also disclosed separately, as they are either isolated or cannot be expected to occur again with any regularity or predictability and therefore Management believes that they are not indicative of the normal operating gains and losses. These include for example, gains or losses from items such as the sale of a business or real estate, gains or losses on significant litigation-related matters and discontinued operations.

Separately disclosed items also include non-cash accounting charges for stock options, warrants, impairment of goodwill, and amortization of intangible assets acquired as part of a business combination as well as income from reversal of such costs as all these transactions are without cash impact in the consolidated financial statements. Furthermore, the amortization of acquired intangible assets is included because a significant portion of the purchase price for acquisitions may be allocated to intangible assets.

Lastly, discontinued operations are disclosed separately.

Management believes that the separate disclosure of these items enhances investors' understanding of the company's core operating results and future prospects and allows better comparisons of operating results that are consistent over time and with peer companies. Separately disclosed items are not defined by IFRS and are based on management's judgement.

2.4.4. Recognition of income and expenses

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured, regardless of when payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties.

The service revenue from delivering advertising services is recognized when the service is rendered. This usually occurs when the ad impression was generated which is the ad is fetched from its source and served on the mobile device. Depending on the requirements of the specific campaign, further requirements might need be fulfilled such as the mobile device user has clicked on the ad, downloaded specific content, provided personal data etc.

Revenue for rendering of other services, e.g. developing of applications and other digital content, is recognized by reference to the stage of completion. Stage of completion is measured by reference to cost incurred to date on labour hours as a percentage of total estimated cost based on labour hours for each contract.

Revenue from the sale of hardware on which education can be consumed and respective cartridges is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer which is usually on delivery of the goods to the customer.

Other income is recognized when the future inflow of economic benefits from the transaction can be measured reliably and was received by the company during the reporting period.

Operating expenses are recognized either when the corresponding goods are received or services are rendered.

Interest income and expense is recorded using the effective interest method with exception of borrowing costs capitalized according to IAS 23.

Income and expenses are not offset unless gains and losses arising from a group of similar transactions unless they are material. For this reason, gains and losses from foreign currency transactions and revaluations are not offset and shown separately in other operating income and other operating expenses.

2.4.5. Personnel costs

2.4.5.1. Short-term personnel costs

Short-term personnel costs are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service by the employee and the obligation can be estimated reliably.

2.4.5.2. Share-appreciation rights (SARs)

The fair value of the amount payable to employees in respect of share appreciation rights (SARs), which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is re-measured at each reporting date and at settlement date based on the fair value of the SARs. Any changes in the liability are recognized in profit or loss.

2.4.5.3. Stock option program

The fair value of stock options which are granted to employees and which are settled in shares in RNTS Media N.V., is recognized as an expense with a corresponding increase in capital reserves. The expenses are recorded over the vesting period, the time in which the employees become unconditionally entitled to the right to acquire shares in the parent company at a fixed price. The fair value of the options is not re-measured but changes in the employees' structure during the vesting period are recognized in profit or loss. A forfeiture of options after they have vested has no effect on the Group accounts.

2.4.5.4. Defined contribution plan

The Group periodically contributes to pension plans operated by governmental or private companies and recognises related expenses while the employees are employed. The contribution made by the company in excess of the required funding amount is recorded as pension asset whereas the contribution amount that falls short of the required funding amount is recorded as pension liabilities.

2.4.5.5. Defined benefit plan

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses resulting solely from changes in actuarial parameters, the effect of the asset ceiling, excluding net interest (not applicable to the company) and the return on plan assets (excluding net interest), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of

- The date of the plan amendment or curtailment, and
- The date that the company recognizes restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The company recognises the following changes in the net defined benefit obligation under personnel cost:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income.

2.4.6. Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in OCI.

2.4.6.1. Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date in the countries where the Group operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.4.6.2. Deferred taxes

Deferred taxes are recognized to account for the future tax effects of temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements, and for tax loss carry-forwards, using the liability method. Deferred taxes are measured on the basis of the tax laws already enacted or substantially enacted for those fiscal years in which it is probable that the differences will reverse or the tax loss carry-forwards can be utilised. Deferred tax assets are recognized for temporary differences or tax loss carry-forwards only when the ability to utilize them in the near future appears to be reasonably certain. Deferred taxes are also recognized for temporary differences resulting from the fair value measurement of assets and liabilities obtained through business combinations. Deferred taxes relating to goodwill are recognized for temporary differences only when the goodwill can be utilized for tax purposes.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and deferred taxes related to the same taxable entity and the same taxation authority.

2.4.7. Intangible assets

Purchased intangible assets are measured at cost. Intangible assets that have a determinable useful life are amortized over their expected useful lives using the straight-line method, starting from the time when they become available for use by the Group.

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized only if the expenditure can be measured reliably, the product is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortization and any accumulated impairment losses.

Borrowing costs which are directly associated with the development of software that takes a substantial period of time (qualifying assets) are included in the cost of production until the assets in question are ready for their intended use.

The details of amortisation are as follows:

	Useful life in years	Amortization method used	Internally generated
Software	3 - 5	Straight Line	Acquired
Customer contracts	Contract Period	Straight Line	Acquired
Digital content	3	Straight Line	Acquired
Development costs	6	Straight Line	Acquired
Development costs	3	Straight Line	Internally generated
Others	3 - 6	Straight Line	Acquired
Goodwill	-	Impairment Test	Acquired

Intangible assets with an indefinite useful life such as goodwill are not amortized. At the reporting date, the use of these assets by the Group is not limited by any economic or legal restrictions.

An intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) are recognized in the income statement.

2.4.8. Property and equipment

Property and equipment are measured at cost and are depreciated over their expected useful lives using the straight-line method. For purposes of depreciation, the following useful lives are applied:

	Useful life in years	Depreciation method used
Leaseholds improvements	2 - 3	Straight Line
Other operational and office equipment	3 - 13	Straight Line

Property and equipment are derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or losses on the disposal of property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) are recognized in the income statement.

2.4.9. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

The Group classifies and accounts for leases as either a finance or operating lease, depending on the terms. Leases where the Group assumes substantially all of the risks and rewards of ownership are classified as finance leases. All other leases are classified as operating leases.

Lease obligations under operating leases are recognized as an expense on a straight-line basis over the term of the lease. Contingent rents are charged as expenses in the periods in which they are incurred.

As per the reporting date, the Group has not entered into lease contracts that qualify as finance lease.

2.4.10. Impairment of intangible assets and property and equipment

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Goodwill and intangible assets with an indefinite useful life are not amortized, but will be tested for impairment annually and when circumstances indicate that they may be impaired.

A previously recognized impairment loss for assets excluding goodwill will be reversed when the recoverable amount exceeds the carrying amount of the asset again. The reversal is limited to the amount which would have resulted if previous impairment losses had not been recognized. A recognized impairment loss in goodwill will not be reversed.

2.4.11. Financial assets and liabilities

The Group's financial assets are mainly composed of cash and cash equivalents, trade and other receivables and other financial assets. Financial liabilities are mainly composed of trade and other payables and loans and borrowings.

A financial asset is derecognized when the contractual rights to receive cash flows from the financial asset have expired or have been transferred to third parties, or when the Group has assumed a contractual obligation to pay the received cash flows immediately to a third party, under which substantially all the risks and rewards or the power of control were transferred. A financial liability is derecognized when the obligation underlying the liability is discharged or cancelled or has expired.

2.4.11.1. Cash and cash equivalents

The cash and cash equivalents in the statement of financial position consist of cash in banks and cash on hand and short-term deposits with an original maturity of three months or less.

For the purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

2.4.11.2. Loans, receivables and other financial assets

Upon initial recognition, loans, receivables, and other financial assets are measured at fair value plus transaction costs. Subsequently, they are measured at amortized cost, after deduction of any write-downs, using the effective interest method. A write-down is taken when objective indications suggest that the receivable may not be fully collectible. Such an indication might be the insolvency or other considerable financial problems of the debtor. The amount of the write-down is measured as the difference between the carrying amount of the receivable and the present value of the estimated future cash flows from this receivable, discounted by using the original effective interest rate. Write-downs are charged against income both in the form of an account for allowances on doubtful accounts and by means of direct write-downs. The account for allowances on doubtful accounts is used for allowances on doubtful trade receivables. If, in subsequent periods, the fair value has objectively risen, the write-downs are reversed and recognized in income in the appropriate amounts.

2.4.11.3. Borrowings and other financial liabilities

Borrowings and other non-derivative financial liabilities are measured at amortized cost by application of the effective interest method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on

acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs in the income statement.

Compound financial instruments like convertible bonds low interest shareholder loans which include a liability as well as an equity component - are recognized separately with each component. The equity is the remainder of the fair value of the whole instrument at issue date less the fair value of the liability component determined by applying market interest rate for comparable debt without any equity component. Transaction costs on the issue of such financial instruments are allocated on a pro rata basis to each of the components and respectively deducted.

2.5. Changes in accounting policies and disclosures

Further, deferred tax assets and deferred tax liabilities have been offset as the Group has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity. In addition, the Group ceased to present security deposits as a single line item in non-current assets since the amount is no longer material and a recognition in non-current financial assets is considered to increase clarity. The statement of financial position as of 31 December 2014 was amended accordingly.

The balance sheet was amended by a single line item short-term employee benefits liability in order to increase clarity. Before that, short-term employee benefits liabilities were included in other current liabilities (EUR k 9,081) and provisions (EUR k 974). The statement of financial position as of 31 December 2014 was amended accordingly. Further, all accruals, that were included in provisions as of 31 December 2014 (EUR k 834), were reclassified to trade and other payables.

Cash flows in connection with the virtual share program that was assumed during the course of the acquisition of Fyber are entirely included in cash flow from operating activities. That underlines the overall neutrality of the cash flows from the Group's perspective. Before the change, cash outflows to employees of Fyber were presented in the net cash flow from operating activities and cash inflows from the reimbursement by the seller of Fyber was shown as disinvestment of the reimbursement claim in the cash flow from investing activities.

2.6. Accounting estimates and assumptions

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the presentation of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements as well as the reported amounts and presentation of income and expenses during the period. The Group based its assumptions and estimates on past experience and on other factors including the prevailing economic environment available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Actual amounts may differ from these estimates under different assumptions and conditions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Information regarding the carrying amounts determined with the use of estimates can be found in the comments on the specific line items.

2.6.1. Measurement of fair values

A number of accounting policies and disclosures require the determination of the fair value of the Group for financial and non-financial assets and liabilities.

To determine the fair value of assets and liabilities, the Group uses observable market data as far as possible. If such inputs are not available, the management defines appropriate valuation methods and input parameters. Based on the inputs used in the valuation techniques, the fair values are classified in different levels in the fair value hierarchy:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes reclassifications in different levels of the fair value hierarchy at the end of the reporting period in which the change occurred.

2.6.2. Revenue recognition

The recognition of revenue involves certain estimates with respect to, for instance, discounts. The Group regularly reviews the appropriateness of its assumptions.

2.6.3. Intangible assets other than goodwill

Management uses assumptions to assess the technical and commercial feasibility and the future economic benefit of internally generated software and digital content. Further estimates were applied by measuring the related development costs and determining the useful lives. In case that an impairment test might be required in accordance with the accounting policies (note 2.4.7.), management uses significant assumptions on which the recoverable amount is based.

2.6.4. Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences in interpretation may arise for a wide variety of issues depending on the conditions prevailing in the respective domicile of the Group companies.

Management judgment is required to determine the amount of deferred taxes that can be recognized and with respect to changes in tax laws and the amount and timing of future taxable income. These judgments and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred taxes recognized and the amount of other tax losses and temporary differences not yet recognized. In such circumstances the carrying amount of recognized deferred taxes may require adjustment.

2.6.5. Purchase price allocation

Management uses judgement on whether and when control has been acquired over an investee.

Please refer to note 6. for the judgement and the key assumptions used in the purchase price allocation.

2.6.6. Impairment of goodwill

The group tests annually if goodwill has suffered any impairment in accordance with the accounting policies (note 2.4.7.).

Please refer to note 18. for detailed information on estimates and key assumptions used to determine the necessity of an impairment, including a sensitivity analysis.

2.6.7. Measurement of receivables and necessary impairments

Individual receivables and any necessary write-downs are estimated and evaluated on the basis of the individual client's creditworthiness, current economic developments, and an analysis of historical defaults.

2.6.8. Measurement of compound financial instruments

The equity component of any shareholder loan is determined by deducting the fair value of the financial liability from the fair value of the instrument as a whole. Management judgement is required to assess market interest rate for comparable financial instruments.

2.7. New and amended standards and interpretations

2.7.1. New currently effective standards and interpretations

New and amended standards, which are effective for annual periods beginning on or after 1 January 2015, were adopted by the Group without significant impact on the consolidated financial statements as of 31 December 2015:

IAS 19 (Amendment)	Defined Benefit Plans: Employee contributions
Annual Improvements to IFRS 2010-2012 Cycle (endorsed by the EU as of 1 February 2013)	Various standards
Annual Improvements to IFRS 2011-2013 Cycle	Various standards

2.7.2. Standards issued but not yet effective

The following overview outlines those Standards and Interpretations issued by the IASB at 31 December 2015 which have not been applied early, as their application is either not mandatory or endorsement by the European Commission is still pending. The potential impact of these standards on the consolidated financial statements for following years is under assessment by the Group.

Effective date: 1 January 2016	
IFRS 10 (Amended) + IAS 28 (Amended)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
IFRS 11 (Amended)	Accounting for Acquisitions of Interests in Joint Operations
IFRS 14	Regulatory Deferral Accounts
IAS 1 (Amended)	Disclosure Initiative
IAS 16 (Amended) + IAS 38 (Amended)	Clarification of Acceptable Methods of Depreciation and Amortization
IAS 27 (Amendments)	Equity Method in Separate Financial Statements
Annual Improvements to IFRS 2012-2014 Cycle	Various standards
IFRS 10 (Amended) + IFRS 12 (Amended) + IAS 28 (Amended)	Investment Entities: Applying the Consolidated Exception
Effective date: 1 January 2018	
IFRS 9	Financial instruments
IFRS 15	Revenue from Contracts with Customers
Effective date: 1 January 2019	
IFRS 16	Leases

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. Companies included in the consolidated financial statements

The scope of consolidation, including RNTS Media N.V. as parent company, comprises twelve fully consolidated companies. The subsidiaries and participations are as follows:

No.	Company	Country of incorporation	% equity interest
1	RNTS Media N.V.	The Netherlands	
Fully consolidated subsidiaries			
2	Advertile Mobile GmbH	Germany	100.00
3	Big Star Global Co., Ltd.	Republic of Korea	100.00
4	Falk Realtime Ltd.	United Kingdom	100.00
5	Falk Technologies GmbH	Germany	100.00
6	Fyber GmbH	Germany	100.00
7	Fyber Inc.	USA	100.00
8	Fyber Media GmbH	Germany	100.00
9	RNTS Germany Holding GmbH	Germany	100.00
10	RNTS Media Deutschland GmbH	Germany	100.00
11	SponsorPay K.K.	Japan	100.00
12	SponsorPay Korea Co., Ltd.	Republic of Korea	100.00
Fully consolidated subsidiary from 7 January 2016 onwards			
13	Heyzap Inc.	USA	100.00

In May 2015, the Group acquired Falk Realtime Ltd. including its subsidiary Falk Technologies GmbH (see note 6.). In November 2015, RNTS Media Co. Ltd., Korea, which was dormant since abandoning the mobile game publishing business in early 2014, was sold. In January 2016, Heyzap Inc., USA, was acquired (see note 6.). In March 2016, an agreement has been signed to fully acquire Inneractive Ltd., Israel. The closing of this transaction is expected in Q2 2016. Please refer to note 46.2. for further details.

4. Issue of convertible bonds and net debt

On 17 July 2015, RNTS Media N.V. has placed senior, unsecured convertible bonds of EUR 100 million in aggregate principal amount due in 2020. The bond proceeds were used for a repayment of existing loans. Further, the funds will be used to finance the acquisition of Heyzap Inc. (see note 6.) and Inneractive Inc. (see note 46.2.) as well as general corporate purposes.

The bonds have a nominal amount of EUR 100,000.00 each and are convertible into c. 23.8 million new ordinary shares of the Company, representing up to c. 17.2% of share capital following a full conversion.

The bonds have a nominal coupon of 5% p.a. payable semi-annually in arrears. The initial conversion price was set at EUR 4.20.

The placement of the bonds had been approved by the Management Board, Supervisory Board and the shareholders at the general meeting of shareholders on 1 April 2015.

The convertible bonds started to accrue interest on 27 July 2015. The settlement of the bonds took place on 7 August 2015. Interest income and expense accrued between closing and settlement were netted in the income statement.

The convertible bond as a compound financial instrument was upon initial recognition split into a liability and an equity component respectively. The liability component was determined by assuming a market interest rate of 7.8% p.a. Transaction costs for the issue of the bonds of about EUR k 1,227 relating primarily to fees incurred by the acting Lead Managers to the transaction were allocated to the liability and the equity component on a pro rata basis.

The convertible bonds were split into equity and liability as follows:

EUR k	Equity component	Liability component	Total
Principal	11,239	88,761	100,000
Transaction costs	-138	-1,089	-1,227
Net proceeds	11,101	87,672	98,773
Deferred tax liabilities	-3,391	0	-3,391
	7,710	**87,672**	**95,382**

The equity component is recognized in other capital reserves (note 28.2.).

Out of the proceeds, the Group repaid all shareholder loans from SYSK Ltd., Lars Windhorst, Sapinda Asia Ltd. and Sapinda Invest S.à r.l. amounting in total to EUR k 23,190 including accrued interest.

With the issue of the convertible bonds, net debt developed as follows:

Net debt analysis	31 Dec 2015 EUR k	31 Dec 2014 EUR k
Long-term borrowings	88,572	2,869
Short-term borrowings	0	8,912
Accrued interest payable on convertible bond	2,145	0
Cash and cash equivalents	-79,123	-12,078
	11,594	**-297**
Current financial asset (highly liquid)	0	-9,000
Net debt / (cash)	**11,594**	**-9,297**

The current financial asset carried as of 31 December 2014 was a deposit that was held at Shard Capital Partners LLP which was readily available at short notice but did not qualify as cash and cash equivalents.

5. Listing upgrade

The Company has upgraded the listing and trading of its shares from the EURO MTF of the Luxembourg Stock Exchange to the regulated market of the Frankfurt Stock Exchange with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange.

The shares started trading on the Prime Standard of the Frankfurt Stock Exchange on 12 August 2015.

At the same time the Company withdrew the shares from trading on the Euro MTF and listing on the Official List of the Luxembourg Stock Exchange.

6. Acquisitions in 2015

6.1. General information

In 2015, RNTS Media acquired 100% of the share capital of Falk Realtime Ltd. ("Falk"), a fast growing mobile advertising technology company based in Germany, for a total consideration of EUR 10.65 million effective 12 May 2015.

As of 23 December 2015, RNTS Media signed a purchase agreement to fully acquire Heyzap Inc., USA. The transaction was closed on 7 January 2016. Please refer to note 46.1. for further detail.

6.2. Purchase price allocation of Falk

The purchase price allocation considers all knowledge and adjusting events about the conditions that existed at the acquisition date. From the consideration of EUR 10.65 million, a loan of Falk Technologies GmbH to a former shareholder has been repaid in an amount of EUR 0.427 million. The remaining purchase price of EUR 10.223 million was allocated to the identified assets and liabilities of Falk and its subsidiary as well as goodwill at the date of acquisition as follows:

EUR k	Fair value 12 May 2015
Intangible assets	
- Carried in Falk books	522
- Identified during purchase price allocation	1,408
Property and equipment	12
Current assets	367
Long-term borrowings	-427
Deferred tax liabilities	-425
Current liabilities	-378
	1,079
Goodwill arising on acquisition	9,144
Purchase consideration transferred	**10,223**

Falk was acquired mainly in order to add knowledge of technology and employee base to the operations of RNTS. The key assumptions of the valuation of the technology are as follows:

	Technology
Valuation methodology used	Replacement cost
Useful life	6 years
Tax rate	30%

The goodwill of EUR k 9,144 comprises the value of the expected growth in revenue as well as synergies arising from the acquisition. Falk is considered a part of the ad monetization segment of the Group as there are numerous overlapping relationships in the operations between Falk and Fyber. Therefore, the entire goodwill is allocated to this segment. None of the goodwill is expected to be deductible for income tax purposes.

Of the acquired intangible assets, none have indefinite useful lives besides goodwill.

From the date of the acquisition, Falk contributed EUR k 11,310 to the consolidated revenues and EUR k -1,124 to loss after tax. If the combination had taken place at the beginning of the year, Falk would have contributed EUR k 12,374 to consolidated revenue and EUR k -1,295 to loss after tax.

The acquisition had the following cash effect:

	EUR k
Cash payment	-5,900
Reimbursement of shares transferred	-4,750
Net cash acquired with the subsidiary	195
Net cash flow (included in cash flow from investing activities)	**-10,455**

7. Discontinued operations

In Q4 2015, the Supervisory Board approved the plan to sell the investment in Big Star Global Ltd and with it to discontinue its edutainment segment. Management considered it highly likely that a buyer would be found. However, management also decided that in case no buyers were found, a wind down would take place. This decision was made because the results remain below expectations and further funding would be required to regain profitability. Therefore, management decided to focus the Group's financial and administrative resources on its ad monetization activities. For this purpose, investment consultants were engaged to look for potential buyers. In parallel, negotiations with the Big Star Global management were started to evaluate the possibility of a management buy-out.

In Q3 2015, an impairment of EUR k 4,488 was already recognized to reflect the deterioration of the outlook of the Group's edutainment activities. At that time, the value in use was determined with EUR k 7,000.

After the decision to actually sell the investment, Big Star Global is treated as a disposal group under IFRS 5. That implies that assets and liabilities of Big Star Global are presented separately from the other assets and liabilities and the disposal group is recognized at fair value less costs of disposal.

The assets and liabilities of the disposal group after impairment of the non-current assets consists of

	EUR k
Other non-current financial assets	137
Cash and cash equivalents	481
Assets held for sale	**618**
Long-term employee benefits liabilities	131
Short-term borrowings	1,507
Short-term employee benefits liabilities	78
Income tax payable	41
Provisions	1,239
Liabilities directly associated with the assets held for sale	**2,996**
Net liabilities	**2,378**

Based on initial feedback by the investment consultants, management estimated the fair value less cost to sell of the disposal group (including liabilities) at EUR k 2,378 negative. Because the actual fair value less costs to sell is lower than the net amount of EUR k 1,139 management decided to recognize an additional provision of EUR k 1,239 as part of the disposal group.

The total charge of EUR k 14,409 in the income statement consist of:

	EUR k
Impairment of goodwill and other intangibles	11,117
Additional provision	1,239
Operating loss in 2015	2,053
Loss for the year from discontinued operations after tax	**14,409**

8. Stock option program

As previously communicated, the Group implemented a stock option plan for senior management and employees of the Group.

During the year 2015, 9.2 million options were granted and 2.5 million were forfeited due to the exit of employees prior to vesting. As of 31 December 2015, a total of 6.7 million options were outstanding to employees and senior management including management board members with a weighted average strike price of EUR 3.27. The total fair value of the options has been determined using the Black Scholes model as EUR k 4,059 based on the following assumptions:

Share price:	2.89 – 3.75 EUR
Dividend yield:	0% p.a.
Term of the option:	2.875 years
Risk free interest rate:	-0,17% to -0,29% p.a.
Historical volatility:	30%
Fluctuation:	20% p.a.

The options were granted to employees in 5 tranches, depending on when the employees have started. The term of the options was assumed taking into account a maximum exercise period of five years following the start date as well as the expected exercise behavior. As risk-free rate, ECB AAA yields adequate to the relevant term was used.

As the options are settled in shares, the value of the options is locked and not subject to revaluation and is accrued over the vesting period and recognized in personnel costs. For 2015, the Group recognized personnel costs in connection with the stock option plan in an amount of EUR k 2,635. Due to the specific vesting conditions of the stock option plan expenses are incurred over-proportionately in 2015 with decreased amounts to be recognized in future periods.

For 2016, the management board members Andreas Bodczek and Janis Zech have been granted additional 1 million options each, having a three year vesting period and an exercise period of up to 5 years, both starting 1 January 2016. The strike price is 3.50 EUR and vesting is subject to share prices ranging from 4.00 to 7.00 EUR.

NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In the following notes to the consolidated statement of comprehensive income, the figures for the prior year ended on 31 December 2014 are in some parts different from the figures presented in the consolidated financial statements for the year ended 31 December 2014. Since 2015 Big Star Global is categorized as a discontinued operation. Therefore, its contribution to the consolidated income and expenses is presented separately from those of the continuing operations. To increase the comparability of the financial information, the figures for the prior year ended on 31 December 2014 are shown as if Big Star Global would have been a discontinued operation for the whole year 2014 as well.

9. Revenue

The revenues of EUR k 81,076 (2014: EUR k 14,925) shown in the income statement relate solely to the advertising services realized through Fyber and Falk. Revenue realized through the edutainment segment are included in the line item 'loss for the year from discontinued operations after tax' (see note 7.).

Revenues represent the money collected from advertisers while gross margin (€) represent these revenues net of pay-outs to publishers. Managements considers this Gross representation of revenues as appropriate as the following factors indicate that the Group does not act as an agent:

- The Group has significant responsibility for the services rendered,
- Credit risk is borne by the Group,
- The Group can vary the selling prices and does not get a commission.

10. Other operating income

Other operating income breaks down as follows:

	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
	EUR k	EUR k
Foreign currency transaction gains	4,757	659
Reversal of provisions	33	867
Miscellaneous	146	101
Other operating income	**4,936**	**1,627**

The high reversal of provisions in 2014 mainly consisted of an allowance of EUR k 525 for VAT risks of the company recognized in 2013 and reversed in 2014 after the finalization of a special VAT audit by the German tax authorities.

The increase in foreign currency transaction gains is related to the high international business share since the acquisition of Fyber in 2014 which accounted for EUR k 4,399 of the total of EUR k 4,757 in foreign currency transaction gains. In 2015 Fyber realized the majority of its revenue in USD. Due to the related working capital exposure in USD the reduced exchange rate of the Euro against the USD resulted in a respective gain in 2015. Corresponding losses are recorded as other operating expenses.

11. Other operating expenses

The following table provides an overview of the material items of other operating expenses:

	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
	EUR k	EUR k
Legal & Consulting	6,055	7,093
Foreign currency transactions loss	3,713	656
IT	2,978	119
Other SG&A	2,242	1,165
Professional services	2,094	324
Rent & Utilities	1,337	201
Tax & Accounting	1,272	638
Training & Recruiting	1,254	237
Travel & Entertainment	1,180	290
Marketing	828	304
Other operating expenses	**22,953**	**11,027**

Legal & consulting expenses in 2015 mainly relate to the listing upgrade (EUR k 1,725) as well as transactions costs for Falk and Fyber (EUR k 1,190), both considered to be non-recurring in nature and therefore included in the separately disclosed items. The remaining amount was primarily incurred for interim management (EUR k 1,034) and general advisory and corporate administration (EUR k 2,106). In 2014, legal & consulting costs were higher mainly due to the acquisition of Fyber (EUR k 3,361) and expenses in connection with business consultancy agreements (EUR k 3,021).

Foreign currency loss increased for the same reason as foreign currency gains rose in the same period (see note 10.). As a significant part of the Groups cost basis, in particular payouts to publishers, are denominated in foreign currencies, the decline of the value of the Euro had an adverse effect on the income statement.

The increase of the remaining other operating expenses was primarily driven by the first full-year consolidation of Fyber as well as the consolidation of Falk since May 2015.

12. Depreciation, amortization and impairment

At the end of the financial year 2015, the Group recognizes amortization of intangible assets of EUR k 3,373 (see note 19.) and depreciation of tangible assets of EUR k 527 (see note 20.). In addition, the Group recognized an impairment of EUR k 25 in connection with its investment in SponsorPay K.K, Japan.

13. Finance expenses

During the reporting year 2015 the Group issued a convertible bond which now accounts for EUR k 2,908 of the total of EUR k 3,543 finance expenses. The following table provides an overview of the finance expenses:

	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
	EUR k	EUR k
Interest accrued Convertible Bond	2,908	0
Interest on Shareholder loans	467	613
Interest to Silicon Valley Bank	131	36
Interest to IBB	27	4
Currency effect	10	-19
Finance expenses	**3,543**	**634**

14. Income tax expenses

The major components of income tax expense are as follows:

	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
	EUR k	EUR k
Breakdown of income tax reported in profit or loss		
Current income tax charge	740	635
Deferred tax		
- Relating to the origination and reversal of temporary differences	-3,827	70
Discontinued operations	0	0
Income tax charged to profit or loss	**-3,087**	**705**
Breakdown of income tax reported in OCI		
Deferred tax related to items recognized in OCI during the year		
- Income tax income on actuarial losses	0	0
Income tax charged to OCI	**0**	**0**

Reconciliation of accounting loss to income tax expense / income tax gain:

	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
	EUR k	EUR k
Accounting loss before tax	**-26,612**	**-7,927**
Applicable tax rate	30.175%	30.175%
Income tax at applicable tax rate	-8,030	-2,392
Non-deductible expenses for tax purposes		
Stock option expenses (note 8.)	655	0
Impairment of goodwill	0	1,265
Other expenses not deductible for tax purposes	180	2
Unrecognized deferred tax assets in fiscal year	5,442	1,827
Use of unrecognized deferred tax assets not yet being recognized	-939	0
Others	-395	3
Income tax expense (+) / income (-) reported in the statement of comprehensive income	**-3,087**	**705**

Since the acquisition of Fyber in 2014 the vast majority of revenues is generated in Germany. Therefore, the tax rate applied in Germany is deemed to be valid as Group tax rate from 2014 onwards. The tax rate of 30.175% contains corporate income tax of 15.825%, including solidarity surcharge, as well as trade tax of 14.35%. Differences in the tax basis of the various income taxes have been neglected for the purpose of this reconciliation.

Reconciliation of tax income (-) / expense from the origination and reversal of temporary differences and tax loss carried forward:

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Changes in deferred tax assets recognized through P&L	-3,651	138
Changes in deferred tax liabilities recognized through P&L	-176	-68
Tax income (-) / expense from the origination and reversal of temporary differences and tax loss carried forward	**-3,827**	**70**

15. Other comprehensive income

An income tax effect in relation to the exchange differences on currency translation was not recognized. In case that taxable temporary differences may arise in this respect, the parent is able to control the timing of the reversal of such temporary differences and it is probable that those differences will not reverse in the foreseeable future.

16. Earnings per share

Basic earnings per share are calculated by dividing the net income of the year attributable to ordinary equity holders of RNTS Media N.V. by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are calculated by dividing the net income of the year attributable to ordinary equity holders of RNTS Media N.V. by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the potentially dilutive ordinary shares into ordinary shares.

The basic and diluted earnings per share are:

		1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2014
Profit / loss attributable to			
owners of the parent	EUR k	-37,934	-16.818
Weighted average shares outstanding, basic	000s	114.533	67.816
Weighted average shares outstanding, diluted	000s	119.510	70.123
Basic loss per share	EUR	-0,33	-0,25
Diluted loss per share	EUR	-0,32	-0,24

17. Separately disclosed items

Please refer to note 2.4.3. for the accounting policies with respect to the recognition of separately disclosed items.

Separately disclosed items break down as follows:

	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2014
	EUR k	EUR k
Non-cash accounting charges for stock options, warrants etc.	-2,635	-3,021
Transaction costs related to acquisitions	-1,190	-3,361
Other non-recurring income and costs	-1,725	543
Effect on EBITDA	-5,550	-5,839
Amortization of acquired intangible assets	-2,469	-471
Discontinued operations	-14,409	-9,595
Related tax effects of the items listed above	739	0
Effect on loss for the period after tax	**-21,689**	**-15,905**

Non-cash stock option charges, warrants etc. in 2015 relate to the stock option program (note 8.). In 2014, warrants have been granted to two Supervisory Board members for their business consultancy services.

Transaction costs relate to the acquisitions of Falk in 2015 and Fyber in 2014 and consist mainly of due diligence, legal advice and other consultancy services.

Other non-recurring income and costs in 2015 include legal advice, special audit and consultancy costs in connection with the listing upgrade. In 2014, this position contained a reversal of a provision for VAT risks that did not fully materialize after a tax audit.

Amortization of acquired intangibles assets relate to intangibles identified in the business combination with Fyber and Falk. Please refer to note 6.

Discontinued operations in 2015 relate mainly to the discontinuation of Big Star Global (see note 7.) while in the prior year, the previous RNTS mobile and online game publishing activities had been abandoned.

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

18. Goodwill

The goodwill results solely from acquisitions and breaks down as follows:

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Fyber, Germany		
- Goodwill as at acquisition of Fyber GmbH	135,080	135,080
- Goodwill as at acquisition of Falk Realtime Ltd.	9,096	0
	144,176	135,080
Big Star Global, Korea		
- Goodwill as at acquisition	8,557	8,557
- Currency effects	1,066	746
- Impairment	-9,623	0
	0	9,303
Goodwill	**144,176**	**144,383**

18.1. Fyber

Both, the goodwill from the Fyber acquisition as well as the goodwill from the Falk acquisition were allocated to the cash generating unit 'Fyber' as their cash flows have various significant interdependencies. The goodwill of the CGU was tested based on the recoverable amount being the higher of the value in use and the fair value less cost of disposal. The fair value less cost of disposal was determined using trading multiples of comparable companies and the value in use was based on cash flow projections that were derived from financial budgets approved by senior management covering a fifteen-year period, of which the first five years are based on a detailed budget and the additional ten years on a high-level cash flow forecast. The key assumptions of the cash flow projections are as follows:

Compound annual growth rate (CAGR) of	
- gross revenue during the detailed forecast period of 5 years	28.28%
- free cash flow during the high-level forecast period of 10 years	5.84%
- free cash flow beyond the forecast period	2.00%
Post-tax discount rate	11.50%

Management expects the Fyber business to grow strongly beyond the usual five-year forecast period. Before that background, a fifteen-year forecast period is more appropriate. Based on these assumptions, the recoverable value of the cash generating unit Fyber exceeds its carrying amount including goodwill and an impairment was not recognized.

The calculation of the value in use is most sensitive to the growth rate of gross revenue applied both during and beyond the explicit forecast period as well as the post-tax discount rate applied. Therefore, sensitivity tests were performed by varying the following assumptions, holding all other variables constant:

	Recoverable amount higher than carrying value?
- A 0.5 basis point lower CAGR in respect to the free cash flow beyond the forecast period	yes
- A 10% higher post-tax discount rate	yes

None of the sensitivity tests resulted in an impairment need.

18.2. Big Star Global Co., Ltd.

The goodwill from the acquisition Big Star Global was allocated to the cash generating unit of the same name.

The goodwill was completely impaired. Please refer to note 7. for further detail.

19. Other intangible assets

	Customer contracts EUR k	Development EUR k	Technology EUR k	Others EUR k	Total EUR k
Acquisition or production cost					
1 Jan 2014	1,018	1,505	191	3,270	5,984
Acquisition of Fyber	4,634	1,350	6,730	177	12,891
Additions	0	2,223	0	35	2,258
Disposals	0	0	0	-705	-705
Currency effects	97	143	18	68	326
31 Dec 2014	**5,749**	**5,221**	**6,939**	**2,845**	**20,754**
1 Jan 2015	5,749	5,221	6,939	2,845	20,754
Acquisition of Falk	0	0	1,408	522	1,930
Additions	0	2,619	0	464	3,083
Disposals	0	-67	0	0	-67
Currency effects	28	114	0	63	205
Transfer to assets held for sale	-838	-3,844	0	-876	-5,558
Assets held for sale	838	3,844	0	876	5,558
31 Dec 2015	**5,777**	**7,887**	**8,347**	**3,894**	**25,905**

	Customer contracts EUR k	Development EUR k	Technology EUR k	Others EUR k	Total EUR k
Amortization and impairments					
1 Jan 2014	87	73	82	1,802	2,044
Additions	370	2,104	277	334	3,085
Disposals	0	0	0	-609	-609
Impairment charges	163	0	60	639	862
Currency effects	8	7	8	3	26
31 Dec 2014	**628**	**2,184**	**427**	**2,169**	**5,408**
1 Jan 2015	628	2,184	427	2,169	5,408
Additions	1,158	834	1,278	103	3,373
Disposals	0	-9	0	0	-9
Transfer to assets held for sale	740	2,028	0	612	3,380
31 Dec 2015	**2,526**	**5,037**	**1,705**	**2,884**	**12,152**

	Customer contracts EUR k	Development EUR k	Technology EUR k	Others EUR k	Total EUR k
Carrying amounts					
1 Jan 2014	**931**	**1,432**	**109**	**1,468**	**3,940**
31 Dec 2014	**5,121**	**3,037**	**6,512**	**676**	**15,346**
31 Dec 2015	**3,251**	**2,850**	**6,642**	**1,010**	**13,753**

In 2015, the carrying amount of other intangible assets decreased by EUR k 1,593 as the amortization and impairment charges outweighed the newly added self-developed software in connection with the Fyber Platform (EUR k 2,026) and the intangible assets (EUR k 1,930) recognized through the acquisition of Falk (see note 6.2.).

The impairment charges of EUR k 2,113 relate to intangible assets other than Goodwill in connection with the discontinuation of Big Star Global (see note 7.).

The remaining amortization periods for other intangible assets that are material to the financial statements are as follows:

Asset	Carrying amount	Remaining amortization period
	EUR k	years
Customer contracts	3,251	3
Development	2,850	2 - 3
Technology	6,642	5 - 5.5

20. Property and equipment

The following table shows the development of property and equipment:

	Other operational and office equipment EUR k	Fixtures EUR k	Total EUR k
Acquisition or production cost			
1 Jan 2014	273	0	273
Acquisition of Fyber GmbH	355	215	570
Additions	78	64	142
Disposal	-54	0	-54
Currency effects	22	0	22
31 Dec 2014	**674**	**279**	**953**
1 Jan 2015	674	279	953
Acquisition of Falk	12	0	12
Additions	2,112	2	2,114
Disposal	-116	-2	-118
Currency effects	16	0	16
Transfer to assets held for sale	-68	0	-68
Assets held for sale	68	0	68
31 Dec 2015	**2,698**	**279**	**2,977**
Amortization and impairments			
1 Jan 2014	93	0	93
Additions	117	30	147
Disposal	33	0	33
Currency effects	6	0	6
31 Dec 2014	**249**	**30**	**279**
1 Jan 2015	249	30	279
Additions	352	175	527
Disposal	-78	-1	-79
Currency effects	2	0	2
Transfer to assets held for sale	53	0	53
31 Dec 2015	**578**	**204**	**782**
Carrying amounts			
1 Jan 2014	**180**	**0**	**180**
31 Dec 2014	**425**	**249**	**674**
31 Dec 2015	**2,120**	**75**	**2,195**

Additions in 2015 mainly contain a server network acquired in a data center run by an external service provider. The investment of EUR k 1,691 was made in order to increase uptime reliability and to lay the foundation to efficiently scale platform capacities in the future. Fixtures relate primarily to the Group's head office, which is leased. As of 31 December 2015 the remaining term of the lease is about half a year.

21. Non-current financial assets

The non-current financial assets break down as follows:

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Leasehold deposits	77	175
Other deposits	0	18
Indemnification claim in respect to Fyber SAR (long-term)	613	12,556
Non-current financial assets	**690**	**12,749**

Leasehold deposits and other deposits are cash deposits provided as security to the landlord, copier service and insurance companies. The deposits are not interest bearing and will be refunded upon the termination of the respective contract.

The amount of EUR k 12,556 in the 2014 figures resulted from the long-term portion of an indemnification claim in connection with the acquisition of Fyber: Fyber gets reimbursed by its former shareholders for any payments that have to be made in connection with the stock appreciation right that has been triggered by the sale of its shares to the Group. The amount and the maturity of the claim comply with the respective liability. Even if a realization of the indemnification claim is expected to be done within 2016, the pay out to employees may take a bit longer as some right still needs to be vested before.

22. Inventories

The amount of EUR k 408 relates to gift cards from third parties like Amazon, Sony PlayStation or Microsoft X-Box that are used as rewards in user acquisition campaigns. Prior year inventory of EUR k 556 related to production services projects in progress. Due to the discontinuation of Big Star Global, no such projects are shown in the position as of 31 December 2015.

23. Trade and other receivables

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Trade receivables	23,160	16,379
Accrued revenue	0	1
Others	0	63
Trade and other receivables	**23,160**	**16,443**

The trade receivables of EUR k 23,160 are net of an allowance for bad debts of EUR k 1,261 (2014: EUR k 1,046).

As at 31 December 2015 and 2014, the aging of trade receivables is as follows:

	Total	Neither past due nor impaired	Past due but not impaired				
			< 30 days	30 - 60 days	61 - 90 days	91 - 120 days	> 120 days
	EUR k	EUR k	EUR k	EUR k	EUR k	EUR k	EUR k
2015	23,160	10,504	9,470	1,508	513	1,114	51
2014	16,443	15,560	287	179	300	0	27

Trade receivables are non-interest bearing and are generally settled on 30 - 90 day-terms. Please refer to note 41. for further information.

24. Other current financial assets

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Indemnification claim in respect to Fyber SAR (short term)	14,780	9,031
Accrued interest on deposit account at ADS Securities	145	0
Credit card deposit	56	76
Deposit account at Shard Capital	0	9,000
PayPal accounts	0	102
Other	11	0
Other current financial assets	**14,992**	**18,209**

The indemnification claim relates to reimbursement of Fyber for any payments that have to be made in connection with the stock appreciation rights that have been triggered by the acquisition of Fyber. This position contains the short-term portion. The long-term portion is recognized in non-current financial assets (see note 21.).

In the course of the Fyber acquisition, RNTS granted an initial loan to Fyber of EUR 20 million of which EUR 9 million were paid to an account at Shard Capital Partners LLP which was withdrawn in 2015.

25. Other current assets

The following table summarizes the components of other current assets:

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
VAT receivables	1,013	455
Advance payments	89	37
Income tax receivables	12	26
Prepaid expenses	901	282
Others	39	3
Other current assets	**2,054**	**803**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26. Deferred tax assets and deferred liabilities

The deferred tax assets (DTA) and liabilities (DTL) developed during the reporting period as follows:

Deferred tax assets

	Employee benefit liability	Tax loss carry-forward	Total	Thereof through P&L
	EUR k	EUR k	EUR k	EUR k
1 Jan 2014	60	78	138	0
Recognition of tax loss carry forwards to be utilized	0	3,334	3,334	0
Decrease of employee benefit liability	-60	0	-60	-60
Allowance on tax loss carry forwards to be utilized	0	-78	-78	-78
Offsetting with deferred tax liabilities	0	-3,334	-3,334	0
31 Dec 2014	**0**	**0**	**0**	**-138**
1 Jan 2015	0	0	0	0
Offsetting with deferred liabilities as of 1 Jan 2015	0	3,334	3,334	0
Virtual share program (Fyber SAR)	3,483	0	3,483	3,483
Increase of tax loss carried forward to be utilized	0	168	168	168
Offsetting with deferred tax liabilities	-3,483	-3,502	-6,985	0
31 Dec 2015	**0**	**0**	**0**	**3,651**

Deferred tax liabilities

	Intangible assets	Equity component convertible bonds	Total	Thereof through P&L
	EUR k	EUR k	EUR k	EUR k
1 Jan 2014	379	0	379	0
Acquisition of Fyber GmbH	3,462	0	3,462	0
Amortization	-230	0	-230	-230
Impairment of RNTS Media Co., Ltd.	-60	0	-60	-60
Currency effects	32	0	32	32
Correction	0	0	0	190
Offsetting with deferred tax assets	-3,334	0	-3,334	0
31 Dec 2014	**249**	**0**	**249**	**-68**

	Intangible assets	Equity component convertible bonds	Total	Thereof through P&L
	EUR k	EUR k	EUR k	EUR k
1 Jan 2015	249	0	249	0
Offsetting with deferred tax assets	3,334	0	3,334	238
Acquisition of Falk Realtime Ltd.	425		425	0
Increase of self-generated intangible assets	719		719	719
Issue of convertible bonds		3,391	3,391	0
Amortization	-875	-271	-1,146	-1,146
Currency effects	13		13	13
Offsetting with deferred tax assets	-3,865	-3,120	-6,985	0
31 Dec 2015	**0**	**0**	**0**	**-176**

The Group recognizes deferred tax assets when deductible temporary differences are realizable. There is uncertainty regarding the realization of deductible temporary differences in the future for all Group entities. Therefore, the Group recognizes deferred tax assets arising from temporary differences and tax loss carry forwards for those entities for the time being only to the extent that respective deferred tax liabilities are recognized and which have the similar expectation to be realized as deferred tax assets. For this purpose, only deferred tax liabilities were qualified which relate to the same tax entity and which have the similar expectation to be realized than the deferred tax assets. As a result, the Group recognized deferred tax assets for tax loss carry forwards of Fyber GmbH and Falk GmbH.

The temporary differences and tax loss carry forwards that were not recognized are as follows:

	Unrecognized temporary differences			
	31 Dec 2014	Changes	Currency effect	31 Dec 2015
	EUR k	EUR k	EUR k	EUR k
Tax loss carry-forwards	19,230	9,346	665	29,241

27. Cash and cash equivalents

Cash and cash equivalents consist of the following items:

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Cash at banks	53,796	11,773
Call deposits	25,296	305
Cash in transit	30	0
Cash in hand	1	0
	79,123	12,078
Cash at banks attributable to assets held for sale	481	0
Cash and cash equivalents	**79,604**	**12,078**

Cash and cash equivalents are freely available. The high cash level results from the successful placement of the convertible bond and will be reduced significantly in the first half of 2016 with the acquisition of Heyzap Inc. and Inneractive Ltd. Please refer to note 6. and note 46. for more information.

28. Equity

The components and changes in consolidated equity are summarized in the consolidated statement of changes in equity.

28.1. Issued capital and share premium

The issued capital of RNTS Media N.V. amounting to EUR k 11,453 is divided into 114,533,333 common shares, with a nominal value of EUR 0.10 each. The issued capital as of 31 December 2015 consisted entirely of fully paid-up ordinary shares. At the reporting date the shares were publicly traded. The Company has upgraded the listing and trading of its shares from the EURO MTF of the Luxembourg Stock Exchange to the regulated market of the Frankfurt Stock Exchange with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange. Since 12 August 2015 the shares are traded on the Prime Standard of the Frankfurt Stock Exchange.

Share premium was increased in 2015 by EUR k 30 due to an equity component resulting from two sub-market shareholder bridge loans pre the issuance of the convertible bond.

The authorised capital amounts to EUR k 40,000 and is divided into 400,000,000 shares, with a nominal value of EUR 0.10 each. According to the warrant agreements (see note 28.2) 4,700,000 shares are reserved to exercise the warrants.

28.2. Other capital reserves

Other capital reserves increase in 2015 by EUR k 10,345 of which EUR k 2,635 relate to stock options granted to employees (note 8.) as well as EUR k 7,710 equity component of the convertible bond (note 4). In 2014, the fair value of warrants granted to two Supervisory Board mebers amounting to EUR k 3,021 were added to other capital reserves.

28.3. Accumulated deficit

The accumulated deficit includes the income of the companies included in the consolidated financial statements plus actuarial gains that will not be reclassified to profit or loss in subsequent periods.

28.4. Other components of equity

Other components of equity consist solely of losses resulting from the translation of the accounts of the foreign subsidiaries from local currencies, which are the functional currencies of these subsidiaries, into Euro which is the functional currency of the parent company and the reporting currency of the Group.

Total currency effect as per 31 Dec 2013	-10
Goodwill (arising from acquisition of RNTS Media Co., Ltd)	-10
Goodwill (arising from acquisition of Big Star Global)	809
Intangible assets (identified at acquisitions in excess to other net assets)	159
Deferred tax liabilities (on intangible assets above)	-36
Other net assets	-600
Recycling of currency translation effects arising from RNTS Media Co., Ltd	445
Additional currency effects (arising from consolidation of Fyber)	59
Correction of deferred tax assets in connection with Big Star Global 31.12.2013	2
Total currency effect 1 Jan - 31 Dec 2014	**828**
Total currency effect as per 31 Dec 2014	**818**
Goodwill (arising from acquisition of Big Star Global)	320
Intangible assets (identified at acquisitions in excess to other net assets)	40
Deferred tax liabilities (on intangible assets above)	-9
Other net assets	-4
Additional currency effects (arising from consolidation of Fyber)	47
Additional currency effects (arising from consolidation of Falk)	-15
Total currency effect 1 Jan - 31 Dec 2015	**379**
Total currency effect as per 31 Dec 2015	**1,197**

29. Employee benefits liabilities

The employee benefits liabilities relate to the remaining obligation from the share appreciation rights (SARs) assumed by RNTS through the acquisition of Fyber amounting to EUR k 15,393 as of the balance sheet date.

For further details on share appreciation rights, please refer to note 21. and note 24.

The disbursement schedule on the employee benefit liability is as follows:

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Maturity in 1 year	17,473	10,172
Maturity in 2-5 years	613	12,589
Maturity in 5-10 years	0	0
Maturity in 10 years and more	0	0
Total employee benefits liabilities	**18,086**	**22,761**

As of 31 December 2014 there was only one item explicitly relating to employee benefits liabilities included in the non-current section of the balance sheet. Short-term employee benefits were recognized in other current liabilities (EUR k 9,081) and in provisions (EUR k 974). It was decided that a separate presentation of short-term employee benefits liabilities is preferable. The prior year balance sheet position was adjusted respectively. The short-term employee benefits liabilities consist of the following:

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Unsettled from Fyber SAR	14,780	9,081
Others	2,693	974
Short-term employee benefits liabilities	**17,473**	**10,055**

The Group operates a defined benefit plan. All employees of Big Star Global are granted a single payment after retiring from their employment or leaving the company for other purposes. The contribution per employee to the plan is calculated according to the Korean labor law.

The following table summarises the components of net benefit expense recognized in the income statement as discontinued operations:

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Current service cost	108	166
Interest cost on benefit obligation	4	8
Net benefit expense	**112**	**174**

Changes in the present value of the defined benefit obligation are as follows:

	31 Dec 2015 EUR k	thereof recognized in the other comprehensive income 31 Dec 2015 EUR k	31 Dec 2014 EUR k	thereof recognized in the other comprehensive income 31 Dec 2014 EUR k
Defined benefit obligation at the beginning	355		249	0
Current service cost	108		166	0
Interest cost	4		8	0
Actuarial gains and losses arising from changes in demographic assumptions	7	7	16	-15
Payments made in the system	-89		-108	0
Retirement paid	-186		0	
Settlement cost	-1		0	
Currency effect	12		24	0
Defined benefit obligation at the end	**210**	**7**	**355**	**-15**

The principal assumptions used in determining post-employment benefit obligations for the Company's plan are shown below:

	31 Dec 2015	31 Dec 2014
Discount rate	2.43%	2.81%
Future salary increases	3.00%	5.00%

As per reporting date, the defined benefit obligation is not covered by any plan assets. For 2016, a contribution to plan assets is not scheduled, further projections are not made by management in this respect.

The average duration of the defined benefit plan obligation at the end of the reporting period is 9.22 years.

A quantitative sensitivity analysis for significant assumptions as at 31 December 2015 is as follows:

Significant assumptions	Sensitivity level	1 % increase	1 % decrease
		EUR k	EUR k
Discount rate	Impact on the defined benefit obligation	-20	24
Future salary increases		24	-20

Sensitivities are calculated based on the same method (present value of the defined benefit obligation calculated with the projected unit method) as applied when calculating the post-employment benefit obligation. The sensitivity analysis is based on a change of one assumption holding all other assumptions constant. This is unlikely to occur in practice and changes of more than one assumption may be correlated leading to different impacts on the defined benefit obligation than disclosed above. If the assumptions change at a different level, the effect on the defined benefit obligation is not necessarily in a linear relation.

30. Long-term borrowings

Borrowings as of 31 December 2015 consist of the following:

Creditor	Annual interest rate as of 31 Dec 2015	31 Dec 2015 EUR k	31 Dec 2014 EUR k	Maturity date
Convertible bond	8.100%	88,572	0	27 July 2020
SYSK Ltd.	7.000%	0	1,777	
Lars Windhorst	12M EURIBOR +3%	0	1,092	
Long-term borrowings		**88,572**	**2,869**	

In 2015, the Group repaid EUR k 2,869 of long-term borrowings from proceeds received from the issue of the convertible bonds placed on 27 July 2015. The convertible bonds have a nominal interest rate of 5% p.a., payable semi-annually in arrears. The effective interest rate taking into account market rate at the time of issue as well as transaction costs was 8,1%. Please refer to note 4. for further details on the convertible bonds.

31. Trade and other payables

The trade and other payables break down as follows:

	31 Dec 2015 EUR k	31 Dec 2014 EUR k
Trade payables	18,977	11,533
Accruals	2,240	834
Others	515	698
Trade and other payables	**21,732**	**13,065**

As described in note 2.5., any accruals, that were included in provisions as of 31 December 2014 (EUR k 834), were reclassified to trade and other payables.

32. Short-term borrowings

Borrowings as of 31 December 2015 consist of the following:

Creditor	Annual interest rate as of 31 Dec 2015	31 Dec 2015 EUR k	31 Dec 2014 EUR k	Maturity date
Reclassified to liabilities directly connected with the assets held for sale				
Hyoung Hoon Han	6.000%	0	755	31 July 2016
Industrial Bank of Korea	4.342%	0	702	
		0	1,457	
Repaid				
Investitionsbank Berlin (IBB)	3.950%	0	730	
Sapinda Asia Ltd.	12M EURIBOR +3%	0	2,406	
Sapinda Invest S.à r.l.	8.000%	0	1,015	
Silicon Valley Bank (SVB)	WSJ Prime+2.5 %	0	3,304	
		0	7,455	
Short-term borrowings		**0**	**8,912**	

33. Other current liabilities

The other current liabilities break down as follows:

	31 Dec 2015 EUR k	31 Dec 2014 EUR k
Accrued nominal interest of convertible bond	2,145	0
Payables in connection with personnel	761	0
Debtor with credit balances	206	505
Advances received	163	71
Tax payables	46	217
Others	39	484
Other current liabilities	**3,360**	**1,277**

The other current liabilities mainly consist of accrued nominal interest on the convertible bonds paid on 26 January 2016. For more information regarding the convertible bonds please refer to note 4.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

34. Provisions

	1 Jan 2015 EUR k	In-crease EUR k	Utilisa-tion EUR k	Re-versal EUR k	31 Dec 2015 EUR k
Onerous contracts	0	598	0	0	598
Provisions	**0**	**598**	**0**	**0**	**598**

The Provisions for onerous contracts are made by Fyber for unavoidable costs in connection with moving to a new data center (see note 20.). The contracts for the old data center had a fixed term and continue in some cases until November 2017. Usage of the old data center was discontinued due to it being too small for the increased volumes of the Fyber.

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

35. Cash flow

The cash flow statement was prepared using the indirect method for presentation of operating activities.

OTHER DISCLOSURES

36. Operating segments

Since the reorganization of the Group and its investment in Fyber GmbH in 2014 the Group operated with three segments (Ad monetization, Edutainment and Others). With the decision of a sale or a wind-down of Big Star Global, the whole segment Edutainment was discontinued and therefore ceased to be an operating segment for management reporting purposes.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties. The financial performance and financial position of each segment for the year ended 31 December 2015 and the reference year ended 31 December 2014 are as follows:

	1 Jan - 31 Dec 2015		
	Revenue[1] EUR k	Adjusted EBITDA EUR k	Net profit / loss[1] EUR k
Ad monetization	81,076	-9,014	-17,450
Others	0	-4,726	-6,075
Subtotal from continuing operations	81,076	-13,740	-23,525
Discontinued operations	0	0	-14,409
	81,076	**-13,740**	**-37,934**

	1 Jan - 31 Dec 2014		
	Revenue[1] EUR k	Adjusted EBITDA EUR k	Net profit / loss[1] EUR k
Ad monetization	14,925	1,070	400
Others	0	-1,646	-7,622
Subtotal from continuing operations	14,925	-576	-7,222
Discontinued operations	0	0	-9,595
	14,925	**-576**	**-16,817**

Segment	Types of products and services
Ad monetization	Providing a supply-side platform serving app developers and publishers of content for mobile and online devices to monetize their advertising inventory
Others	Other services not included in previous activities incl. corporate services

Reconciliation from the amounts in the statement of financial position to the total amounts of all reportable segments was not prepared since the information of the reportable segments completely match with the amounts shown in the financial statements.

37. Geographic information

Breakdown of revenue according to customers' location:

	1 Jan - 31 Dec 2015	
	Ad monetization EUR k	Total revenue EUR k
United States	39,002	39,002
Europe, Middle East and Africa	30,835	30,835
Asia-Pacific	9,298	9,298
Rest of the world	1,941	1,941
	81,076	**81,076**

	1 Jan - 31 Dec 2014	
	Ad monetization EUR k	Total revenue EUR k
United States	5,868	5,868
Europe, Middle East and Africa	6,403	6,403
Asia-Pacific	2,136	2,136
Rest of the world	518	518
	14,925	**14,925**

[1] The Revenue and Net profit/loss represent IFRS figures.

38. Major customer's information

The Group places its cash with creditworthy financial institutions and performs ongoing credit evaluation of its customers' financial conditions.

The Group provides services only for creditworthy clients and the receivable balances are monitored on an ongoing basis.

For the year ended 31 December 2015, the Group has no major customers who represent 10% or more of the Group's total revenue.

39. Capital management

Capital includes equity attributable to shareholders of the parent. An analysis of the Group net debt is shown in note 4.

The primary objective of the Group's capital management is to ensure that it maintains an appropriate capital structure to support its current business and future growth and therefore maximize shareholder's value.

40. Financial assets and liabilities

Set out below is comparison, by class, of the carrying amounts and the fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	31 Dec 2015	
	Carrying amount	Fair Value
	EUR k	EUR k
Financial liabilities		
Long-term borrowings	88,572	88,572
	88,572	**88,572**

	31 Dec 2014	
	Carrying amount	Fair Value
	EUR k	EUR k
Financial liabilities		
Long-term borrowings	2,869	2,729
	2,869	**2,729**

The indemnification asset in connection with the reimbursement of the payout to employees in connection with the virtual share program (Fyber SAR) that are carried in non-current financial assets and other current financial assets are valued according to their underlying obligations which are carried in long-term employee benefits liabilities and short-term employee benefits liabilities.

The amortized costs of the trade and other receivables, other cash and cash equivalents, trade and other payables and short-term borrowings generally approximate fair values due to the short-term maturities of these instruments. The fair value of fixed interest long-term borrowings was determined using Level 3 techniques by discounting the expected cash flows with a pre-tax cost of debt of 7.8 - 8% p.a. Please refer to note 30. and 32. for further details in respect to borrowings.

41. Financial risk management

The Group is exposed to various financial risks which arise out of its business activities. Main risks identified include financial market risks such as currency and interest rate risks, as well as liquidity risks and credit risks. The Group manages these risks in accordance to its risk strategy to mitigate any negative effects on the financial performance and to secure the financial position of RNTS Group.

41.1. Financial market risks

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as foreign exchange rates and interest rates.

41.1.1. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's reporting currency is Euro. The Group is exposed to exchange rate risks in several ways, particularly with respect to transactions in foreign currencies and foreign exchange translation effects, arising mainly from the relative value of the Euro compared to the value of the US dollars (USD). Due to the international nature of the Group's business, the Group currently has foreign sales and accounts receivable denominated in currencies other than the Euro. In addition, the Group purchases advertising in local currencies and incurs a portion of its operating expenses in other currencies than Euro. The Group faces exposure to adverse movements in currency exchange rates, which may cause its revenue and operating results to differ materially from expectations. The Group's operating results could be negatively impacted depending on the amount of revenue or operating expenses that are denominated in foreign currencies.

As exchange rates vary, revenue, operating expenses and other operating results, when translated, may differ materially from expectations. In addition, the Group's revenue and operating results are subject to fluctuation if the mix of US and foreign currency denominated transactions or expenses changes in the future because the Group does not currently hedge its foreign currency exposure. Thereof, a currency hedging will be considered in the future by the Group.

The following table demonstrates the sensitivity to a reasonably possible change in the exchange rate of USD, with all other variables held constant.

	Change in USD rate	Maximum/ minimum level	Effect on loss before tax	Effect on equity
			EUR k	EUR k
2015	+ 5.00%	1.14	-222	-35
	- 5.00%	1.03	281	44
2014	+ 5.00%	1.28	-401	0
	- 5.00%	1.16	401	0

41.1.2. Interest rate risk

Interest risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. As at 31 December 2015, the Group does not have any borrowings with float interest rates. Therefore, interest rate changes in the future will not affect cash flows in this respect. As the Company does not have financial instruments measured at fair value, changes in the interest rate will have no impact on equity. Please refer to note 30. and 32. for further details on the loans.

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Long-term borrowings		
-fixed interest rate	88,572	1,777
-float interest rate	0	1,092
	88,572	**2,869**
Short-term borrowings		
-fixed interest rate	0	3,202
-float interest rate	0	5,710
	0	**8,912**

41.2. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The carrying amount of trade and other receivables as well as from cash and cash equivalents represent the Group's maximum exposure to credit risk. No other financial asset carries a significant exposure to credit risk.

The Group places its cash with creditworthy financial institutions and performs ongoing credit evaluation of its customers' financial conditions.

The Group provides services only for creditworthy clients and the receivable balances are monitored on an ongoing basis. In addition, the Group entered in 2015 into a credit insurance agreement to protect payments. The Group has no significant exposure to any customer nor does it have any major concentration of credit risk.

Aging analysis of non-derivative financial instruments as of 31 December 2015 and 2014 is as follows:

EUR k	31 Dec 2015					
	Total	Neither past due nor impaired	past due but not impaired			
			<30 days	30-60 days	60-90 days	Over 90 days
Non-current financial assets	690	690	0	0	0	0
Trade and other receivables	23,160	10,504	9,470	1,508	513	1,165
Other current financial assets	14,992	14,992	0	0	0	0
Cash and cash equivalents	79,123	79,123	0	0	0	0
Assets held for sale	618	618	0	0	0	0
	118,583	**105,927**	**9,470**	**1,508**	**513**	**1,165**

EUR k	31 December 2014					
	Total	Neither past due nor impaired	past due but not impaired			
			<30 days	30-60 days	60-90 days	Over 90 days
Non-current financial assets	12,749	12,749	0	0	0	0
Trade and other receivables	16,443	6,749	5,091	2,069	826	1,708
Other current financial assets	18,209	18,209	0	0	0	0
Cash and cash equivalents	12,078	12,078	0	0	0	0
	59,479	**49,785**	**5,091**	**2,069**	**826**	**1,708**

41.3. Liquidity risk

Liquidity risk arises from the possibility that the Group may not be able to meet its financial obligations as they fall due. The Group establishes short and long-term capital management plans and analyses and reviews cash flow budgets with actual cash outflows in order to match the maturity of financial liabilities and financial assets. In order to secure and maintain the liquidity of the Group,

The aggregate maturities of undiscounted financial liabilities outstanding as of 31 December 2015 and 2014 are as follows:

EUR k	31 Dec 2015			
	Total	Within 1 years	1 years to 5 years	Over 5 years
Long-term employee benefit liabilities	613	0	613	0
Long-term borrowings	100,000	0	100,000	0
Trade and other payables	21,732	21,732	0	0
Short-term employee benefit liabilities	17,473	17,473	0	0
Other current liabilities	26,215	6,215	20,000	0
Provisions	598	598	0	0
	166,631	**46,018**	**120,613**	**0**

EUR k	31 Dec 2014			
	Total	Within 1 years	1 years to 5 years	Over 5 years
Long-term employee benefit liabilities	12,589	0	12,589	0
Long-term borrowings	3,031	144	2,887	0
Trade and other payables	13,065	13,065	0	0
Short-term employee benefit liabilities	10,055	10,055	0	0
Short-term borrowings	9,310	9,310	0	0
Other current liabilities	1,277	1,277	0	0
	49,327	**33,851**	**15,476**	**0**

The increase in outstanding financial liabilities is mainly driven by the long-term borrowings consisting solely of the convertible bond issued by the group in 2015 (note 4.).

42. Relationships with related parties

The following table provides the balances with related parties as at 31 Dec 2015 as well as the total amount of transactions that have been entered into with related parties during 2015:

	2015			
	Amounts owed by parties	Amounts owed to parties	Sales to parties	Purchases from parties
	EUR k	EUR k	EUR k	EUR k
Key management personnel	0	0	0	2,318
Shareholder				
- Sapinda Asia Ltd.	0	0	0	72
- SYSK Ltd.	0	0	0	67
- Lars Windhorst	0	0	0	21
- Sapinda Invest S.à r.l.	0	0	0	268
	0	**0**	**0**	**2,746**

The following table provides the balances with related parties as at 31 Dec 2014 as well as the total amount of transactions that have been entered into with related parties during 2014:

	2014			
	Amounts owed by parties	Amounts owed to parties*	Sales to parties	Purchases from parties
	EUR k	EUR k	EUR k	EUR k
Key management personnel	0	0	0	4,423
Shareholder				
- Sapinda Asia Ltd.	0	2,424	0	170
- SYSK Ltd.	0	1,777	0	109
- Lars Windhorst	0	1,091	0	36
- Sapinda Invest S.à r.l.	0	1,015	0	15
- Adetra	0	1	0	148
	0	**6,308**	**0**	**4,901**

The purchases from key management personnel consist mainly of compensation of key management personnel of EUR k 2,091 (2014: EUR k 4,363). Further purchases of EUR k 180 (2014: EUR k 60) relate to rent expense for the Big Star Global office in Seoul as well interest on short-term loans amounting to EUR k 47 (2014: EUR k 33) both provided by Mr. Hyunghoon Han.

Outstanding balances with Anoa Capital S.A. are as follows. The disclosure is made as Mr. Dirk van Daele is CEO and controlling shareholder of Anoa Capital S.A. as well as Chairman of the supervisory board of RNTS Media N.V.

	Anoa Capital S.A.			
	Amounts owed by parties	Amounts owed to parties	Sales to parties	Purchases from parties
	EUR k	EUR k	EUR k	EUR k
2015	0	146	0	1,689
2014	0	832	0	3,500

In 2015, purchases from Anoa related mainly to the placement of the convertible bonds (EUR k 1,125) which was not expensed but directly deducted from the bonds proceeds. Further, Anoa provided general corporate advice (EUR k 564) including but not limited to the listing upgrade. In 2014, Anoa provided a variety of consulting services in particular with the acquisition of Fyber (EUR k 2,250), the capital increase (EUR k 870) as well as for other corporate matters (EUR k 380).

Key management personnel include any person that has the authority and responsibility for planning, directing and controlling of the activities of the entities, directly or indirectly.

The Group considers members of either the Management Board or the Supervisory Board of the parent as such key management personnel for which compensation was recognized as follows:

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Share-based payments	686	3,192
Short-term employee benefits	1,405	890
Defined contribution plan	0	2
Termination benefits	0	246
	2,091	**4,330**

		1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2014
		EUR k	EUR k
Management Board			
Andreas Bodczek [1), 2)]	short-term employee benefits/ share-based payments	1,082	151
Janis Zech [1), 2)]	short-term employee benefits/ share-based payments	754	126
Hyunghoon Han [1)]	short-term employee benefits	95	93
Roger van Diepen	short-term employee benefits	160	238
Jai Paik	short-term employee benefits	0	83
		2,091	691
Supervisory Board			
Ryan Kavanaugh	share-based payments	0	1,826
Dirk van Daele	share-based payments	0	1,195
		0	3,021
		2,091	**3,712**

The amounts shown in the table above are those recognized as an expense during the reporting period related to key management personnel. Further, Andreas Bodczek and Janis Zech received short-term employee benefits in connection with the Fyber share appreciation rights (note 21. and note 24.) of EUR k 1,673 and EUR k 1,885 respectively. Due to the indemnification mechanism in place, the Group is not finally burdened by these benefits.

43. Other financial commitments

Lease payments for 2015 in an amount of EUR k 3,110 (2014: EUR k 564) were included in other operating expenses. Future minimum lease payables under non-cancellable operating leases are as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	31 Dec 15	31 Dec 14
	EUR k	EUR k
Due within one year	556	1,443
Due in one to five years	0	430
	556	**1,873**

44. Average number of employees

During the financial year 2015, the Group, including all fully consolidated companies, had an average of 298 employees. Personnel expenses in 2015 totaled to EUR k 25,610. A geographic breakdown is shown in the following table:

	31 Dec 2015	31 Dec 2014
Country	Number of employees	Number of employees
Germany	214	160
USA	532	33
Korea	32	72
Japan	0	1
	298	**266**

45. Auditors fee

Ernst & Young Accountants LLP charged to the Group the following costs for the procedures performed for the financial year 2015 which have been incurred in the financial year.

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Audit services	534	247
Other confirmation services	0	0
Tax consulting services	0	245
Other services	0	0
	534	**492**

46. Events after the balance sheet date

46.1. Acquisition of Heyzap

On 23 December 2015, the Company announced that it has entered into a definitive agreement to acquire 100% of the shares of Heyzap Inc., a fast growing California, USA, based supply side platform and mediation provider. The maximum consideration has been agreed to be USD k 45,000 in cash (USD k 43,000) and shares (USD k 2,000) consisting of an initial payment plus earn-out as well as retention components, mostly payable over up to 18 months post-closing of the transaction.

On 7 January 2016, all closing conditions have been met and the transaction has therefore closed.

The acquisition was primarily made in order to expand the reach and liquidity of the Fyber platform by connecting the unique portfolio of Heyzap's publisher and advertiser, both with direct and mediated relationships.

In the course of the preliminary purchase price allocation a scenario was assumed where the expected consideration including all earn-out components amounts to EUR k 33,217 (USD k 36,100). From this consideration loans of Heyzap to former shareholders have been repaid in an amount of EUR k 964 (USD k 1,048). The remaining purchase price of EUR k 32,254 (USD k 35,052) was allocated to the identified assets and liabilities of Heyzap as well as goodwill at the date of acquisition as follows:

EUR k	Fair value 7 Jan 16
Intangible assets	
- Identified during purchase price allocation	
-- Customer relationships	3,444
-- Technology	225
-- Brand	75
	3,744
Current assets	2,242
Long-term borrowings	-885
Current liabilities	-1,894
	3,207
Goodwill arising from acquisition	29,047
Purchase consideration transferred	**32,254**

The purchase price allocation was made on a preliminary basis and might subject to changes in case that new information become available.

46.2. Acquisition of Inneractive

On 3 March 2016, the Company announced that it has entered into a definitive agreement to acquire 100% of the shares of Inneractive Ltd., Tel Aviv, Israel, a fast growing supply side platform and ad server for programmatic selling. The maximum consideration has been agreed to be USD k 72,000 in cash consisting of an initial payment of USD k 46,000 at closing plus earn-out as well as retention components payable over three years – mostly dependent on future revenue growth.

By the time of publication, the transaction has not yet closed, mainly due to applicable mandatory waiting periods for the specific form of corporate transaction under Israeli law.

46.3. Securing of credit facilities

As of 24 February 2015, the Group entered into a revolving credit facility agreement with Sapinda Invest S.à r.l. for a maximum amount of up to EUR k 37,000. Further, the Group agreed in principle with Silicon Valley Bank to provide an increased credit line of up to EUR k 10,000. The existing working capital credit facility of up to EUR k 9,174 can still be used until September 2016. The credit facilities mainly were secured to cover for short-term financing requirements in terms of ongoing operations as well as the payment of purchase price and earn-out components for the acquisitions of Heyzap and Inneractive until the additional tranche of the convertible bonds of EUR k 50,000 might be placed.

46.4. Decision on the sale of Big Star Global

On 5 March 2016 the Supervisory Board approved to wind down Big Star Global in case that no satisfactory sale can be finalized by the end of Q2 2016.

46.5. Exercise of final put-option

During the acquisition of the Fyber group by RNTS Media in 2014, new shares have been issued to the former shareholders of Fyber GmbH as well as those employees participating in the virtual share program. Put-options have been granted for these shares by Sapinda Asia Limited falling due in four tranches. A fall-back mechanism for the shares in Fyber GmbH has been defined in case the put options were not honored. In this case, the Fyber acquisition would be reversed to the extent of put options not being honored. Until February 2016, all put options falling due have been exercised and were honored by Sapinda Asia Limited. The final 50% tranche of put options was outstanding as of the date of this report but is expected to be settled in Q3 2016.

RNTS Media N.V.

Company financial statements for the year

ended 31 December 2015

COMPANY INCOME STATEMENT

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015

EUR k	Notes	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2014	1 Jan – 31 Dec 2014	1 Jan – 31 Dec 2014
		Adjusted results	Separately disclosed items	Reported results	Adjusted results	Separately disclosed items	Reported results
Revenue	5	0	0	0	181	0	181
Revenue share to third parties		0	0	0	0	0	0
Gross Margin (EUR)		**0**	**0**	**0**	**181**	**0**	**181**
Other operating income	6	13	108	121	42	543	585
Personnel costs	7	-976	-465	-1,441	-213	0	-213
Other operating expenses	8	-3,761	-6,423	-10,184	-1,568	-6,185	-7,753
EBITDA		**-4,724**	**-6,780**	**-11,504**	**-1,558**	**-5,642**	**-7,200**
Depreciation, amortisation and impairment		-8	-13,681	-13,689	-2	-12,027	-12,029
EBIT		**-4,732**	**-20,461**	**-25,193**	**-1,560**	**-17,669**	**-19,229**
Finance income	9	2,304	0	2,304	978	0	978
Finance expenses	10	-3,379	0	-3,379	-312	0	-312
Loss for the year before tax		**-5,807**	**-20,461**	**-26,268**	**-894**	**-17,669**	**-18,563**
Income tax expense		4,433	0	4,433	0	0	0
Loss for the year from continuing operations		**-1,374**	**-20,461**	**-21,835**	**-894**	**-17,669**	**-18,563**
Exchange differences on currency translation		0	0	0	0	0	0
Actuarial gains on defined benefit plans		0	0	0	0	0	0
Other comprehensive income for the year		0	0	0	0	0	0
Total comprehensive income for the year		**-1,374**	**-20,461**	**-21,835**	**-894**	**-17,669**	**-18,563**
Earnings per share							
Basic loss per share (EUR)		-0.01	-0.18	-0.19	-0.01	-0.27	-0.27
Diluted loss per share (EUR)		-0.01	-0.17	-0.18	-0.01	-0.26	-0.26

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

EUR k	Notes	31 Dec 2015	31 Dec 2014
Non-current assets			
Intangible assets	12	14	23
Non-current financial assets			
Investment in an associate	13	156,989	163,106
Other non-current financial assets	14	27,155	18,424
Deferred tax assets		1,041	0
		185,199	**181,553**
Current assets			
Trade and other receivables	15	236	164
Other current-financial assets	16	5,430	0
Other current assets	17	1,090	250
Cash and cash equivalents	18	67,990	52
		74,746	**466**
Total Assets		**259,945**	**182,019**
Equity	19		
Issued capital		11,453	11,453
Share premium		184,812	184,782
Other capital reserves		13,366	3,021
Accumulated deficit		-47,529	-25,694
Total equity		**162,102**	**173,562**
Non-current liabilities			
Long-term borrowings	20	88,572	2,310
		88,572	**2,310**
Current liabilities			
Trade and other payables	21	2,722	2,726
Short-term employee benefits liabilities		255	0
Short-term borrowings	22	0	3,421
Other current liabilities	24	2,148	0
Provisions	25	4,146	0
		9,271	**6,147**
Total liabilities		**97,843**	**8,457**
Total equity and liabilities		**269,945**	**182,019**

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015

	Equity attributable to owners of the parent				
EUR k	Ordinary shares	Share Premium	Other capital reserves	Accumulated deficit	**Total equity**
1 Jan 2015	**11,453**	**184,782**	**3,021**	**-25,694**	**173,562**
Loss for the year after tax	0	0	0	-21,835	-21,835
Other comprehensive income	0	0	0	0	0
Total comprehensive income	**11,453**	**184,782**	**3,021**	**-47,539**	**151,727**
Share-based payments	0	0	2,635	0	2,635
Discount of low-interest shareholder loans	0	30	0	0	30
Equity component convertible bond	0	0	11,239	0	11,239
- Transaction costs	0	0	-138	0	-138
- Deferred tax liabilities	0	0	-3,391	0	-3,391
As at 31 Dec 2015	**11,453**	**184,812**	**13,366**	**-47,529**	**162,102**
1 Jan 2014	**5,653**	**17,757**	**0**	**-7,131**	**16,279**
Loss for the year after tax	0	0	0	-18,563	-18,563
Other comprehensive income	0	0	0	0	0
Total comprehensive income	**5,653**	**17,757**	**0**	**-25,694**	**-2,284**
Share-based payments	0	0	3,021	0	3,021
Issue of share capital	5,800	168,200	0	0	174,000
Transaction costs	0	-1,308	0	0	-1,308
Discount of low-interest shareholder loans	0	133	0	0	133
As at 31 Dec 2014	**11,453**	**184,782**	**3,021**	**-25,694**	**173,562**

COMPANY STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2015

EUR k	**Notes**	**1 Jan – 31 Dec 2015**	**1 Jan – 31 Dec 2014**
Loss for the year before tax		-26,268	-18,563
Depreciation, amortisation and impairment		13,689	12,029
Financial income and expenses		1,075	-666
Other non-cash effects		464	3,021
Changes in provisions, employee benefit obligations		4,402	-543
Changes in working capital		-913	1,850
Cash generated from operations		**-7,551**	**-2,872**
Interest received and paid		-666	0
Net cash flow from operating activities		**-8,217**	**-2,872**
Purchases, capitalisation of intangible assets		0	-25
Free cash flow		-8,217	-2,897
Acquisition of a subsidiary, net of cash acquired		0	-12,000
Change in investments and financial assets, net		-21,430	-23,166
Net cash flow from investing activities		**-21,430**	**-35,191**
Proceeds from the issue of shares		0	36,000
Transaction costs on the issue of shares		0	-1,308
Proceeds from long-term borrowings		115,000	0
Transaction costs on the issue of convertible bonds		-1,227	0
Repayment of long-term borrowings		-15,000	0
Proceeds from short-term borrowings		6,650	3,369
Repayment of short-term borrowings		-7,838	0
Net cash flow from financing activities		**97,585**	**38,061**
Net changes in cash		67,938	-2
Cash at beginning of period		52	54
Net foreign exchange difference		0	0
Cash and cash equivalents at end of period	18	**67,990**	**52**

GENERAL INFORMATION

1. Corporate information

RNTS Media N.V. invests in Advertising Technology (AdTech) with significant growth potential. Its principal activities are currently mobile advertising through its subsidiaries in the Fyber Group and Heyzap Inc., which was acquired in January 2016.

RNTS Media is incorporated in Amsterdam, The Netherlands, and is registered with the Dutch Chamber of Commerce under the number 54747805. The Company's head-office is at Johannisstraße 20, 10117 Berlin, Germany.

The company financial statements of RNTS Media N.V. as at 31 December 2015 were authorised for issue along with the consolidated financial statements of RNTS Media N.V. as at 31 December 2015.

Please refer to note 1. of the notes to the consolidated financial statements for further details.

2. Basis of preparation

The company financial statements are separate financial statements according to IAS 27.17 and the financial reporting requirements included in part 9 of book 2 of the Dutch Civil Code.

The company financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) at the balance sheet date.

The consolidated income statement is presented closely aligned to the nature of expense method.

3. Acquisitions in 2015

In 2015, RNTS Media N.V. acquired 100% of the share capital of Falk Realtime Ltd. ("Falk"), a fast growing mobile advertising technology company based in Germany, for a total consideration of EUR 10.65 million effective 12 May 2015.

As of 23 December 2015, RNTS Media N.V. signed a purchase agreement to fully acquire Heyzap Inc., USA.The transaction was closed on 7 January 2016.

Please refer to note 6. of the notes to the consolidated financial statements.

4. Summary of significant accounting policies

The significant accounting and valuation principles for the company financial statements were applied uniformly as for the RNTS Group.

Please refer to note 2.4. of the notes to the consolidated financial statements.

Further to the accounting policies described in the consolidated financial statements, accounting policies we applied specific to company financial statements. In this respect, investments in affiliated companies were accounted for at cost. If any indication exists, that such an investment may be impaired, a respective impairment test is performed.

In the course of these impairment tests, management is required to make further estimates and assumptions. These assumptions are basically the same as for the valuation of the cash generating units for the purpose of impairment testing of goodwill on group level with a reconciliation of the cash generating units to the respective subsidiaries. Please refer to note 18. of the notes to the consolidated financial statements for further information.

NOTES TO THE COMPANY STATEMENT OF COMPREHENSIVE INCOME

5. Revenue

During the reporting period the Company generated no revenue.

6. Other operating income

Other operating income breaks down as follows:

	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
	EUR k	EUR k
Income from sale of investment in subsidiaries	108	0
Income from reversal of provisions	9	557
Foreign currency transaction gains	4	0
Valuation of allowance of receivables	0	25
Refunds	0	3
	121	**585**

7. Personnel costs

Personnel costs include current personnel expenses and expenses for the stock option program in the amount of EUR k 465. For further information to the stock option plan, please refer to note 8. of the notes to the consolidated financial statements.

8. Other operating expenses

Other operating expenses break down as follows:

	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
	EUR k	EUR k
Legal and consulting costs	4,801	7,042
Affiliates business wound down	4,146	0
Tax & Accounting	911	521
Other SG&A	137	154
Travel & Entertainment	112	0
Training & Recruiting	54	0
Rent & Utilities	8	0
Foreign currency transactions loss	7	1
Marketing	5	0
Professional services	3	35
	10,184	**7,753**

9. Finance income

	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
	EUR k	EUR k
Interest accrued Fyber	1,768	297
Interest accrued RNTS Media GmbH	313	297
Interest accrued ADS Securities LLC	145	0
Interest accrued BSG	65	13
Interest accrued Falk	13	0
Interest accrued RNTS Media Co., Ltd.	0	371
	2,304	**978**

10. Finance expenses

	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
	EUR k	EUR k
Interest accrued Convertible Bond	2,909	0
Interest accrued Sapinda S.à r.l.	268	15
Interest accrued Sapinda Asia Ltd.	121	170
Interest accrued Sysk	67	109
Interest accrued Windhorst	10	18
Interest accrued Fyber	4	0
	3,379	**312**

11. Separately disclosed items

Please refer to note 2.4.3. of the notes to the consolidated financial statements for the accounting policies with respect to the recognition of separately disclosed items.

Separately disclosed items break down as follows:

	1 Jan – 31 Dec 2015	1 Jan – 31 Dec 2014
	EUR k	EUR k
Non-cash accounting charges for stock options, warrants etc.	-465	-3,021
Transaction costs related to acquisitions	-552	-3,119
Other non-recurring income and costs	-5,763	498
Effect on EBITDA	-6,780	-5,642
Impairment of goodwill, amortisation of acquired intangible assets	-13,681	-12,027
Effect on loss for the period after tax	**-20,461**	**-17,669**

Non-cash stock option charges, warrants etc. in 2015 relate to the stock option program (see note 8. of the notes to the consolidated financial statements). In 2014, warrants have been granted to two Supervisory Board members for their business consultancy services.

Amortization of acquired intangibles assets relate to intangibles identified in the business combination with Fyber and Falk. Please refer to note 3. for further information. The impairment of goodwill in 2015 relates mainly to the discontinuation of Big Star Global (see note 7. of the notes to the consolidated financial statements) while in the prior year, the mobile and online game publishing activities had been abandoned.

Transaction costs relate to the acquisitions of Falk in 2015 and Fyber in 2014 and consist mainly of due diligence, legal advice and other consultancy services.

Other non-recurring income and expenses in 2015 mainly consist of cost in connection with the business wound down of Big Star Global Co., Ltd. Furthermore, the listing upgrade cause additional non-recurring income and costs. For further information to the listing upgrade, please refer to note 5. of the notes to the consolidated financial statements.

NOTES TO THE COMPANY STATEMENT OF FINANCIAL POSITION

12. Intangible assets

During the reference period 2014, the Company purchased services amounting to EUR k 25 for a complete re-launch of its website which cost is amortised over 3 years. As at 31 December 2014, the carrying amount was EUR k 23. The amortization for the reporting period 2015 amounts to EUR k 8.3 and the carrying amount at 31 December 2015 is EUR k 14.5.

13. Investment in an associate

	2015			
	Big Star Global Co., Ltd.	Fyber GmbH	RNTS Germany Holding GmbH	Total
	EUR k	EUR k	EUR k	EUR k
1 Jan 2015	9,720	153,386	0	163,106
Acquisition	2,500	3,575	28	6,103
Impairment	-12,220	0	0	-12,220
31 Dec 2015	**0**	**156,961**	**28**	**156,989**

	2014			
	Big Star Global Co., Ltd.	Fyber GmbH	RNTS Germany Holding GmbH	Total
	EUR k	EUR k	EUR k	EUR k
1 Jan 2014	9,720	0	0	13,720
Acquisition	0	153,386	0	153,386
Impairment	0	0	0	-4,000
31 Dec 2014	**9,720**	**153,386**	**0**	**163,106**

The business activities of RNTS Media Co., Ltd., which related mainly to mobile game publishing, was wound down in the reference year 2014. Consequently, the investment was fully impaired.

The business activities of Big Star Global Co., Ltd., which related mainly to edutainment content, were reclassified as discontinued operations in 2015. Consequently, the investment was fully impaired.

As at the reporting date all subsidiaries are fully owned by the company.

Please refer to note 3. and note 6. of the notes to the consolidated financial statements for further details.

14. Other non-current financial assets

	2015				
	RNTS Deutschland GmbH	RNTS Media Co., Ltd.	Big Star Global Co., Ltd.	Fyber GmbH	Total
	EUR k	EUR k	EUR k	EUR k	EUR k
1 Jan 2015	0	0	1,513	16,911	18,424
Decrease	0	0	-2,500	0	-2,500
Increase	569	0	1,000	10,000	11,569
Low-interest component	0	0	0	-1,278	-1,278
Impairment	-882	0	-70	0	-952
Amortisation of loan	0	0	0	1,052	1,052
Interest accrued	313	0	57	467	837
31 Dec 2015	**0**	**0**	**0**	**27,152**	**27,152**

	2014				
	RNTS Deutschland GmbH	RNTS Media Co., Ltd.	Big Star Global Co., Ltd.	Fyber GmbH	Total
	EUR k	EUR k	EUR k	EUR k	EUR k
1 Jan 2014	685	5,008	0	0	5,693
Decrease	-100	-100	0	0	-200
Increase	140	1,726	1,500	20,000	23,366
Low-interest component	0	0	0	-3,386	-3,386
Impairment	-1,022	-7,005	0	0	-8,027
Amortisation of loan	0	0	0	218	218
Interest accrued	297	371	13	79	760
31 Dec 2014	**0**	**0**	**1,513**	**16,911**	**18,424**

The interest rates of loans to affiliated companies are as follows:

	Interest rate
RNTS Deutschland GmbH	7.00%
RNTS Media Co., Ltd.	7.00%
Big Star Global Co., Ltd.	4.00%
Fyber GmbH	2.00%

For the same reasons described in note 13., the loans were tested for impairment. The loans to RNTS Media Deutschland GmbH and RNTS Media Co., Ltd. were fully impaired in the reference year 2014. In the reporting period 2015, a loan to RNTS Media Deutschland GmbH was fully impaired again.The loans to Big Star Global Co., Ltd. were not impaired in 2015, because the company was not wound down during the reporting year, instead it was reclassified as discontinued operations.

The Other non-current financial assets also include security deposits amounting to EUR k 3.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

15. Trade and other receivables

The trade and other receivables consist of intragroup receivables against Fyber (EUR k 207) and BSG (EUR k 29).

16. Other current financial assets

Other current financial assets consist of short-term lendings to affiliates and ADS Securities LLC.

	2015				
	Big Star Global Co., Ltd.	Fyber GmbH	Falk Real-time, Ltd.	ADS Secu-rities LLC	Total
	EUR k	EUR k	EUR k	EUR k	EUR k
1 Jan 2015	0	0	0	0	0
Increase	500	4,750	400	0	5,650
Low-interest component	0	-127	0	0	-127
Impairment	-508	0	0	0	-508
Amortisation of loan	0	69	0	0	69
Interest accrued	8	180	13	145	346
31 Dec 2015	**0**	**4,872**	**413**	**145**	**5,430**

The interest rates of short-term loans are as follows:

	Interest rate
Big Star Global Co., Ltd.	8.00%
Fyber GmbH	5.00%
Falk Realtime, Ltd.	8.00%
ADS Securities LLC	0.75%

17. Other current assets

The following table summarises the components of other current assets:

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
VAT receivables	777	237
Prepaid expenses	312	12
Other receivables	1	1
	1,090	**250**

18. Cash and cash equivalents

Cash and cash equivalents consists of cash at banks that is freely available.

19. Equity

For a breakdown and a development of equity please refer to the company statement of changes of equity.

The consolidated financial statements as at 31 December 2015 report a positive net equity position of EUR k 144,857. The company financial statements as at 31 December 2015 report a positive net equity of EUR k 162,680.

The following table shows the reconciliation of consolidated and company equity for the year ended 31 December 2015 and 2014:

			2015	2014
			EUR k	EUR k
Total consolidated equity			**144,849**	**172,016**
	Individual subsidiaries	(1)	17,632	2,374
	Other comprehensive income	(2)	-379	-828
			162,102	**173,562**

(1) RNTS Media N.V.'s investments in its subsidiaries are accounted for using the cost method. Under the cost method, the investments in the subsidiaries are carried in the Company financial statements at cost. Changes in the net asset value of the subsidiaries are not recognised in the company financial statement while they do fully affect the equity carried in the consolidated financial statements.

(2) Other comprehensive income consists solely of the translation of the accounts of the foreign subsidiaries from Korean Won as well as US-Dollar and actuarial gains disclosed in the Financial Statements of Big Star Global Co., Ltd. Please refer to note 28.4. of the notes to the consolidated financial statements for further details.

The following table shows the reconciliation of consolidated and company net income for the year ended 31 December 2015 and 2014:

	2015	2014
	EUR k	EUR k
Total consolidated loss for the year	**-37,934**	**-16,817**
Individual subsidiaries	11,530	4,993
Eliminations	4,569	-6,739
Total Company only loss for the year	**-21,835**	**-18,563**

20. Long-term borrowings

Long-term borrowings as of 31 December 2015 and 2014 compile as following:

Creditor	Annual interest rate as of 31 Dec 2015	31 Dec 2015 EUR k	31 Dec 2014 EUR k	Maturity date
Convertible bond	5.000%	88,572	0	27 July 2020
SYSK Ltd.	7.000%	0	1,777	
Lars Windhorst	12 M EURIBOR+3 %	0	533	
		88,572	2,310	

In 2015, all long-term borrowings reported as at 31 December 2014 were repaid by the issue of the convertible bond. The accrued interest of the convertible bond are recognised in the 'Other current liabilities'. For further details to the convertible bonds, please refer to note 4. of the notes to the consolidated financial statements.

21. Trade and other payables

The following table shows the elements of the trade and other payables:

	31 Dec 2015 EUR k	31 Dec 2014 EUR k
Trade payables	1,417	2,388
Accrued expenses	1,288	327
Others	17	11
	2,722	2,726

22. Short-term borrowings

In 2015, the Company repaid its short-term borrowings amounting to EUR k 3,421 at 31 December 2014 by the issue of the convertible bond. For further details to the convertible bonds, please refer to note 4. of the notes to the consolidated financial statements.

23. Maturity analysis of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	2015			
	Total	Within 1 years	1 years to 5 years	Over 5 years
	EUR k	EUR k	EUR k	EUR k
Long-term borrowings	100,000	0	100,000	0
Short-term employee benefits liabilities	255	255	0	0
Trade and other payables	2,722	2,722	0	0
Other current liabilities	25,000	5,000	20,000	0
Provisions	4,146	4,146	0	0
Total	132,123	12,123	120,000	0

	2014			
	Total	Within 1 years	1 years to 5 years	Over 5 years
	EUR k	EUR k	EUR k	EUR k
Long-term borrowings	2,448	126	2,322	0
Trade and other payables	2,726	2,726	0	0
Short-term borrowings	3,523	3,523	0	0
Total	8,697	6,375	2,322	0

24. Other current liabilities

Other current liabilites consist mainly of accrued nominal interest (EUR k 2,145) on the convertible bond paid on 26 January 2016. For more information regarding the convertible bond please refer to note 4. in the consolidated financial statements.

25. Provisions

As the management decided to wind down the business of Big Star Global Co., Ltd., the Company establish a provision amounting to EUR k 4,146 for all outstanding balances of its subsidiary.

OTHER DISCLOSURES

26. Capital management

Capital includes equity attributable to shareholders of the Company. The Company has the following net debts:

	1 Jan - 31 Dec 2015 EUR k	1 Jan - 31 Dec 2014 EUR k
Long-term borrowings	88,572	2,310
Short-term borrowings	0	3,421
Accrued interest on convertible bond	2,145	0
Cash and cash equivalents	-67,990	-52
Net debt	22,727	5,679

The sharp increase in long-term borrowings is reducible to the convertible bond, issued during the reporting period 2015. Please refer to note 4. and note 39. of the notes to the consolidated financial statements for further information.

27. Financial assets and liabilities

27.1. Fair value hierarchy

Please refer to note 2.6.1. of the notes to the consolidated financial statements for further information regarding the fair value hierarchy.

27.2. Presentation by categories

The balance sheet items comprising financial assets and liabilities can be attributed to the measurement categories according to IAS 39 as follows:

	31 Dec 2015		
	Carrying amount	Loans and receivables	Fair value
	EUR k	EUR k	EUR k
Assets			
Non-current financial assets	184,144	184,144	184,144
Trade and other receivables	236	236	236
Other current financial assets	5,430	5,430	5,430
	189,810	189,810	189,810

	31 Dec 2014		
	Carrying amount	Loans and receivables	Fair value
	EUR k	EUR k	EUR k
Assets			
Non-current financial assets	181,530	181,530	181,530
Trade and other receivables	164	164	164
	181,694	181,694	181,694

	31 Dec 2015		
	Carrying amount	Loans and receivables	Fair value
	EUR k	EUR k	EUR k
Other financial liabilities			
Trade and other payables	2,722	2,722	2,722
	2,722	2,722	2,722

	31 Dec 2014		
	Carrying amount	Loans and receivables	Fair value
	EUR k	EUR k	EUR k
Other financial liabilities			
Trade and other payables	2,726	2,726	2,726
	2,726	2,276	2,726

28. Financial risk management

Please refer to note 41. of the notes to the consolidated financial statements for further information regarding the financial risk management of the company.

29. Relationships with related parties

Outstanding balances as at 31 December 2015 and 2014 with subsidiaries, key management personnel and shareholders are as follows:

	2015			
	Amounts owed by parties	Amounts owed to parties	Sales to parties	Purchases from parties
	EUR k	EUR k	EUR k	EUR k
Subsidiaries				
RNTS Media Deutschland GmbH	927	0	313	0
thereof allowance	-927	0	-313	0
Big Star Global Co., Ltd.	607	0	65	0
thereof allowance	-607	0	-65	0
Fyber GmbH	32,231	715	1,768	18
Falk Ltd.	414	0	14	0
Key management personnel	0	0	0	736
Shareholder				
- Sapinda Asia Ltd.	0	0	0	72
- SYSK Ltd.	0	0	0	67
- Lars Windhorst	0	0	0	21
- Sapinda Invest S.à r.l.	0	0	0	268
	32,645	715	1,782	1,209

	2014			
	Amounts owed by parties	Amounts owed to parties	Sales to parties	Purchases from parties
	EUR k	EUR k	EUR k	EUR k
Subsidiaries				
RNTS Media Deutschland GmbH	1,067	10	45	0
thereof allowance	-1,067	0	0	0
RNTS Media Co., Ltd.	7,008	0	3	0
thereof allowance	-7,005	0	0	0
Big Star Global Co., Ltd.	1,542	0	29	0
Fyber GmbH	17,044	51	133	51
Key management personnel	0	0	0	3,524
Shareholder				
- Sapinda Asia Ltd.	0	2,424	0	170
- SYSK Ltd.	0	1,777	0	109
- Lars Windhorst	0	533	0	18
- Sapinda Invest S.à r.l.	0	1,015	0	15
	18,589	5,810	210	3,887

Amounts owed by subdidiaries refer entirely to loans provided by the Company. Sales of the Company to subsidiaries include interest on provided loans. Current payables of the Company to subsidiaries are shown in amounts owed to parties.

In 2015 the purchases from key management personnel consists mainly of compensation of key management personnel. Further purchases of EUR k 180 relate to rent expense for the Big Star Global office in Seoul as well interest on short-term loans amounting to EUR k 47 both provided by Mr Hyunghoon Han. In 2014, the purchases from key management personnel consisted of compensation of key management personnel and the remuneration for business consultancy services from the Supervisory Board members Ryan Kavanaugh (service provided through Knight Global Services) and Dirk van Daele amounting to EUR k 3,021.

During the reference year 2014, the shareholders Sapinda Asia Ltd., SYSK Ltd., Lars Windhorst and Sapinda Invest S.à r.l have provided shareholder loans to the Company and its subsidiaries with the outstanding balance shown as payables and the purchases being the interest accrued in the respective year. These shareholder loans have been repaid during the reporting period 2015.

Outstanding balances with Anoa Capital S.A. are as follows. The disclosure is made as Mr. Dirk van Daele is CEO and controlling shareholder of Anoa Capital S.A. as well as Chairman of the supervisory board of RNTS Media N.V.

	Anoa Capital S.A.			
	Amounts owed by parties	Amounts owed to parties	Sales to parties	Purchases from parties
	EUR k	EUR k	EUR k	EUR k
2015	0	146	0	1,689
2014	0	832	0	3,500

Please refer to note 42. of the notes to the consolidated financial statements for further details.

Compensation for key managament personnel for the year ended 31 December 2015 and 2014 are as follows:

	31 Dec 2015	31 Dec 2014
	EUR k	EUR k
Share-based payments	0	3,021
Short-term employee benefits	536	503
Defined contribution plan	0	0
Termination benefits	0	0
	536	3,524

The amounts shown in the table above are those recognized as an expense during the reporting period related to key management personnel. Key management personnel include any person that has the authority and responsibility for planning, directing and controlling of the activities of the entities, directly or indirectly.

The compensation for members of the management board and supervisory board of the Company are as follows:

		31 Dec 2015 EUR k	31 Dec 2014 EUR k
Management Board Member			
Andreas Bodczek	short-term employee benefits	281	19
Roger van Diepen	short-term employee benefits	160	238
Hyunghoon Han 1), 3)	short-term employee benefits	95	93
Janis Zech	short-term employee benefits	0	35
Jai Park	short-term employee benefits	0	83
		536	468

1) Compensation was paid by subsidiaries of the Company

2) Member of the Management Board until 30 June 2015

3) Member of the Management Board until 30 November 2015

Supervisory Board Member			
Ryan Kavanaugh	share-based payments	0	1,826
Dirk van Daele	share-based payments	0	1,195
		0	3,021
Total		536	3,489

The following table summarise the financial income and expenses of the Company from its related parties in 2015 and 2014:

	2015	
	Finance income	Finance expense
	EUR k	EUR k
Subsidiaries		
RNTS Media Deutschland GmbH	313	0
Fyber GmbH	1,768	4
Big Star Global Co., Ltd.	65	0
Falk Realtime Limited	14	0
Other related parties	0	0
	2,160	4

	2014	
	Finance income	Finance expense
	EUR k	EUR k
Subsidiaries		
RNTS Media Co., Ltd.	371	0
RNTS Media Deutschland GmbH	297	0
Fyber GmbH	297	0
Big Star Global Co., Ltd.	13	0
Other related parties	0	0
	978	0

30. Other financial commitments

There are no other financial commitments.

31. Auditors fee

Ernst & Young Accountants LLP charged the following costs for the procedures performed for the financial year 2015 which have been incurred in the financial year:

	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
	EUR k	EUR k
Audit of the financial statements	193	156
Other audit engagements	249	0
Total	442	156

32. Other information

Please refer to note 46. of the notes to the consolidated financial statements for further information.

According to the article 29 of the articles of association as of 20 November 2012 the management board, with the approval of the supervisory board, may decide that part of the profit realised during a financial year be set aside to increase and / or form reserves. The remaining profit will be put at the disposal of the general meeting.

Distributions may be made only insofar as the Company's equity exceed the amount of the paid in and called up part of the issued capital, increased by the reserves which must be kept by virtue of the law or theses articles of association (see article 29.7).

The management propose, regarding to the distribution of the result for the year 2015, to add the losses to the accumulated deficit.

33. Remuneration of the management board and the supervisory board

Mr. Andreas Bodczek and Mr. Janis Zech are still board members of the management board. Mr. Roger van Diepen was a board member until 30 June 2015 and Mr. Hyunghoon Han left the management board at 30 November 2015.

Please refer to note 29. of the notes to the Company financial statements for information regarding the remuneration of the management board.

During the financial year 2015, there was no change in the composition of the supervisory board. Mr. Dirk van Daele is the chairman of the supervisory board since 2014. The board is completed by Mr. Guy Dubois and Mr. Ryan Kavanaugh. Both are members of the board since 2014.

Please refer to note 29. of the notes to the company financial statements for information regarding the remuneration of the supervisory board.

Authorisation of Consolidated and Company Annual Accounts

Amsterdam, 12 April 2016

Management Board Members

Andreas Bodczek
Janis Zech

Supervisory Board Members

Dirk van Daele (Chairman)
Guy Dubois
Ryan Kavanaugh

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Independent auditor's report

To: the shareholders and supervisory board of RNTS Media N.V.

Report on the audit of the financial statements 2015

Our opinion

We have audited the financial statements 2015 of RNTS Media N.V., based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements.

In our opinion:

- The consolidated financial statements give a true and fair view of the financial position of RNTS Media N.V. as at 31 December 2015 and of its result and its cash flows for 2015 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code (Burgerlijk Wetboek).
- The company financial statements give a true and fair view of the financial position of RNTS Media N.V. as at 31 December 2015 and of its result for 2015 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2015;
- the following statements for 2015: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows; and
- the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

- the company balance sheet as at 31 December 2015;
- the company profit and loss account for 2015; and
- the notes comprising a summary of the significant accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of RNTS Media N.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Materiality

Materiality	€1.6 million
Benchmark used	Approximately 2% of the revenue
Additional explanation	We consider revenues to be the most appropriate benchmark for RNTS Media N.V., given the importance attached by the stakeholders that RNTS Media N.V. increases its footprint in the digital advertising market. We agreed with the supervisory board that misstatements in excess of €80,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

RNTS Media N.V. heads a group of entities. The financial information of this group is included in RNTS Media N.V.'s consolidated financial statements.

In particular, our group audit focused on the operating companies which are significant in terms of size and financial importance or to which significant risks or more complex activities apply. The audit of the RNTS Media N.V. (company only) within the scope of the group audit was carried out by ourselves including the limited review procedures on Big Star Global Co. Ltd., a South Korean entity. An EY team was engaged in Germany to perform the audit procedures on the German based entities. The German auditor received instructions from us. We further consulted regularly with this team during 2015 and during the year-end audit in 2016. In addition, working-paper reviews were carried out in Germany and several important meetings were attended, and several visits were made to the German operating companies. In this way we managed the group audit and were able to address significant observations in our group audit.

The procedures in relation to the consolidation of the group, the explanatory notes in the financial statements and the assessment of the valuation of goodwill and other intangible fixed assets were performed by the group team. Altogether, the aforesaid procedures represent 99% of the total assets and 92% of the group's revenues.

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the consolidated financial statements.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our audit strategy
Going concern	
Management has prepared the financial statements using the going concern basis of accounting. The going concern assumption is dependent on the availability of sufficient cash and/or additional funding opportunities to operate the business for at least one year after the sign-off of the company's financial statements. Due to the results of the company and the growth ambitions of the company going concern is considered to be a specific audit issue. We refer to note 2.2 Going concern considerations of the financial statements.	The audit procedures we performed consist of, among others, an assessment of the disclosures made by management in the company's financial statements. We challenged the assumptions made relating to expected cash needed from operations included in the company's approved budget and cash flow forecast, the expected cash needed for the announced acquisitions including earn-out payments in the first year, cash need for working capital and CAPEX, any possible cash impact on disinvestments (if any) and the availability of facilities to provide the company with additional funding.
Revenue recognition, including the timing of revenue recognition	
In view of the contractual terms and conditions in this industry, we identified the accuracy and completeness of and the cut-off for revenue recognition as a specific audit issue.	We assessed the internal control measures with respect to revenue recognition, including the timing of revenue recognition. We additionally performed substantive (analytical) procedures, such as margin analyses, trend analysis per customer and per revenue channel, ratio analysis on revenue adjustments like discounts and rebates, sample testing of transactions and assessment of contracts, including the general terms and conditions. We performed cut-off testing procedures around year-end, journal entry testing and reviewed subsequent cash receipts after year-end.

Risk	Our audit strategy
Valuation of goodwill and other intangible fixed assets	
RNTS Media N.V. is required under EU-IFRS to test annually the amount of goodwill for the possible existence of impairments. This annual impairment test is key for our audit, since the estimation process is complex and highly subjective and is based on assumptions. These assumptions are influenced by anticipated future market developments and economic conditions. At 31 December 2015, the goodwill amounts to €144.2 million (2014: €144.3 million). Based on the impairment test that has been carried out, the company has concluded that there is no impairment. Explanatory notes on the key principles and the sensitivity analysis are included in the financial statements. We refer to note 17 "Goodwill" and related accounting policies and assumptions of the financial statements.	Our audit procedures included, among others, obtaining an understanding of the valuation model and assumptions used, challenging the Board of Directors' assumptions and involving independent valuation experts of EY to support us in our evaluation of the model. We also focused on the adequacy of disclosures about key assumptions and sensitivity.

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines what is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all errors and fraud.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included, e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Report on other legal and regulatory requirements

Report on the management board report and the other information

Pursuant to legal requirements of Part 9 of Book 2 of the Dutch Civil Code (concerning our obligation to report about the management board report and other information):

- We have no deficiencies to report as a result of our examination whether the management board report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code, and whether the information as required by Part 9 of Book 2 of the Dutch Civil Code has been annexed.
- We report that the management board report, to the extent we can assess, is consistent with the financial statements.

Engagement

We were engaged by the general meeting of shareholders as auditor of RNTS Media N.V. as of the audit for the year 2012 and have operated as statutory auditor since that date.

Zwolle, 13 April 2016

Ernst & Young Accountants LLP

signed by D.L. Groot Zwaaftink

RNTS Media N.V.

Annual Report 2015