



Explanatory notes to the agenda of the Extraordinary General Meeting of Shareholders (EGM) of RNTS Media N.V. (the Company) of 1 April 2015

Agenda item 2

Proposal to approve the terms and conditions of the Stock Option Plan 2014/2015 RNTS Media N.V. (the Stock Option Plan)

This item will be voted on.

Pursuant to the remuneration policy for members of the Management Board that was adopted at the Annual General Meeting of Shareholders of the Company that was held on 30 June 2014, the remuneration package that is available to members of the Management Board may include a long term incentive component in the form of a stock option plan. On 10 March 2015 the Supervisory Board approved the Stock Option Plan that contains the terms and conditions of the part of the remuneration for members of the Management Board that will be submitted for approval by the General Meeting in accordance with Section 2:135 paragraph 5 of the Dutch Civil Code. The Stock Option Plan is available at the website of the Company.

Agenda item 3

Proposal to designate the Supervisory Board as the competent body to grant members of the Management Board rights to subscribe for shares pursuant to the Stock Option Plan

This item will be voted on.

Pursuant to Article 12.4 of the Articles of Association the remuneration and further conditions of employment of each member of the Management Board are established by the Supervisory Board. In accordance with the aforementioned provision, it is proposed that the Supervisory Board administers the grant of stock options to members of the Management Board pursuant to the Stock Option Plan.

In accordance with Articles 6.2 and 6.3 of the Articles of Association of the Company the Management Board, with the approval of the Supervisory Board, therefore proposes to the General Meeting to designate the Supervisory Board as the company body competent to grant rights to subscribe for shares to members of the Management Board who are eligible to participate in the Stock Option Plan, which designation will be for a period of five (5) years, starting 1 April 2015 and ending 1 April 2020.

The number of options to be granted shall be limited to the maximums referred to in the Stock Option Plan.

Agenda item 4

Proposal to designate the Supervisory Board as the competent body to restrict or exclude pre-emptive rights with respect to the granting of rights to subscribe for shares under agenda item 3

This item will be voted on.



The Supervisory Board will not use its authority to grant rights to subscribe for shares pursuant to the Stock Option Plan other than to grant options to members of the Management Board.

In accordance with Articles 7.2 and 7.3 of the Articles of Association of the Company the Management Board, with the approval of the Supervisory Board, therefore proposes to the General Meeting to designate the Supervisory Board as the competent body to resolve to restrict or exclude pre-emptive rights with respect to the granting of rights to subscribe for shares under agenda item 3.

Agenda item 5

Proposal to designate the Management Board as the competent body to grant rights to subscribe for a maximum of up to 40,000,000 shares pursuant to the Convertible Bonds

This item will be voted on.

The Management Board intends to offer, with the approval of the Supervisory Board, up to 1,500 Senior Secured Convertible Bonds with a nominal amount of EUR 100,000 each, due in 2020 and convertible into shares in the capital of the Company (the **Convertible Bonds**). The Management Board is of the opinion that Convertible Bonds are the best source of financing for the Company at its current stage of development to fund its expansion plan.

The Convertible Bonds will most likely be offered against an aggregate principal amount of EUR 150,000,000. The Management Board (with the approval of the Supervisory Board) may decide to proceed with the issue of the Convertible Bonds if less than 1,500 of the Convertible Bonds will be subscribed for.

The Convertible Bonds may be converted into shares from the date of their issue, which will likely be the end of April 2015, until the close of business on the day falling 10 calendar days prior to their Maturity Date, being the date five (5) years after the date on which the Convertible Bonds will be issued. However, in the event of early redemption, the Convertible Bonds may be converted until the close of business on the 10th calendar day before the date fixed for redemption. All subject to any excluded periods pursuant to Dutch law and regulations.

It is intended that the conversion price of the Convertible Bonds will be EUR 4.20 per share. However, the exact number of Convertible Bonds that will be issued and the exact terms (including the conversion price) are still under negotiation and may therefore change. The conversion price will in any event not be lower than EUR 3.75 per share, resulting in a maximum number of 40,000,000 shares into which the Convertible Bonds may be converted. This maximum number is proposed to create flexibility in order to be able to meet requests of investors.

The current issued share capital of the Company amounts to EUR 11,453,333.30, divided into 114,453,333 ordinary shares of EUR 0.10 each. It is the intention to convert the Convertible Bonds into a maximum of up to 40,000,000 shares of EUR 0.10 each, being 34.9% of the current issued share capital.

In accordance with Articles 6.2 and 6.3 of the Articles of Association of the Company the Management Board, with the approval of the Supervisory Board, therefore proposes to the General Meeting to designate the Management Board as the company body competent to grant rights to subscribe for a maximum of up to 40,000,000 shares of EUR 0.10 each against an issue price that is not lower than EUR 3.75 per share, to be paid up by conversion of the Convertible Bonds (one Convertible Bond equals up to 26,666.67 shares). A resolution by Management Board to issue the Convertible Bonds is subject to the approval of the Supervisory Board.

Notwithstanding the fact that the authorisation to grant rights to subscribe for shares is requested for the maximum duration allowed under Dutch law, the launch of the Convertible Bonds issue is envisaged to take place shortly after the EGM.

Agenda item 6

Proposal to designate the Management Board as the competent body to restrict or exclude pre-emptive rights with respect to the granting of rights to subscribe for shares under agenda item 5

This item will be voted on.

The authorisation to exclude the statutory pre-emptive rights of shareholders is requested to allow the Company to accelerate the book building process and to offer the Management Board the flexibility in its approach of possible investors who are willing to subscribe for the Convertible Bonds; all in order to maximise the expected terms and proceeds that the Company could acquire from the issue of the Convertible Bonds. Furthermore, it could be that certain shareholders in certain countries may not be eligible to participate in the issue of the Convertible Bonds.

In accordance with Articles 7.2 and 7.3 of the Articles of Association of the Company the Management Board, with the approval of the Supervisory Board, therefore proposes to the General Meeting to designate the Management Board as the competent body to resolve to restrict or exclude pre-emptive rights with respect to the granting of rights to subscribe for shares under agenda item 5. A resolution by the Management Board to restrict or exclude pre-emptive rights in connection to the issue of the Convertible Bonds is subject to the approval of the Supervisory Board.

The authorisation to exclude pre-emptive rights is requested for the maximum duration allowed under Dutch law.

Agenda item 7

Proposal to designate the Management Board as the competent body to issue shares

This item will be voted on.

In addition to the authorisations that are requested from the General Meeting under the agenda items 3 through 6 and which relate to the issue of the Convertible Bond and the implementation of the Stock Option Plan, the General Meeting will be requested to renew its periodical authorisations to the Management Board in order to ensure continuing flexibility

with regard to the financing of the Company, attracting of new capital and employing employees or attracting consultants (not being members of the Management Board) who are offered warrants as part of their remuneration package.

In accordance with Articles 6.2 and 6.3 of the Articles of Association of the Company the Management Board, with the approval of the Supervisory Board, therefore proposes to the General Meeting to designate the Management Board as the company body competent to issue shares and to grant rights to subscribe for shares for a period of five (5) years, starting 1 April 2015 and ending 1 April 2020 (the existing designation on this matter – as granted by the General Meeting on 30 June 2014 – will expire upon the adoption of this resolution). The number of shares to be issued shall be limited to a maximum of 30% of the entire issued capital of the Company on a fully diluted basis. The term “capital” means the issued capital (on a fully diluted basis) per 1 April 2015. Resolutions by Management Board to issue shares or to grant rights to subscribe for shares are subject to the approval of the Supervisory Board.

Agenda item 8

Proposal to designate the Management Board as the competent body to restrict or exclude pre-emptive rights upon issuing shares

This item will be voted on.

In the event of a share or rights issue it could be that certain shareholders with residency outside The Netherlands may not be eligible to participate in the share or the rights issue.

In accordance with Articles 7.2 and 7.3 of the Articles of Association of the Company the Management Board, with the approval of the Supervisory Board, therefore proposes to the General Meeting to designate the Management Board as the competent body to resolve to restrict or to exclude the pre-emptive rights upon the issuance of shares or granting of rights to subscribe for shares for a period of five (5) years as of the day of the EGM and therefore until 1 April 2020. The authority of the Management Board to resolve to restrict or to exclude the pre-emptive rights upon the issuance of shares will be restricted to 30% of the entire issued capital of the Company on a fully diluted basis. The term “capital” means the issued capital (on a fully diluted basis) per 1 April 2015. Resolutions by the Management Board to restrict or exclude the pre-emptive rights are subject to the approval of the Supervisory Board.