



Market Update RNTS Media N.V.

June 13, 2014

RNTS Media N.V. has the pleasure to make the following announcements to the market:

1. Based on the finalised acquisition of Big Star Global Co. Ltd. in Q4 of 2013, RNTS Media has actively pursued setting up a global sales office in its German subsidiary during the first quarter of 2014. Combining the strength of our products from our Korean entities, together with the experience of our new head of global sales, RNTS Media is confident that it can expand its business to further opportunities in Europe, the US and APAC.
2. Due to the disappointing development in the online games industry and the underperformance of the online games unit, RNTS Media decided to discontinue the online games business upon the termination of the last online game on 28 February 2014 to be able to fully focus and use its resources for the Mobile games and digital content segments.
3. In order to meet the cash requirements of the ongoing business development during the first quarter of 2014, the Management Board on 10 February 2014 used a drawdown in the amount of 641 k EUR from the revolving credit facility which RNTS Media has in place with Sapinda Asia Ltd..
4. During Q1 2014, through our 100% subsidiary Big Star Global, we achieved extensive progress in expanding our Korean business activities into new markets while co-operating with major companies in Korea. In August 2014, 26 episodes of our first self-developed kids television animation documentary ("Peet & Baba") will air on EBS channel in Korea. Next to that we signed a contract with KT to develop large amounts of kids' content for their TV-commerce media hub. Besides all that we have also reached an agreement to digitalise and develop content for McGraw Hills' lead 21 through DragonFly (a global content and gaming corporation).
5. The unaudited figures as of the first quarter of the year 2014 are attached for your information.

In the first quarter of 2014, the total assets of the group have decreased to 18.9 m EUR and total liabilities have increased to 7.5 m EUR, compared with the end of the year 2013 position (19.5 m EUR and 7.3 m EUR respectively). Revenues generated in Q1 2014 sum up to a total of 993 k EUR and a loss of 858 k EUR has been realised.

/ Attachment:

- Interim condensed consolidated financial statements 31 March 2014

RNTS Media N.V.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2014

RNTS Media N.V.

Interim condensed consolidated financial statements for the period

ended 31 March 2014

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2014

<u>Assets</u>	Notes	31 Mar 2014 EUR k (Unaudited)	31 Dec 2013 EUR k (Audited)
Non-current assets			
Fixed assets			
Goodwill		12.543	12.543
Intangible assets	5	3.854	3.940
Property and equipment		160	180
Non-current financial assets			
Other non-current financial assets		166	0
Security deposits		36	189
Deferred tax assets		69	138
		<u>16.829</u>	<u>16.990</u>
Current assets			
Inventories		221	223
Trade receivables	6	756	1.360
Other receivables	6	581	0
Other current financial assets		69	70
Other current assets		298	102
Cash and cash equivalents		122	763
		<u>2.047</u>	<u>2.518</u>
Total Assets		<u><u>18.876</u></u>	<u><u>19.508</u></u>
<u>Equity and liabilities</u>			
Equity			
Issued capital	7.1	5.653	5.653
Share premium		17.757	17.757
Accumulated deficit	7.2	-12.066	-11.206
Other components of equity	7.3	68	-10
Total equity		<u>11.412</u>	<u>12.194</u>
Non-current liabilities			
Employee benefit liability		266	249
Long-term borrowing		3.595	2.931
Deferred tax liabilities		254	379
Other non-current liabilities		0	4
		<u>4.215</u>	<u>3.563</u>
Current liabilities			
Trade payables		1.736	398
Other payables		581	2.206
Short-term borrowings		381	385
Other current liabilities		27	132
Income tax payables		0	87
Provisions		524	543
		<u>3.249</u>	<u>3.751</u>
Total liabilities		<u>7.464</u>	<u>7.314</u>
Total equity and liabilities		<u><u>18.876</u></u>	<u><u>19.508</u></u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2014 AND 2013

	Note	1 Jan – 31 Mar 2014 EUR k (Unaudited)	1 Jan - 31 Mar 2013 EUR k (Unaudited)
Revenue		993	1,393
Cost of sales		-714	-454
Gross margin		279	939
Other operating income		105	21
Selling and administrative expenses		-997	-915
Other operating expenses		-219	-31
Operating loss		-832	14
Interest income		02	1
Interest expense		-44	-70
Loss before tax		-876	-55
Income tax expense		18	0
Loss for the year		-858	-55
Exchange differences on currency translation		76	2
Actuarial gains on defined benefit plans		0	0
Other comprehensive income for the year		76	2
Total comprehensive income for the year		-782	-53
Profit / loss attributable to:			
Owners of the parent		-858	-55
Non-controlling interest		0	0
		-858	-55
Total comprehensive income attributable to:			
Owners of the parent		-782	-53
Non-controlling interest		0	0
		-782	-53
Basic earnings per share (EUR)	8	-0,02	0.00
Diluted earnings per share (EUR)		-0,02	0.00

RNTS Media N.V.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2014 AND 2013

	Equity attributable to owners of the parent				Total equity
	Ordinary shares	Share Premium	Accumulated deficit	Other components of equity	
				Currency translation	
	EUR k	EUR k	EUR k	EUR k	EUR k
1 Jan 2014	5.653	17.757	-11.206	-10	12.194
Loss for the year	0	0	-858	0	-858
Other comprehensive income	0	0	0	76	76
Total comprehensive income	5.653	17.757	-12.064	66	11.412
Issue of share capital	0	0	0	0	0
Transaction costs	0	0	0	0	0
As at 31 Mar 2014 (unaudited)	5.653	17.757	-12.064	66	11.412
1 Jan 2013	5.000	0	-4.425	123	698
Loss for the year	0	0	-6.730	0	-6.730
Other comprehensive income	0	0	-4	-133	-137
Total comprehensive income	5.000	0	-11.159	-10	-6.169
Issue of share capital	653	17.757	0	0	18.410
Transaction costs	0	0	-47	0	-47
As at 31 Dec 2013	5.653	17.757	-11.206	-10	12.194

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2014 AND 2013

	Note	31 Mar 2014 EUR k (unaudited)	31 Mar 2013 EUR k (unreviewed)
Loss for the year before tax		-876	-2.748
Reconciliation of loss for the year to the cash flow from operating activities			
Amortisation and impairment of intangible assets	5	346	642
Depreciation and impairment of property and equipment		13	40
Decrease of inventories		2	0
Increase/ Decrease in trade and other receivables	6	604	260
Increase in other current assets		-777	-103
Increase employee benefit obligation		17	29
Decrease of other non-current liabilities		-4	0
Decrease in trade payables		1.338	-123
Increase in other payables		-1.625	1.817
Decrease in other current liabilities		-105	-33
Increase of provisions		-19	0
Interest income		0	-3
Interest expense		44	289
Subtotal		-1.042	67
Interest received		0	3
Interest paid		-44	-99
Income tax paid		-105	0
Net cash flow from operating activities		-1.191	-29
Purchases of property and equipment		-12	-42
Proceeds from sale of property and equipment		18	10
Purchases of intangible assets		-387	-794
Proceeds from sale of intangible assets		93	0
Acquisition of a subsidiary, net of cash acquired		0	-739
Decrease in security deposits		153	-12
Decrease in current financial assets		1	118
Net cash flow from investing activities		-134	-1.459
Proceeds from the issue of shares		0	4.955
Transaction costs on the issue of shares		0	-1.828
Proceeds from long term borrowings		814	0
Repayment of long-term borrowings		-150	-654
Proceeds from short-term borrowings		0	0
Repayment of short-term borrowings		-4	-171
Net cash flow from financing activities		660	2.302
Cash flow-related changes in cash and cash equivalents		-665	814
Cash and cash equivalents at beginning of period		763	45
Net foreign exchange difference		24	4
Cash and cash equivalents at end of period	9	122	863

GENERAL INFORMATION

1. Corporate information

RNTS Media N.V., the parent of the Group, is a company incorporated in Amsterdam, The Netherlands, whose shares are publicly traded on the Luxembourg stock exchange (EuroMTF) as per 8 January 2013. A secondary listing on the Frankfurt Stock Exchange (Open Market) has been started on 14 November 2013. The headquarters of RNTS Media N.V. are located in Berlin, Germany. The legal seat of the Company is located in Amsterdam, The Netherlands.

RNTS Media N.V. and its subsidiaries ("RNTS" or "RNTS Group" or the "Group") is an internationally operating company that engages in developing and publishing of game software, mobile applications and educational content.

The interim condensed consolidated financial statements of RNTS Media N.V. for the three months period ended 31 March 2014 were authorised for issue on 13 June 2014.

2. Basis of preparation

The interim condensed consolidated financial statements of the Group have been prepared on a historical cost basis, except it is stated otherwise.

The consolidated statement of comprehensive income is presented using the function of expense method.

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 interim condensed consolidated financial statements for the three months period ended 31 March 2014 have been prepared in accordance with IAS 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2013.

3. Going concern

3.1. General

Due to the nature of RNTS Group as an early stage company, the management acknowledges that there exist uncertainties related to events and conditions that may cast doubt upon the RNTS' ability to continue as a going concern. However, management has reasonable expectation that RNTS has adequate resources to continue in operational existence for the foreseeable future given the below.

3.2. Current financial position and future operations

During the period ended 31 March 2014 RNTS Group incurred a net loss of k EUR 858. The primary reason for this is the fact that the Group does not currently generate material revenues and is incurring expenses in relation to the procurement of contracts with app developers and mobile network operators, on top of day-to-day personnel and administrative costs. Due to the failure and the decreasing trend of free-to-play games RNTS Group decided to close down the online games business on 28 February 2014 and focus on mobile games and global sales of digital content. This content will be delivered on the basis of our acquisition of Big Star Global Co., Ltd. in December 2013. This 100% subsidiary is now integrated and focuses on developing new and fully localised content where other entities of RNTS Media will bring this content to the network of existing and new customers across the globe. This business will start generating revenues as of the second quarter 2014.

3.3. Financing needs of the Group

In order to meet current cash requirements in the first quarter 2014, the Management Board did one drawdown from the revolving credit facility which RNTS Group has in place with Sapinda Asia Ltd. The total amount for this drawdown is EUR k 641 which has been received on 10 February 2014.

Forecasted operating business plans, availability of subordinate loans and expected positive cash flows are the primary basis for management to strengthen its strong belief that the Group will be able to continue and prove its proposition on a going concern basis. The accounting principles have been applied accordingly.

4. New and amended Standards and Interpretations

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2013, except for the adoption of new standards and interpretations effective as of 1 January 2014, noted below:

- **Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)**
- **IAS 32** *Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32*
- **IAS 39** *Novation of Derivatives and Continuation of Hedge Accounting – Amendments to IAS 39*
- **IFRIC 21** *Levies*

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

5. Intangible assets

The changes in intangible assets were as follows:

	Customer contracts EUR k	Purchased standard software EUR k	Development EUR k	Digital content EUR k	Others EUR k	Total EUR k
Acquisition or production cost						
1 Jan 2013	287	46	0	0	968	1.301
Acquisition of BSG	745	26	1.423	649	0	2.842
Additions	0	8	92	0	2.088	2.188
Disposals	0	0	0	0	-311	-311
Transfer	0	0	0	0	0	0
Currency effects	-14	-1	-10	-5	-6	-36
31 Dec 2013	1.018	78	1.505	644	2.739	5.984
1 Jan 2014	1.018	78	1.505	644	2.739	5.984
Additions	0	4	383	0	0	387
Disposals	0	0	0	0	-588	-588
Transfer	0	0	0	0	0	0
Currency effects	-10	-1	-17	-7	-2	-37
31 Mar 2014	1.008	82	1.870	638	2.149	5.746
Amortisation and impairments						
1 Jan 2013	28	3	0	0	611	642
Additions	60	10	73	18	268	429
Disposals	0	0	0	0	-32	-32
Impairment charges	0	1	0	0	1.006	1.007
Currency effects	-1	0	0	0	-1	-2
31 Dec 2013	87	13	73	18	1.852	2.044
1 Jan 2014	87	13	73	18	1.853	2.044
Additions	33	4	217	53	40	347
Disposals	0	0	0	0	-494	-494
Impairment charges	0	-1	0	0	0	-1
Currency effects	-1	0	-3	0	-1	-5
31 Mar 2014	119	17	288	71	1.397	1.892
Carrying amounts						
1 Jan 2013	259	43	0	0	357	659
31 Dec 2013	931	65	1.431	627	887	3.940
31 Mar 2014	889	65	1.582	567	752	3.854

Breakdown of intangible assets – Others:

	Appstore	Appli- cations	Game publishing license	Tech- nology based assets	Websites	Brands	Total EUR k
	EUR k GmbH	EUR k GmbH	EUR k GmbH	EUR k Ltd.	EUR k GmbH	EUR k GmbH	
Acquisition or production cost							
1 Jan 2013	370	0	401	197	0	0	968
Acquisition of BSG	0	0	0	0	0	0	0
Additions	1.277	85	717	0	5	4	2.088
Disposals	0	-206	-105	0	0	0	-311
Transfer	-121	121	0	0	0	0	0
Currency effects	0	0	0	-6	0	0	-6
31 Dec 2013	1.526	0	1.013	192	5	4	2.739
1 Jan 2014	1.526	0	1.013	192	5	4	2.739
Additions	0	0	0	0	0	0	0
Disposals	0	0	-588	0	0	0	-588
Currency effects	0	0	0	-2	0	0	-2
31 Mar 2014	1.526	0	425	189	5	4	2.149
Amortisation and impairments							
1 Jan 2013	249	0	335	27	0	0	611
Additions	0	0	211	56	1	1	268
Disposals	0	0	-32	0	0	0	-32
Impairment charges	638	0	361	0	4	3	1.006
Currency effects	0	0	0	-1	0	0	-1
31 Dec 2013	887	0	875	82	5	4	1.853
1 Jan 2014	888	0	875	82	5	4	1.853
Additions	0	0	26	14	0	0	40
Disposals	0	0	-494	0	0	0	-494
Currency effects	0	0	0	-1	0	0	-1
31 Mar 2014	888	0	406	95	5	4	1.397
Carrying amounts							
1 Jan 2013	121	0	66	170	0	0	357
31 Dec 2013	640	0	138	110	0	0	886
31 Mar 2014	638	0	19	95	0	0	752

In the first quarter the decrease of intangible assets result mainly from the game publishing licenses. Since management took the decision to discontinue the Group's involvement in 'Tactical Intervention' at the end of 2013, the respective license was not disposed in 2013. The return of the license back to the game developer end of February 2014 (EUR k 24) plus the minimum guarantee that was still outstanding and credited by the developer upon the return of the license (EUR k 81) led to the decrease of the amount of games publishing licenses.

6. Trade and other receivables

	31 Mar 2014	31 Dec 2013
	EUR k	EUR k
Trade receivables	756	1.360
Other receivables	581	0
Trade and other receivables	1.337	1,360

The Group has no significant concentration of credit risk that may arise from exposure to a single debtor or group of debtors.

7. Equity

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

7.1. Issued capital

The issued capital of RNTS Media N.V. amounting EUR k 5,653 is divided into 56.533.333 common shares, with a nominal value of EUR 0.10 each. The issued capital as of 31 Mar 2014 consisted entirely of fully paid-up ordinary shares. At the reporting date the shares were publicly traded, the admission to listing on the Official List of the Luxembourg Stock Exchange and to trading on the EuroMTF market was applied on 15 November 2012. The stock exchange trading started on 8 January 2013.

The authorised capital amounted to EUR k 25,000 and is divided into 250,000,000 shares, with a nominal value of EUR 0.10 each.

7.2. Accumulated deficit

The accumulated deficit includes the income of the companies included in the consolidated financial statements plus actuarial gains that are not reclassified to profit or loss in subsequent periods as well as transaction costs in connection with the issuance of capital.

7.3. Other components of equity

Other components of equity consists solely of losses resulting from the translation of the accounts of the Korean subsidiaries from Korean Won, which is the functional currency of these subsidiaries, into Euro which is the functional currency of the parent company and the reporting currency of the Group.

NOTES TO THE INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

8. Earnings per share

As of 31 March 2014, the Group has only ordinary shares. No transactions with diluting effect were identified.

The basic and diluted earnings per share were determined as follows:

		1 Jan to 31 Mar 2014	1 Jan to 31 Mar 2013
Net income attributable to shareholders of RNTS Media N.V.	EUR k	-858	-56,1
Weighted average shares outstanding	000s	52.212	50,000
Net income attributable to shareholders of RNTS Media N.V. per share			
basic and diluted earnings per share	EUR	-0.02	-0.00

NOTES TO THE INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

9. Cash flow

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

RNTS Group's cash and cash equivalents as of 31 March 2014 consist of cash at banks of EUR k 122 readily available without any restrictions.

SEGMENT INFORMATION

10. Basic principles of segment reporting

For management purposes, the Group had four reportable operating segments (educational content, mobile business, online games business and operations) until the end of March 2013. Through the reorganisation of the Group and its investment in Big Star Global Co., Ltd. the management changed the reportable operating segments for 2014. Due to the change there are five operating segments (games, appstore, global sales, Big Star Global and operations).

The financial performance and financial position of each segment for the three month period ended 31 March 2014 are as follows:

	Revenues EUR k	Net loss EUR k	Total assets EUR k	Total liabilities EUR k
Games	111	-636	10.826	13.261
Appstore	0	0	639	0
Global Sales	0	-9	0	0
Big Star Global	882	50	12.957	2.838
Operations	0	-127	91	705
Sub-total	993	-722	24.513	16.804
Consolidation entries	0	-136	-5.665	-9.340
Total	993	-858	18.848	7.464

All eliminations result from the consolidation process and break down as follows:

	Revenues	Net loss	Total assets	Total liabilities
	EUR k	EUR k	EUR k	EUR k
Capital consolidation	0	0	738	738
Currency effect on intangible assets (identified in PPA)	0	-4	-31	-27
Amortisation of intangible assets (identified in PPA)	0	-78	-330	-252
currency differences Goodwill	0	0	-103	-103
Consolidation of intragroup liabilities and interest	0	-54	-9.748	-9.694
Deferred tax assets as per 31.12.2012	0	0	117	117
reversal of allowance of loan N.V. - GmbH	0	0	3.692	3.692
Consolidation Adjustments in Equity	0	0	0	-3.811
Total consolidation entries	0	-136	-5.665	-9.340

The financial performance and financial position of each segment for the three month period ended 31 March 2013 are as follows

	Revenues	Net loss	Total assets	Total liabilities
	EUR k	EUR k	EUR k	EUR k
Operations	15	-134	8,061	4,585
Application development project	49	-378	193	310
Mobile business	70	-780	282	2,298
Online games business	38	-865	782	952
Sub-total	172	-2,157	9,317	8,145
Adjustment	0	0	-1,994	-1,994
Total	172	-2,157	7,324	6,152

11. Geographic information

	31 Mar 2014	31 Mar 2013
	EUR k	EUR k
Revenues from external customers		
South Korea	980	950
Germany	13	443
Total revenue per consolidated income statement	993	1.393

The revenue is allocated based on the country where the subsidiaries are located

	31 Mar 2014	31 Mar 2013
	EUR k	EUR k
Non-current assets		
South Korea	15.846	4.824
Germany	712	621
Total	16.558	5.445

Non-current assets for this purpose consist of goodwill, intangible assets and property and equipment.

12. Major customers' information

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

The Group provides consulting services only for creditworthy clients and the receivable balances are monitored on an ongoing basis. The Group has no significant exposure to any customer nor does it have any major concentration of credit risk.

The total amounts of revenue for the first three months 2014 and the year ended 31 December 2013 from major customers (representing 10% or more of the Group's total revenue) are as follows:

31 Mar 2014

EUR k

Customer I	202
Customer II	196
Customer III	189
Customer IV	110
	<hr/>
	698
	<hr/>

31 Dec 2013

EUR k

Customer I	694
Customer II	430
	<hr/>
	1,124
	<hr/>

OTHER DISCLOSURES

13. Capital management

Capital includes equity attributable to shareholders of the parent.

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 maximise shareholder's value.

The Group is still developing and restructuring its business with significant changes in 2014 caused by the shift in the business focus through the integration of Big Star Global Co., Ltd in December 2013.

Therefore, equity contributed from shareholders is the primary source of funds. Management expects that this will continue in the future until either the operating business will generate sufficient funds or other financing opportunities are deemed adequate.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions.

14. Events after the balance sheet date

The Group RNTS Media N.V. is in advanced negotiations to acquire SponsorPay in a cash-and-stock transaction. SponsorPay, a company based in Berlin and San Francisco, is a global leader in internet based monetization solutions for its B2B clients. The acquisition of SponsorPay will create value for the Group by enlarging our product portfolio to customers involved in digital content, whether online or via mobile games. Both parties are agreed with key terms and the present disclosure. The transaction remains subject to confirmatory due diligence and the required RNTS board and shareholder approvals.