Unless specifically stated otherwise, in this report all figures (i) are stated in EUR, (ii) refer to the Group, and (iii) if in parentheses, refer to the corresponding period for the previous year. Unless defined otherwise, definitions of specific terms used herein can be found under "Definitions" in the last section of this report. This report is unaudited.

Fourth quarter of 2015

- Revenues totalled EUR 5.90 million (1.45), an increase of 307% compared with the same quarter for the previous year.
- Operating profit increased to EUR 2.90 million (0.87), corresponding to an operating margin of 49% (60%).
- Adjusted operating profit excluding non-recurring IPO expenses amounted to EUR 3.62 million (0.87), corresponding to an adjusted operating margin of 61% (60%).
- Profit for the period before tax amounted to EUR 2.90 million (0.87).
- Adjusted profit for the period before tax excluding non-recurring IPO expenses amounted to EUR 3.62 million (0.87).
- Earnings per share amounted to EUR 0.06347 (0.01540).

Year 2015

- Revenues totalled EUR 14.94 million (3.89), an increase of 284% compared with the same period for the previous year.
- Operating profit increased to EUR 8.98 million (2.22), corresponding to an operating margin of 60% (57%).
- Adjusted operating profit excluding non-recurring IPO expenses amounted to EUR 10.15 million (2.22), corresponding to an adjusted operating margin of 68% (57%).
- Profit for the period before tax amounted to EUR 9.00 million (2.21).
- Adjusted profit for the period before tax excluding non-recurring IPO expenses amounted to EUR 10.16 million (2.21).
- Dividend paid during the period amounted to EUR 3.00 million.
- The proposal of Catena Media's Board of Directors to the Annual General Meeting is that no further dividend be paid for the 2015 financial year.
- Earnings per share amounted to EUR 0.19880 (0.04222).

Events during the fourth quarter of 2015

- The Group acquired Right Casino Media Ltd ("RCM") in the UK. RCM is based in London and focuses primarily on the UK market. RCM became part of the Group from 1 November 2015.
- The main reason behind the acquisition was to increase the Group's product range to include pay-per-click (PPC).
- The purchase price for RCM amounts to a maximum of USD 9 million, of which USD 1.5 million was paid on the acquisition date, USD 1.5 million is to be paid on 1 March 2016 and the remaining earn-out component (maximum USD 6 million) is contingent on the financial performance of RCM over the next two years.
- If the Group defaults on the payment of the second instalment of the purchase price for RCM, the guarantors, being the largest shareholders Optimizer Invest Ltd, Aveny Ltd and Pixel Wizard Ltd, shall, on demand by the sellers, unconditionally settle such amount.

Subsequent events

- On 11 February 2016, the Company's shares were admitted to trading on the First North Premiere exchange. The initial price was SEK 33 per share and the number of shares in issue amounted to 7,273,000. In total, shares were issued to a value of SEK 240 million, corresponding to EUR 25 million based on an exchange rate of SEK 9.5188 to the EUR.

  The total listing and issue costs up to 11 February 2016 amounted to EUR 1.50 million, of which EUR 1.17 million was expensed in 2015. An additional EUR 0.37 million was capitalised and will be deducted in the first quarter from the newly issued amount recognised in equity.

Summary of fourth quarter and the year-end 2015

Group	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014	Period from 4 Nov 2013 to 2014
	€	€	**€**	€	€
Operating revenues (€)	5,898,148	1,450,985	14,938,857	3,888,107	4,279,876
Operating profit (€)	2,904,297	871,512	8,983,237	2,222,081	2,611,596
Operating profit margin (%)	49%	60%	60%	57%	61%
Adjusted operating profit (€)*	3,619,694	871,512	10,149,077	2,222,081	2,611,596
Adjusted operating margin (%)*	61%	60%	68%	57%	61%
Adjusted profit before tax (€)*	3,617,058	866,051	10,164,567	2,213,183	2,602,703
Adjusted profit before tax margin(%)*	61%	60%	68%	57%	61%
Earnings per share (€)	0.06347	0.01540	0.19880	0.04222	0.04926
NDC	24,779	8,084	69,331	29,661	32,570
Equity to asset ratio	44%	35%	44%	35%	35%

*Adjusted for non-recurring IPO expenses of EUR 0.72 million in Q4 2015. Total IPO costs for the year ended 31 December 2015 amounted to EUR 1.17 million.

CEO's comments

I would like to extend a warm welcome to our new shareholders in Catena Media. We are very proud of the confidence our new shareholders have shown in the company.

We have posted yet another record-breaking quarter with strong growth and profitability. The organic growth achieved during the quarter underlines the success of our business model. Furthermore, we are utilizing our economies of scale when leveraging our investments and recruitments and, accordingly, our revenue reached a record breaking EUR 5.90 million (1.45). Adjusted operating profit amounted to EUR 3.62 million (0.87), corresponding to a margin of 61% (60%).

Revenues for the fourth quarter increased 45% over the third quarter 2015, and 307% over the fourth quarter 2014. Paid Media was included in November and had a very positive effect on the revenue growth quarter over quarter. While we are still seeing solid growth across the board, and remain very positive on our 2016 targets, we do not expect the same relative growth rate in the first quarter 2016 over the fourth quarter 2015. We continue to see strong demand for our services and posted a record inflow of new operators. Deliveries of new depositing customers to iGaming operators came close to 10,000 in December, which underpins the strong growth of the company.

We have maintained our focus on developing the next generation of our affiliate platform which will, once deployed, increase our efficiency and improve our mobile presence. In the long term, an improved mobile product will increase traffic volumes as well as increase loyalty and result in a higher percentage of returning customers.

We continued our high pace of recruitment during the quarter due to rapid revenue growth within both our service offerings: Organic revenue and Paid revenue. Due to the rapid revenue growth, we continued our high pace of recruitment and are glad to have welcomed 19 new employees during the quarter. Our personnel costs have increased correspondingly as a direct result of our high pace of recruitment. To cope with the high pace of recruitment, in the last quarter, we implemented a new organisation with the goal of making our organisation more agile and efficient as well as advantageously placed for continued growth.

Catena Media took a major strategic leap with the addition of a new service offering in the fourth quarter. The acquisition of Right Casino Media in November opened up for driving traffic to our properties through paid media in regulated markets. The integration of Right Casino Media into Catena Media is tracking well. Ten employees have been transferred to the Group and formed the London office of Catena Media UK. We are taking big steps in the development of revenue from paid media and will increase the headcount and the pace of development within the service offering. The successful start and the scalability of the business in combination with our organic traffic position us perfectly to enter new markets in the near future.

Following the IPO, we have a more solid financial position and have increased our ability to continue to grow through acquisitions and expand into new markets. Moving forward, our key focus areas are to deliver on our targets, to continue growth and to secure continued strong cash generation.

Robert Andersson, CEO, Catena Media

Market Development

The online casino market in which Catena Media operates has reported positive growth in recent years. Catena Media's view is that the demand for lead generation and gambling affiliates will continue to grow as a consequence.

Within the fragmented affiliate market, there are only a handful of players who are able to generate a substantial number of new depositing customers to operators. The strongest competitors span the same geographical markets as Catena Media and there seems to be a steady trend for launches of new casino brands with their primary focus on the affiliate channel. This leaves opportunities for both geographic expansion as well as acquisitions.

In Catena Media's core markets Sweden, Finland, Norway, the Netherlands and the UK, iGaming is growing faster than land-based gaming. Both new online casino operators and old brands in new markets need visibility and, combined, the two drive growth for the affiliate market through their increased spending on digital marketing, and the pay-per-performance commercial model, such as that offered by Catena Media, comprises one of the fairest and most accountable acquisition models available.

Catena Media's view is that the online casino market will represent an increasing proportion of the total casino market during the coming years, while mobile technology will further enhance the availability of online casino offerings, thus driving the market for iGaming and its affiliates. Although regulations potentially could have both positive and negative effects on the online casino market, Catena Media believes re-regulation will increase overall demand for iGaming. Catena Media continuously monitors developments in other markets, including those close to regulation, and the Group plans to expand into new markets when the timing is right.

Financial performance during October – December 2015

Revenues

The Group's revenues totalled EUR 5.90 million (1.45) in the fourth quarter, corresponding to an increase of 307% compared with the same period in 2014.

Out of the EUR 5.90 million, EUR 4.82 million (1.45) represented Organic revenue. The increase in Organic revenue was driven by organic growth resulting from a number of acquisitions throughout the year.

Paid revenue corresponds to EUR1.07 million (Nil). This revenue is related to the acquisition of RCM. The acquisition was finalised during November and this revenue started being accounted for as from 1 November 2015.

Expenses

Operating expenses amounted to EUR 2.99 million (0.58). Other operating expenses amounted to EUR 1.33 million (0.29), and represented the more significant expense component. Other operating expenses include direct costs driven by Paid revenue. During the fourth quarter these costs predominantly related to AdWords (Google spend) costs, and amounted to EUR 0.73 million (Nil). These costs started to be incurred from November 2015 following the acquisition of RCM.

Personnel expenses amounted to EUR 0.84 million (0.22). The increase in personnel expenses was due to the recruitment of additional members of top and middle management and additional employees across the organisation. As a result, the headcount totalled 70 employees by the close of the quarter this year compared to 22 employees at the close of the same quarter last year. The increase in headcount was driven by the strong growth currently being experienced by the Group. This also gave rise to the significant increase in other operating expenses as a result of an increase in staff-related support costs such as increased office expenses, additional office rent, more software user licences, recruitment agency fees and other similar items included in other operating expenses.

Depreciation and amortisation totalled EUR 0.11 million (0.07). The increase in depreciation and amortisation was mainly attributable to the acquisition of competitor player databases during the year. 4% of the cost of these acquisitions is being expensed over a three-year period. In the case of RCM, 12% of the purchase price is also being depreciated over a three-year period.

As a result of the rapid expansion, the Group witnessed an increase in other operational expenses including domains for SEO efforts, external consultancy fees and server hosting fees.

Included within operating expenses are non-recurring costs of EUR 0.72 million (nil). These are non-recurring as they related to the listing of the company.

Earnings

Operating profit for the fourth quarter of 2015 amounted to EUR 2.90 million (0.87), an increase of 233% compared to the corresponding period last year. Adjusted operating profit amounted to EUR 3.62 million (0.87), corresponding to an adjusted operating margin of 61% (60%). Operating profit includes IPO related costs of EUR 0.72 million.

Profit before tax amounted to EUR 2.90 million (0.87), an increase of 233% compared with the corresponding quarter 2014.

Profit for the period amounted to EUR 2.80 million (0.55). Earnings per share amounted to EUR 0.06347 (0.01540).

For the quarter ended 31 December 2015, the Group had an effective tax rate of 3%.

Investments

Investments in intangible assets, which consist of player databases, websites and domains, amounted to EUR 0.92 million (1) during the quarter. This mainly related to Right Casino Media Ltd's acquisition.

Acquisitions of property, plant and equipment amounted to EUR 0.21 million (0.03).

Cash and cash equivalents, financing and financial position

Cash flow from operating activities during the fourth quarter amounted to EUR 2.70 million (0.71). Cash flow used in investing activities was EUR 2.37 million (0.39) and was primarily attributable to the acquisitions that took place during the quarter. Cash flow from financing activities was EUR 0.01 million while the amount used in the comparative quarter was EUR 0.08. Cash and cash equivalents amounted to EUR 1.53 million (0.55) at the end of the quarter.

Summary of January-December 2015

Revenues

The Group's revenues totalled EUR 14.94 million (3.89) for the year ended 31 December 2015, corresponding to an increase of 284% compared with the same period in 2014.

Out of the EUR 14.94 million, EUR 13.86 million (3.89) represented Organic revenue. The increase in Organic revenue was driven by organic growth resulting from a number of acquisitions throughout the year.

Paid revenue corresponds to EUR1.08 million (Nil). This revenue is related to the acquisition of RCM. The acquisition was finalised during November and this revenue started to be accounted for from 1 November 2015.

The Group acquired the customer database, domains and websites of eight competitors within the Group´s current core markets during the period. The acquisitions consisted of (i) two smaller acquisitions, of which one focuses on Finland and one on the Netherlands, (ii) two medium sized acquisitions, one of which is targeting Finland and the other the UK, and (iii) four larger acquisitions which focus on Sweden, Norway, the UK and the Netherlands respectively.

One of the Group's eight acquisitions is Right Casino Media Ltd ("RCM") in the UK. RCM is based in London and focuses primarily on the UK market. This company was wholly acquired and became part of the Group from 1 November 2015.

Expenses

Operating expenses amounted to EUR 5.96 million (1.67). Included within other operating expenses are direct costs driven by Paid revenue. During the year ended 31 December 2015, these costs were predominantly AdWords (Google spend) costs and amounted to EUR 0.73 million (Nil). These costs started being incurred from November 2015 after the acquisition of RCM.

Personnel expenses amounted to EUR 2.02 million (0.70). The increase in personnel expenses is due to rapid expansion of the Group during 2015. Recruitment has been carried out across the organisation. Depreciation and amortisation totalled EUR 0.14 million (0.08). The increase in depreciation and amortisation was mainly attributable to the acquisition of the eight competitor player databases. 4% of the cost of these acquisitions is being expensed over a three-year period. In the case of RCM, 12% of the purchase price is also being depreciated over a three-year period.

Other operating expenses amounted to EUR 2.62 million (0.89). The increase in headcount also gave rise to an increase in staff-related support costs such as increased office expenses, additional office rent, more software user licences, recruitment agency fees and other similar items included in other operating expenses. Other operational expenses include domains for SEO efforts, external consultancy fees and server hosting fees.

Included within operating expenses are non-recurring costs of EUR 1.17 million (nil). These are non-recurring as they related to the listing of the company.

Earnings

Operating profit for the year ended 31 December 2015 amounted to EUR 8.98 million (2.22), an increase of 305% compared with the corresponding period last year. Adjusted operating profit amounted to EUR 10.15 million (2.22), corresponding to an adjusted operating margin of 68% (57%). Operating profit has been adjusted for IPO related cost of EUR 1.17 million.

Profit before tax amounted to EUR 9.00 million (2.21), an increase of 307% compared to same period last year.

The corporate tax rate in Malta is 35% of taxable profits. Malta operates a refund system, whereby upon payment of dividends to shareholders that are not resident and domiciled in Malta, the recipient will be entitled to a refund of 6/7 of the tax paid by the Group. The post-refund effective rate of tax, including the deferred tax charge, should equate to around 5%. For the period ended 31 December 2015, the Group had an effective tax rate of 8%. This represents the expected rate of 5%, and an additional tax charge arising from the payment of a dividend that occurred prior to the restructuring of the Group in June 2015. In addition, for Q4 2015, the Group consolidated the Right Casino Media business into its financial statements. Right Casino has historically generated most of its revenues from the UK where the corporate tax rate is 20%. Following the integration of the Group in Q4 2015, it is anticipated that most of Right Casino Media's revenue will also be generated from Malta and thus subject to the above mentioned Maltese corporate tax rate and refund mechanism. However, the Group foresees a small share of Right Casino Media's revenues being generated from the UK and thus subject to a higher tax rate.

Profit for the period amounted to EUR 8.23 million (1.52). Earnings per share were EUR 0.19880 (0.04222).

Investments

Investments in intangible assets, which consist of player databases, websites and domains, amounted to EUR 13.40 million (1.11) during the period. The significant increase pertained to the acquisition of eight competitors.

Property, plant and equipment additions amounted to EUR 0.37 million (0.08).

Cash and cash equivalents, financing and financial position

Cash flow from operating activities amounted to EUR 8.38 million (1.20) during the year ended 31 December 2015. Cash flow used in investing activities was EUR 4.26 million (0.47 million) and was primarily attributable to the acquisitions that took place during the period. Cash flow used in financing activities was EUR 3.14 million (0.24) of which EUR 3.00 million (0.51) related to dividends paid during the period. Cash and cash equivalents amounted to EUR 1.53 million (0.55) at the end of the period.

The Catena Media shares

The ownership structure of Catena Media p.l.c at 31 December 2015 included the following major shareholders; Optimizer Invest Ltd owning 40.1%, Aveny Ltd owning 20.0%, Pixel Wizard Ltd owning 20.0% and LJFK Ltd owning 16.3% of the issued shares.

On 11 February 2016, the Company's shares were listed on Nasdaq First North Premier, Stockholm, under the trading symbol 'CTM'. The offering, including the over-allotment option, was subscribed for in full and comprised a total of 29,580,990 shares, of which 7,273,000 shares were newly issued shares and 22,307,990 existing shares. The subscription price for the offering was SEK 33 per share and Catena Media received about SEK 229.80 million corresponding to EUR 24.14 million in equity after issue costs.

Ownership structure

Largest shareholders in Catena Media Following the IPO:

Shareholders	Number of shares	Share of capital and votes%
Optimizer Invest Ltd.	8,217,485	15.97%
Aveny Ltd.	5,110,934	9.93%
Pixel Wizard Ltd.	4,098,624	7.97%
LFJK Ltd	3,337,703	6.49%
Investment AB Öresund	3,030,303	5.89%
Swedbank Robur AB	3,030,303	5.89%
Niklas Eriksson	1,818,182	3.53%
RAM One AB	1,818,182	3.53%
Skandrenting AB (fully-owned by Erik Selin)	1,515,152	2.95%
Knutsson Holdings AB	1,515,152	2.95%
Total top 10 shareholders	33,492,020	65.10%
Other shareholders	17,953,132	34.90%
Total	**51,445,152**	**100%**

Other

Parent company

Catena Media p.l.c is the ultimate holding company of the Group and was incorporated in Malta on 29 May 2015 with the sole purpose of receiving dividend income from the main operational company – Catena Operations Limited. Operating revenues for January-December 2015 consisted of dividends received and related income amounting to EUR 2.60 million (Nil). Expenses amounted to EUR 0.04 million (Nil). Profit for the period amounted to EUR 1.86 million (Nil). The Company's cash and cash equivalents amounted to EUR 0.1 million (Nil) at the end of the year and equity amounted to EUR 1.70 million (Nil).

After the Group reorganisation Catena Media p.l.c distributed dividends amounting to EUR 1.28 million. No further dividend is being proposed. The annual general meeting is expected to take place on 26 May 2016 and the annual report will be made available to the public three weeks prior to the meeting.

Employees

The total number of employees in the Group at 31 December 2015 amounted to 70 (22), of which 33% (23) were women and 67% (47) were men. In 2014, out of the 22 employees 45% (10) were women, while 55% (12) were men. Due to its rapid growth, the Group is continuing to recruit new employees.

Significant risks and uncertainties

While the Group does not conduct any online gambling operations, the Group is dependent on the online gambling industry which comprises the majority of its customers. The laws and regulations surrounding the online gambling industry are complex, constantly evolving and in some cases also subject to uncertainty, and in many countries online gambling is prohibited and/or restricted. If enforcement or other regulatory actions are brought against any of the online gambling operators, which are also the Group's customers, whether current or future, the Group's revenue streams from such customers may be adversely affected. Further, the authority concerned may also claim that the same or similar actions should be brought against any third party having promoted the business of such online gambling operator, including the Group. Accordingly, any such event, including future changes to laws and regulations, could have a material adverse effect on the Group's business, financial condition and results of operations.

Mikael Riese Harstad
Director

Robert Andersson
CEO

Consolidated year-end statement of comprehensive income (unaudited)

Group	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014	Period from 4 Nov 2013 to 31 Dec 2014
	€	€	€	€	€
Continuing operations					
Revenue	**5,898,148**	1,450,985	**14,938,857**	3,888,107	4,279,876
Personnel expenses	**(836,199)**	(220,480)	**(2,024,023)**	(700,786)	(700,786)
Depreciation and amortisation	**(112,006)**	(69,228)	**(142,230)**	(76,965)	(76,965)
IPO related costs	**(715,397)**	-	**(1,165,840)**	-	-
Other operating expenses	**(1,330,249)**	(289,765)	**(2,623,527)**	(888,275)	(890,529)
Total operating expenses	**(2,993,851)**	(579,473)	**(5,955,620)**	(1,666,026)	(1,668,280)
Operating profit	**2,904,297**	871,512	**8,983,237**	2,222,081	2,611,596
Finance costs	**(3,008)**	(5,751)	**(10,497)**	(17,050)	(17,050)
Finance income	**372**	290	**6,138**	298	303
Other non-operating income	**-**	-	**19,849**	7,854	7,854
Profit before tax	**2,901,661**	866,051	**8,998,727**	2,213,183	2,602,703
Tax expense	**(97,875)**	(316,945)	**(684,689)**	(788,925)	(925,257)
Profit for the period from continuing operations	**2,803,786**	549,106	**8,314,038**	1,424,258	1,677,446
Discontinued operations					
(Loss)/profit for the period from discontinued operations	**-**	5,272	**(82,250)**	95,631	95,631
Other comprehensive income					
Currency translation differences	**(1,208)**	(2,178)	**(1,208)**	(4,519)	(4,519)
Profit for the period - total comprehensive income	**2,802,578**	552,200	**8,230,580**	1,515,370	1,768,558

Consolidated year-end statement of comprehensive income (continued) (unaudited)

Group	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014	Period from 4 Nov 2013 to 31 Dec 2014
	€	€	**€**	€	€
Earnings per share attributable to the equity holders of the parent during the period (expressed in Euro per share)					
Basic earnings per share					
From continuing operations	**0.06347**	0.01525	**0.20079**	0.03956	0.04660
From discontinuing operations	**-**	0.00015	**(0.00199)**	0.00266	0.00266
From profit for the period	**0.06347**	0.01540	**0.19880**	0.04222	0.04926
Diluted earnings per share					
From continuing operations	**0.06322**	0.01525	**0.19994**	0.03956	0.04660
From discontinuing operations	**-**	0.00015	**(0.00198)**	0.00266	0.00266
From profit for the period	**0.06322**	0.01540	**0.19796**	0.04222	0.04926

Consolidated year-end balance sheet (unaudited)

Group	31-Dec 2015	31-Dec 2014
	€	€
ASSETS		
Non-current assets		
Goodwill	**7,332,727**	-
Other intangible assets	**14,341,978**	1,045,776
Property, plant and equipment	**416,336**	77,263
Total non-current assets	**22,091,041**	1,123,039
Current assets		
Trade and other receivables	**4,630,844**	1,911,774
Deferred listing costs	**291,459**	-
Cash and cash equivalents	**1,529,222**	553,730
Total current assets	**6,451,525**	2,465,504
Total assets	**28,542,566**	3,588,543
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	**66,258**	1,200
Share premium	**999,793**	-
Other reserves	**5,072,731**	(4,519)
Retained earnings	**6,497,342**	1,260,877
Equity attributable to owners of the parent	**12,636,124**	1,257,558
Non-contolling interest	**-**	4,611
Total equity	**12,636,124**	1,262,169
Liabilities		
Non-current liabilities		
Trade and other payables	**2,639,622**	-
Deferred tax liabilities	**240,080**	104,615
	2,879,702	104,615
Current liabilities		
Trade and other payables	**10,692,484**	1,091,198
Interest-bearing loans	**-**	319,500
Current tax liabilities	**2,334,256**	811,061
Total current liabilities	**13,026,740**	2,221,759
Total liabilities	**15,906,442**	2,326,374
Total equity and liabilities	**28,542,566**	3,588,543

Consolidated year-end statement of changes in equity (unaudited)

Group	Share capital €	Other reserves €	Share premium €	Retained earnings €	Non-controlling interest €	Total equity €
	Attributable to owners of the parent					
Balance at 1 January 2014	1,200	-	-	253,187	-	254,387
Comprehensive income						
Profit for the period	-	-	-	1,518,290	1,600	1,519,890
Foreign currency translation movement	-	(4,519)	-	-	-	(4,519)
Total comprehensive income for the period	-	(4,519)	-	1,518,290	1,600	1,515,371
Transactions with owners						
Net assets acquired attributable to non-controlling interest	-	-	-	-	3,011	3,011
Dividends distributed during the period	-	-	-	(510,600)	-	(510,600)
Total transactions with owners	-	-	-	(510,600)	3,011	(507,589)
Balance at 31 December 2014	1,200	(4,519)	-	1,260,877	4,611	1,262,169
Balance at 1 January 2015	1,200	(4,519)	-	1,260,877	4,611	1,262,169
Comprehensive income						
Profit for the period	-	-	-	8,231,788	-	8,231,788
Foreign currency translation movement	-	(1,208)	-	-	-	(1,208)
Total comprehensive income for the period	-	(1,208)	-	8,231,788	-	8,230,580
Transactions with owners						
Issue of share capital (before reorganisation)	254	4,999,746	-	-	-	5,000,000
Issue of share capital (after reorganisation)	66,258	-	999,793	-	-	1,066,051
Dividends distributed during the period	-	-	-	(2,995,323)	-	(2,995,323)
Equity-settled share-based payments	-	74,193	-	-	-	74,193
Total transactions with owners	66,512	5,073,939	999,793	(2,995,323)	-	3,144,921
Adjustments relating to reorganisation						
Reorganisation of the Group	(1,454)	4,519	-	-	(4,611)	(1,546)
Balance as at 31 December 2015	**66,258**	**5,072,731**	**999,793**	**6,497,342**	**-**	**12,636,124**

Consolidated year-end statement of cash flows (unaudited)

Group	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014	Period from 4 Nov 2013 to Dec 2014
	€	€	€	€	€
Cash flows from operating activities					
Profit before tax including discontinued operations	**2,901,661**	871,323	**8,916,477**	2,308,814	2,698,334
Adjustments for:					
Loss/(gain) on disposal/acquisition	-	-	**77,731**	(59,503)	(59,503)
Depreciation and amortisation	**112,006**	69,228	**142,230**	76,965	76,965
Loss on disposal of PPE	**391**	776	**391**	776	776
Impairment of receivables	**32,017**	150,790	**32,017**	242,489	242,489
Interest expense	**3,008**	5,751	**10,497**	17,050	17,050
Interest income	**(372)**	(290)	**(6,138)**	(298)	(303)
	3,048,711	1,097,578	**9,173,205**	2,586,293	2,975,808
Changes in:					
Trade and other receivables	**(1,324,887)**	(495,056)	**(2,040,446)**	(1,434,573)	(1,751,879)
Trade and other payables	**974,689**	108,231	**1,238,511**	63,771	68,874
Cash from operating activities	**2,698,513**	710,753	**8,371,270**	1,215,491	1,292,803
Interest received	**372**	290	**6,138**	298	303
Taxation paid	**(50)**	-	**(50)**	(16,728)	(16,728)
Net cash from operating activities	**2,698,835**	711,043	**8,377,358**	1,199,061	1,276,378
Cash flows used in investing activities					
Acquisition of property, plant and equipment	**(216,574)**	(26,274)	**(375,430)**	(84,179)	(87,095)
Acquisition of intangible assets	**(2,255,185)**	(360,000)	**(3,863,132)**	(463,685)	(463,685)
Net cash upon disposal/acquisition	**107,787**	-	**(21,056)**	75,424	75,424
Interest paid	**(3,008)**	-	**(3,008)**	-	-
Net cash used in investing activities	**(2,366,980)**	(386,274)	**(4,262,626)**	(472,440)	(475,356)
Cash flows from financing activities					
Issuance of share capital	**49,693**	-	**66,045**	-	1,200
Dividends paid	**(50,000)**	-	**(2,995,323)**	(510,600)	(510,600)
Net movement on loans	-	(8,494)	**(223,012)**	266,627	266,627
Proceeds from share warrants	**10,052**	-	**17,228**	-	-
Interest paid	-	-	**(7,489)**	-	-
Net cash used in financing activities	**9,745**	(8,494)	**(3,142,551)**	(243,973)	(242,773)
Net increase/ (decrease) in cash and cash equivalents	**341,600**	316,275	**972,181**	482,648	558,249
Cash and cash equivalents at beginning of period	**1,188,830**	239,633	**553,730**	75,601	-
Currency translation differences	**(1,208)**	(2,178)	**3,311**	(4,519)	(4,519)
Cash and cash equivalents at end of period	**1,529,222**	553,730	**1,529,222**	553,730	553,730

Notes to the year-end report for the year ended 31 December 2015

1. General information

Catena Media p.l.c (the "Company") is a limited liability company and is incorporated in Malta. The Company and its subsidiaries (together, the "Group" also referred to as Catena Media) engage in online and affiliate marketing.

The Group attracts users through online marketing techniques and subsequently seeks to channel high value "traffic" (i.e. users) to online and mobile businesses who, in turn, convert such traffic into paying customers. In return, the Group receives either: (i) a share of the revenue generated by such users, (ii) a fee generated per user acquired, (iii) other fixed fees or (iv) a hybrid of any of these three models (refer to note 3).

2. Basis of preparation

The Company was incorporated on 29 May 2015 under the terms of the Maltese Companies Act, 1995. On 1 June 2015, the Company acquired a 100% shareholding in Catena Operations Limited from its previous five shareholders. On 1 January 2015, Catena Operations Limited transferred its investment in Paxo Finans AB, a subsidiary in which it previously held a 95% interest, to Catena Invest Ltd, a related company which is not included in the Group.

The substance of the above was that of a group restructuring by virtue of which the Company became the new parent company of Catena Operations Limited. Accordingly, the shareholders of the Company are identical to those of Catena Operations Limited, and the restructuring solely interposed an additional holding company as holder of the shares in Catena Operations Limited. This transaction has been accounted for in the consolidated financial statements as a restructuring, and these have been compiled as if Catena Holdings p.l.c., was the parent company of the Group from incorporation. Accordingly, in order to provide more meaningful information to potential investors, the comparative figures include the financial performance and position of the Group even though the new parent company was legally incorporated during the current period. The comparative figures therefore present the consolidated results for Catena Operations Limited, the previous parent, and adjustments to reflect the impact of the re-organisation have been reflected in the Statement of changes in equity.

The consolidated financial statements have been compiled using the accounting policies adopted by the parent company upon its incorporation, which are in accordance with IFRS as adopted by EU. These accounting policies are consistent with the policies previously adopted by Catena Operations Limited, except as described below. This year-end report is not audited.

The financial statements incorporate the results of Catena Operations Limited and its subsidiaries Molgan Limited and Paxo Finans AB. The results of Paxo Finans AB are presented in these consolidated financial statements as a discontinued operation in view of its disposal during the current year.

2. Basis of preparation (continued)

Summary of changes in accounting policies

- Reorganisations between Group entities under common control are accounted for using the reorganisation method of accounting. Under the reorganisation method of accounting, assets and liabilities are incorporated at the predecessor carrying values, which are the carrying amounts of assets and liabilities of the acquired entity as recognised and measured in that entity's pre-reorganisation financial statements. No goodwill arises in reorganisation accounting, and any difference between the consideration given and the aggregate book value of the assets and liabilities of the acquired entity, is included in equity. The financial statements incorporate the acquired entity's full year results, including comparatives, as if the post-reorganisation structure was already in place at the commencement of the comparative period.

- The Group recognised the excess of the consideration transferred over the fair value of the net identifiable assets acquired as goodwill. If these amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in profit or loss as a bargain purchase. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which similar borrowing could be obtained from an independent financier under comparable terms and conditions. Goodwill is not amortised but it is tested annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

- Results of subsidiaries that have been disposed of, are presented within results of discontinued operations.

- During the current year the Group started operating in a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments of the Group.

- Prior to the current period, the Group classified acquisitions of competitor assets as intellectual property, with an estimated useful life of three years. During 2015, the Group re-evaluated the nature of the underlying assets acquired, and re-classified its intangible assets into websites, domains and player accounts. As part of this evaluation, management has determined that websites and domains effectively have an indefinite useful life. In the opinion of the directors, the effect of the above change in accounting on the Group's reported financial position as at 1 January 2014 is not material, and accordingly, the effect of the change is accounted for during the current period.

Standards, interpretations and amendments to published standards that are not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2015 reporting periods, and have not been applied in preparing these financial statements. None of these are expected to have a material impact on the financial statements of the Group in the current or future reporting periods.

Going concern

At the statement of financial position date, the Group's current liabilities exceeded current assets by EUR 6.58 million. Trade and other payables include current contingent considerations amounting to EUR 8.18 million as at 31 December 2015. Since the contractual terms of related acquisitions are such that future payments depend on the achievements of target earnings, the directors consider that the liquidity risk associated with these transactions is less significant.

On the basis of the foregoing future prospects and the funding anticipated from the IPO, the Board believes that it remains appropriate to prepare the financial statements on a going concern basis.

3. Revenue

The Group attracts end users and generates revenue by using two primary online marketing methodologies:

- Generating organic traffic by search engine optimisation (SEO)
- Paid media by using pay-per-click (PPC) media channels

The SEO segment contributed to all of the Group's revenue up until end of October 2015. The paid media segment was added in November 2015 following the strategic acquisition of Right Casino Media Ltd ("Right Casino").

The Group provides marketing services to its B2B customers, the iGaming operators, by attracting players through online marketing techniques and subsequently refers such players to the iGaming operators who, in turn, convert them into paying end users. The Group is thereafter remunerated by the iGaming operators for such referred players based on the following revenue models:

- Revenue Share – under a revenue share model, the Group is entitled to a certain percentage of the net revenue that an end user generates on an iGaming operator's website.
- CPA – under a CPA model, the Group is entitled to a lump sum for every end user that creates a new profile and makes a first deposit on the iGaming operator's website

Many of the Group´s customers have hybrid contracts which consist of both a revenue share component and a CPA component. In addition, the Group receives revenue through fixed fees for exposure on Catena Media websites.

The revenue for the Group for the fourth quarter and the year ended 31 December 2015 is further analysed as follows:

Group	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014	Period from 4 Nov 2013 to 2014
	€	€	**€**	€	€
Organic revenue	**4,821,557**	1,450,985	**13,862,266**	3,888,107	4,279,876
Paid revenue	**1,076,591**	-	**1,076,591**	-	-
Total revenue	**5,898,148**	1,450,985	**14,938,857**	3,888,107	4,279,876

4. Other operating expenses

The Group's other operating expenses consist of the following:

Group	Oct-Dec 2015	Oct-Dec 2014	Jan-Dec 2015	Jan-Dec 2014	Period from 4 Nov 2013 to 2014
SEO support costs	**86,206**	66,662	**328,410**	272,922	272,922
Direct costs related to Paid revenue	**734,617**	-	**734,617**	-	-
Other expenses	**509,426**	223,103	**1,560,500**	615,353	617,607
Total other operating expenses	**1,330,249**	289,765	**2,623,527**	888,275	890,529

5. Business Combinations

On 23 October 2015, the Group acquired 100% of the share capital of Right Casino Media Limited ("RCM") in the UK. RCM specialises in PPC (Pay Per Click), is based in London and focuses primarily on the UK market, and will operate under the name Catena Media UK.

The Group acquired RCM for a cash consideration of USD 3 million (EUR 2.73) and a contingent consideration of USD 6 million (EUR 5.35). For the cash consideration, USD 1.5 million (EUR 1.37) was paid upon the contract date and USD 1.5 million (EUR 1.36) is to be paid on 1 March 2016.

The contingent consideration is calculated on an earn-out structure based on NDCs and revenue targets. The maximum earn-out of USD 3.0 million (EUR 2.71) for months 1-12 and USD 3.0 million (EUR 2.64) for months 13-24, was estimated.

If Catena defaults in the payment of the second instalment of the purchase price of RCM, the Guarantors, being the largest shareholders Optimizer, Aveny and Pixel, shall, on demand by the sellers, unconditionally settle such amount.

Details of net assets acquired and goodwill are as follows:

	On acquisition €
Purchase consideration:	
- Cash	2,726,421
- Contingent consideration	5,353,849
- Additional capitalised costs	173,254
Total purchase consideration	8,253,524
Fair value of net assets acquired (see below)	(920,797)
Goodwill	7,332,727

The above goodwill is primarily attributed to the value of player accounts and websites acquired.

The assets and liabilities arising from the acquisition, provisionally determined, are listed in the table below.

	Fair value €
Websites and player accounts	950,493
Cash and cash equivalents	107,787
Property, plant and equipment	4,930
Trade and other receivables	358,358
Trade and other payables	(462,117)
Tax Payable	(38,654)
Net liabilities acquired	920,797

6. Related party transactions

In view of its shareholding structure, the Group has no ultimate controlling party. All companies forming part of the Group, together with its shareholders, are considered by the directors to be related parties.

The following transactions were carried out with related parties:

(a) Sales of services

	Oct-Dec 2015	Oct-Dec 2014	**Jan-Dec 2015**	Jan-Dec 2014	Period from 4 Nov 2013 to 31 Dec 2014
	€	€	**€**	€	€
- Entities under common control	**474,981**	119,130	**1,360,135**	387,696	422,844

(b) Key management personnel

	Oct-Dec 2015	Oct-Dec 2014	**Jan-Dec 2015**	Jan-Dec 2014	Period from 4 Nov 2013 to 31 Dec 2014
	€	€	**€**	€	€
- Loan advanced by	-	-	-	224,000	224,000
- Loan repayment to	-	-	**223,012**	-	-

(c) Other related party transactions

	Oct-Dec 2015	Oct-Dec 2014	**Jan-Dec 2015**	Jan-Dec 2014	Period from 4 Nov 2013 to 31 Dec 2014
	€	€	**€**	€	€
- Recharges from:					
- Entities under common control	**9,861**	81,138	**60,603**	323,808	323,808
- Loan repayment from:					
- Entities under common control	**-**	-	**259,218**	-	-

Parent Company statement of income and other comprehensive income

	29 May to 31 Dec 2015 €
Investment and other related income	2,600,000
Operating expenses	(44,159)
Profit before tax	2,555,841
Tax expense	(700,000)
Profit for the year – total comprehensive income	1,855,841

Parent Company year-end balance sheet

	31 Dec 2015 €
ASSETS	
Non-current assets	
Investment in subsidiary	54,988
Current assets	
Receivables	1,562,225
Cash and cash equivalents	97,496
	1,659,721
Total assets	1,714,709
EQUITY AND LIABILITIES	
Capital and reserves	
Share capital	66,258
Share premium account	999,793
Other reserves	62,420
Retained earnings	576,147
Total equity	1,704,618
Current liabilities	
Payables	10,091
Total current liabilities	10,091
Total liabilities	10,091
Total equity and liabilities	1,714,709

Definitions

Unless defined otherwise, in this report the definitions below have the following meaning:

Adjusted earnings per share

Profit/loss for the period in relation to the average number of shares in issue and outstanding over the period.

Adjusted operating profit

Operating profit for the year adjusted for non-recurring listing costs.

Adjusted operating profit margin

Adjusted operating profit divided by revenue.

Adjusted profit before tax

Profit before tax adjusted for non-recurring listing costs

Adjusted profit before tax margin

Adjusted profit before tax divided by revenue

Board

The Board of Directors of the Company.

Company

Catena Media p.l.c, a company registered under the laws of Malta with registration number C 70858.

Earnings per share

Profit/loss for the period in relation to the average number of shares in issue over the period.

Equity/assets ratio

Equity at the end of period in relation to total assets at the end of period.

Group / Catena Media

The Company and its subsidiaries.

NDC

New depositing customers.

Operating profit

Revenue less total operating expenses.

Operating profit margin

Operating profit divided by revenue.

Operating revenues

Revenues generated from operating activities.

Organic revenue

Revenue from SEO related service offering.

Paid revenue

Revenue earned from pay-per-click media channels.

RCM

Right Casino Media Ltd, a company incorporated in the UK under the laws of England and Wales with registration number 07381409.