



Annual Report 2015

Key Figures

Financials (in EUR million)	2015	2014	Change %
Rocket Internet Group (according to IFRS)			
Revenue	128.3	128.2	0%
EBIT (Earnings before interests and taxes)	-226.1	421.8	-154%
Cash and cash equivalents	1,758.9	2,053.4	-14%
Loss / profit for the period	-197.8	428.8	-146%
Earnings per share (in EUR)	-1.24	3.24	-138%
Rocket Internet SE (according to German GAAP)			
Revenue	34.2	28.8	19%
EBIT (Earnings before interests and taxes)	-63.8	-10.7	498%
Cash on hand and bank balances	1,720.0	1,997.7	-14%
Net loss for the year	-73.4	-45.9	60%
Net loss for the year before extraordinary expenses ¹⁾	-70.6	-11.3	525%
Revenue (in EUR million)			
Selected Portfolio Companies			
Food & Groceries			
	534.4	164.3	225%
HelloFresh	305.0	69.6	338%
Delivery Hero	197.9	88.0	125%
foodpanda	31.5	6.7	373%
Fashion			
Global Fashion Group	930.1	627.4	48%
General Merchandise ²⁾³⁾			
	450.0	262.5	71%
Lazada ²⁾³⁾	248.0	139.1	78%
Jumia	134.6	61.8	118%
Linio	67.4	61.6	10%
Home & Living			
	452.9	343.4	32%
Westwing	219.2	183.3	20%
Home24	233.7	160.1	46%

1) Net loss for the year plus extraordinary expenses of EUR 2.9 million and extraordinary expenses of EUR 34.6 million respectively.

2) Figures shown were converted to EUR using average exchange rates.

3) Growth rate shown is calculated using constant exchange rates.



Further Information
on the Report



Further Information
on the Internet

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—●— **Oliver Samwer,**
Chief Executive Officer

Dear Shareholders and Friends of Rocket Internet,

2015 was our first full year as a listed company. It was a year in which we took great strides in strengthening our presence in key online sectors such as Food & Groceries as well as building out our ownership in certain companies. Furthermore, we continued to focus on building out our operating and investing platform. Rocket Internet's network of companies was able to rely on our ever more sophisticated technologies and systems, our funding support and strategic impetus and last but not least on our dedicated Rocket Internet employees and their functional expertise. We have built a company of extraordinary reach and scope and a highly differentiated business model. A company that shapes its industry sector.

In the past year, we focused on five industry sectors that make up a significant portion of consumer online and mobile spending - Food & Groceries, Fashion, General Merchandise, Home & Living and Travel and invested further in our Regional Internet Groups and New Businesses & Investments. Rocket Internet's network of companies operates a variety of business models in over 110 countries on six continents. Together, these companies counted more than 36,000 employees at the end of 2015.

>36,000

employees in network of
companies

Of the five industry sectors we are focusing on, Food & Groceries played a key role in 2015. I believe it offers the next big opportunity in Internet and mobile commerce as the sector is beginning to transition from offline to online and customer centric models are gaining traction all around the globe. It is an incredibly large and fast-growing online market, with an overall global sales volume of about EUR 5.8 trillion per year.

56.4%
ownership in HelloFresh

In line with our conviction of the opportunities ahead in Food & Groceries, we invested in HelloFresh and Delivery Hero, market leaders in their respective regions and sub-sectors. We increased our stake in HelloFresh, a global leader in the personalized fresh food at home market, to 56.4% from 43.3% at the end of 2014, and acquired a 37.3% stake in Delivery Hero over the course of 2015. Our stake in foodpanda amounted to 49.1% at the end of 2015. These investments allow us to participate in the growth ahead in this promising sector.

Beyond Food & Groceries, we continued to strengthen our position in the fast growing online Fashion market by creating the Global Fashion Group, a leading online fashion group in emerging markets, through a role up of the regional entities Lamoda (Russia and CIS), Dafiti (Latin America), Namshi (Middle East), Zalora/The Iconic (Asia Pacific/Australia) and Jabong (India).

The investments undertaken in 2015 not only protected and expanded Rocket Internet's position in key sectors, but also provided the companies with growth capital, allowing them to further expand their operations and advance towards profitable and long-term market leadership – our ultimate goal.

We are very excited about the innovation in the online and mobile sector and continue to pursue new business models. In 2015 we founded and scaled ten new companies ranging from food delivery companies such as foodora to Carspring, a peer-to-peer marketplace for used cars.

Our aim is to make our companies highly profitable market leaders in the long-term. To achieve this, a company's growth is more important than its profitability in the early years. Depending on the model and market, we expect a company to break-even in six to nine years. In order to continuously support the growth of our existing network of companies and to continue to pursue new online models, financial flexibility at Rocket Internet is a key prerequisite.

Our stock price did not perform as we would have wished in 2015 and showed significant volatility. In particular, the recent uncertainties in the markets about the developments in China and emerging markets as well as in the broader Internet sector seem to have contributed to the recent development.

EUR 1.8 billion
cash position

In 2015 we focused on enhancing our financial flexibility, whilst having made significant investments in our companies such as Delivery Hero. We ended the year 2015 with a very strong financial position of EUR 1.8 billion gross cash. Rocket Internet accessed the capital markets through a follow-on offering in February 2015 with gross proceeds of EUR 588.5 million and the issuance of a convertible bond with gross proceeds of EUR 550.0 million in July. We are very well capitalized to launch, scale and invest in companies, supporting them in their goal to reach market leadership.

These achievements have been made possible by a great Rocket Internet team and co-founders. All of us are going the extra mile, not once in a while, but always, everywhere and in every way.

Outlook 2016

We are entrepreneurs. Our global and well diversified network of companies is a strong base for creating long-term sustainable value for our investors.

2016 will be a year of continued growth and profitability improvement across our network of companies. Our objective for 2016 is to continue making great investments and launching new companies, to strengthen our market share and position in the countries we are present and to generate returns for our shareholders. We will work on further reducing the complexity across our network of companies and on enhancing transparency.

2016 will be another exciting year for Rocket Internet – great opportunities lay ahead. With our ever growing expertise, our sophisticated technology and our state of the art platform, we will continue to define entrepreneurship in the Internet sector in our markets.

Berlin, April 2016



Oliver Samwer

Chief Executive Officer Rocket Internet SE

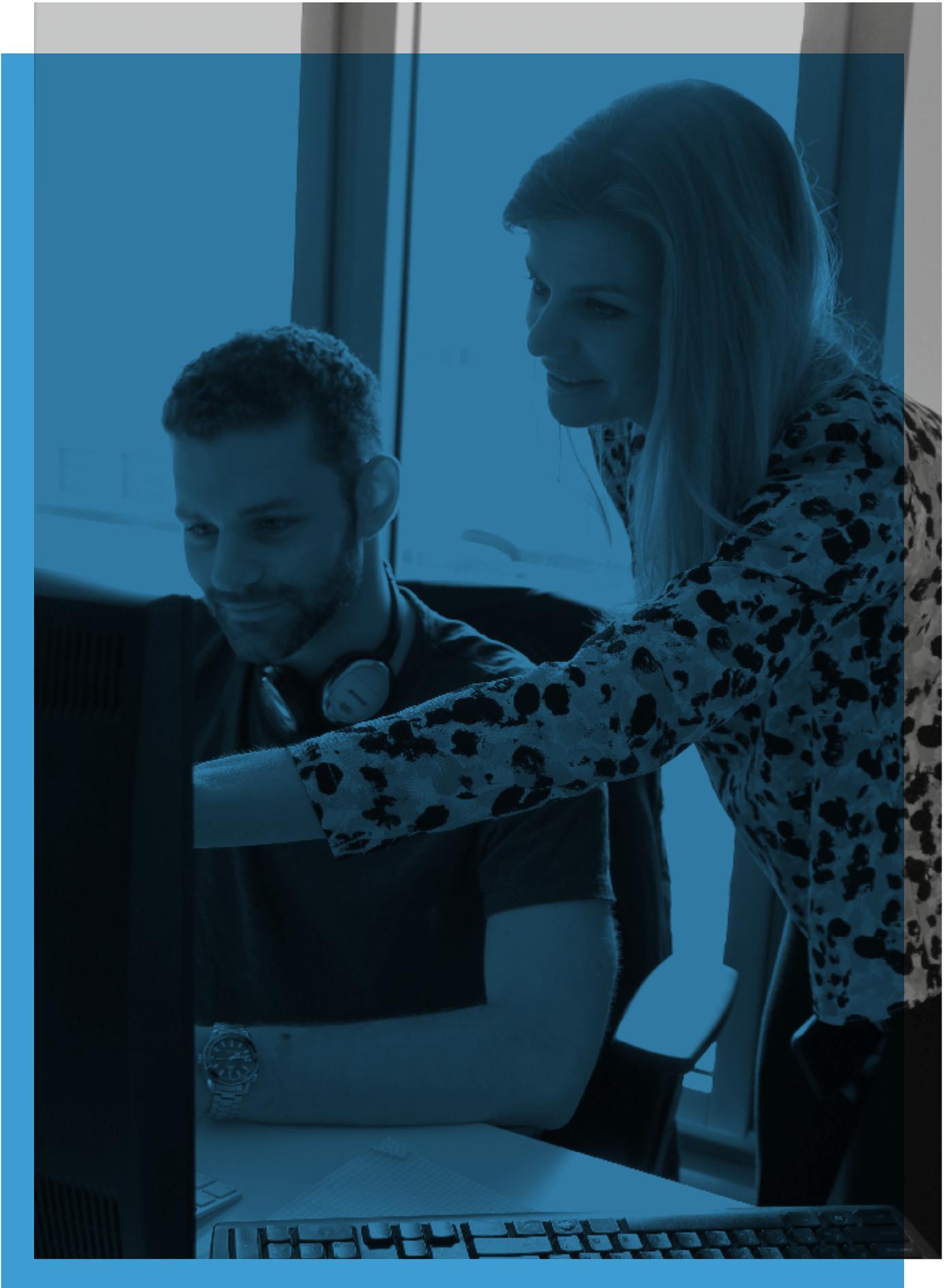
Oliver Samwer,
Chief Executive Officer



Peter Kimpel,
Chief Financial Officer

Alexander Kudlich,
Group Managing Director





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About Rocket Internet

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One of Rocket Internet's major focus industries is Food & Groceries



Our Business Model and Strategy

Rocket Internet builds and invests in Internet companies that take proven online business models to new, fast-growing markets. Our companies are often “first movers” in their markets that quickly capture sizeable market share, the foundation for strong and lasting profitability. We further honed and deepened this approach in 2015, identifying opportunities in new regions and markets, and consistently expanding the Rocket Internet network of companies.





We seek to disrupt traditional offline industries with new, innovative online business models

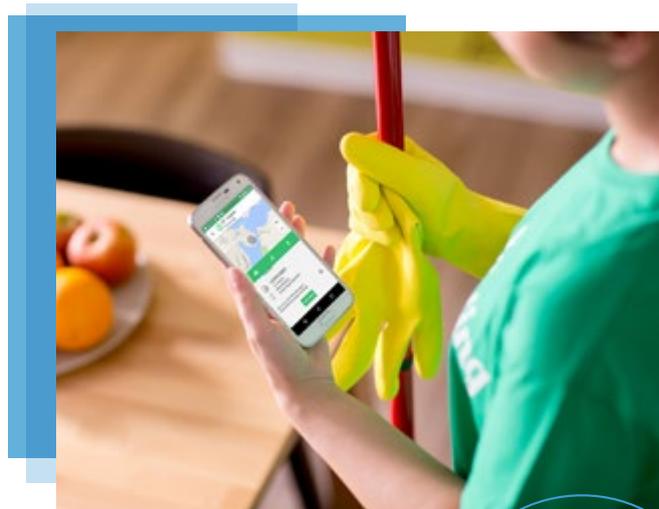
Rocket Internet has developed a platform, which is able to support our network of companies. Our operational excellence and our access to international expertise and funding enable us to identify, build and scale proven online and mobile business models anywhere in the world. In 2015, we strengthened our approach and made it even more efficient. We have become experts in entering markets that are more difficult to develop than markets in the industrialized world due to a lack of certain basic infrastructure.

Rocket Internet focuses on five industry sectors of online and mobile retail and services that make up a significant share of consumer spending: Food & Groceries, Fashion, General Merchandise, Home & Living, and Travel. Our network of companies operates a variety of business models in over 110 countries on six continents with more than 36,000 employees at the end of 2015.

Our strategy is influenced by five major trends that drive growth in our key markets:

- Internet penetration in emerging markets is low but growing quickly, which means demand for online and mobile services that meet basic needs is growing strongly.
- The smartphone revolution is giving ever more people Internet access, a big opportunity for online retailers to exploit new demand in all corners of the world.
- The population in many of our markets is younger than that in the US, which increases the scope for online business models.
- The middle class in many emerging market economies is expected to grow strongly, which we expect to raise discretionary consumer spending significantly.
- Bricks-and-mortar retailing in many of our target markets is underdeveloped, which will allow online retailers to capture more consumers as they leapfrog to Internet shopping.

By monitoring these developments and keeping a close eye on consumer habits in individual markets, Rocket Internet was able to grow its network of companies even further in 2015.



Building Market Leaders through Organic Growth and Selective Investments

Our operational platform and our expanding network of companies put Rocket Internet in a position to capitalize on the growth of Internet commerce in Europe and elsewhere. Technological innovation and rapidly changing consumer habits offer online retailers and service-providers significant opportunities as Internet-based business models scale quickly. Rocket Internet invests in selected business models and sectors with the aim of owning significant stakes in companies that will become leading players in their markets.

One of Rocket Internet's major focus areas currently is Food & Groceries, a fast-growing market with a global sales volume of about EUR 5.8 trillion. Rocket Internet views the sector as the next frontier of eCommerce. In order to expand our global position in this segment, in 2015, we increased our stake in HelloFresh, the internationally active player in the fresh food at home market, to 56.4% from 37.1% at the time of the Rocket Internet IPO. HelloFresh has operations in Germany, Austria, the Netherlands, Belgium, the United Kingdom, Australia and the United States. Rocket Internet also invested over EUR 800 million in the food takeaway company Delivery Hero, resulting in an ownership of 37.3%. Moreover, we invested in foodpanda and increased our stake to 49.1%. Taking a larger stake in these companies gives us a competitive edge in this attractive sector, while providing the companies with capital to expand their operations and pave the way to become market leaders. Moreover, we further strengthened our market position in the Fashion sector by investing EUR 49.4 million in Global Fashion Group (Lamoda, Dafiti, Namshi, Zalora, Jabong), an online fashion group, operating in several emerging markets.

We aim to maximize our share of the consumer's online and mobile retail and services wallet

Pursuing a Strategy of Long-term Market Leadership and Mid-term Profitability

Our aim is to achieve long-term leadership in the markets and sectors we enter. To gain a strong market position, we are willing to invest in the early stages of this effort leading to start-up losses. Long-term value creation is therefore our key focus when starting new businesses. To support this goal, we continue to invest in our product portfolio, technology, customer experience, infrastructure and logistics capabilities. Targeting profitability in the mid-term, our focus for these companies shifts over time to creating an equilibrium between growth and market share on the one hand and unit economics and profitability on the other. It is our objective that these companies reach break-even within six to nine years after launch.



A Strong Financial Position Enables Us to Support our Companies' Operational Strategies

We provide companies launched on the Rocket Internet platform with the financial means to start up and develop their operations. Since we are the initiator of such a company we own a significant majority and hence we benefit from the so-called "founder economics". Company growth is typically funded through a mix of own and third party capital, underscoring the attractiveness of and value creation in our network of companies. When we see an investment opportunity in a promising business model, we invest with conviction and provide significant amounts of capital. Since capital is a key component in building market leaders, we undertook several measures to raise additional capital in 2015. In February, Rocket Internet sold 12,010,224 new shares, securing EUR 588.5 million in additional funding. In July 2015, we issued a convertible bond, with aggregate principal of EUR 550.0 million.



Retaining and Expanding Ownership in the Network of Companies through Disciplined Capital Allocation

Rocket Internet's network comprises companies at different stages of development. When they are launched, we typically own directly or indirectly an 80% to 90% stake, with the remainder set aside for management equity participation. In subsequent financing rounds, we invest and attract external equity financing, which is provided by our local strategic partners as well as strategic and financial investors. As we firmly believe in the business models we launch, we seek to retain a larger share of the absolute value creation and therefore intend to maintain relatively high ownership stakes and control in many of our companies. We continue to participate in financing rounds for our companies and also selectively purchase additional stakes through secondary transactions.

What Sets Rocket Internet Apart?



• **Alexander Kudlich,**
Group Managing Director

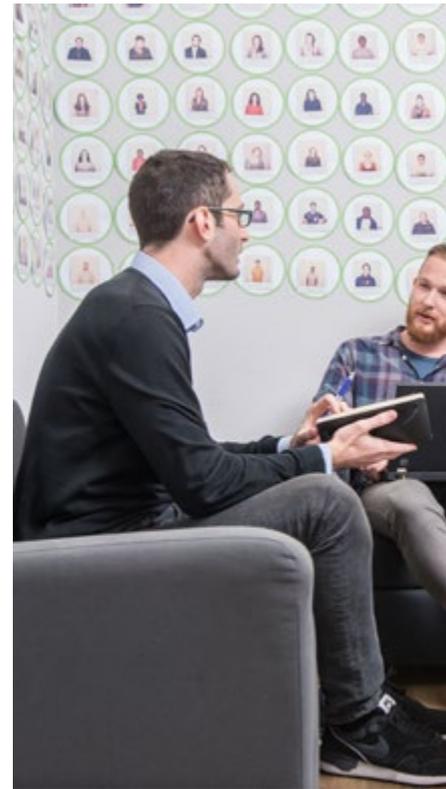
Rocket Internet is a global network of companies. It operates over 100 consumer brands in over 110 countries with more than 36,000 employees. Can you explain Rocket Internet to an outsider?

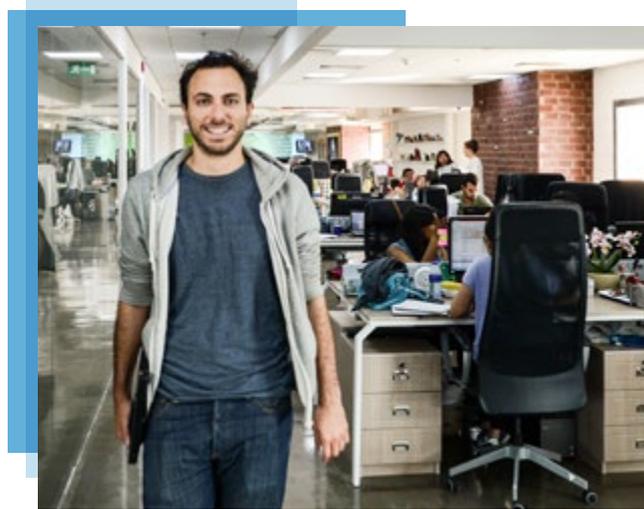
Rocket Internet is a globally operating platform with a highly differentiated approach. Our investments are based on the same strategic premise: We identify successful Internet business models and bring them to fast growing and underdeveloped markets. As “first mover”, our aim is to quickly secure a market-leading position and create the foundation for long-term profitability. We do this by building companies in-house and by investing in young companies which we then scale and expand to new markets. Rocket Internet combines strategic, operational and investment excellence to create long-term value.

Rocket Internet is known as a “company-builder”. What differentiates your business model?

Rocket Internet has industrialized the process of company building with its platform approach, based on which companies can be built and scaled expediently and efficiently. We found companies based on business models, which we have observed as being successful in other markets. A new company is built on our technology platform and leverages our pre-existing functional and regional expertise. Having access to the know-how and the ability to scale a business quickly provides the company with a key competitive advantage versus start-ups, which are developed independently. Our

proprietary technology and standardized launch process enable us to build a new company within 100 days and to quickly internationalize the model. Our companies benefit from network effects, as technological advancements are shared amongst all companies on a certain platform. Each company benefits from the vast Rocket Internet network of functional and regional experts, strategic partnerships, in-house knowledge sharing and sophisticated benchmarking. We seek to capitalize on opportunities and try to minimize the risks of Internet entrepreneurship at every stage of development.





Rocket Internet has industrialized the process of company building with its platform approach

So Rocket Internet is all about minimizing the risks of Internet entrepreneurship?

Yes, that's a good way of describing the combined effects of our strategy and business model. We significantly enhance the probability of a start-up company succeeding, because we eliminate four key risks:

1. We only build or invest into Internet-based business models, which have shown to be successful in other markets. That allows us to avoid the customer adoption risk, i.e. the risk that there is no or limited demand for a new product or service.
2. We carefully select and coach the founding teams of each new venture to make sure they have the right skills for the task in hand.
3. We reduce funding risk - our network of companies can tap Rocket Internet's funding network at every step of the way from seed- to growth-stage and on into profitability.
4. The Rocket Internet platform enables us to leverage our expertise and create significant synergies across our network of companies.

Emerging market economies are currently facing slowing growth. Is this a challenge for Rocket Internet?

The digitalization "megatrend" is much stronger than any cyclical economic fluctuation. Our companies in emerging markets continue to perform well and experience high growth rates. Emerging-market countries have a high birth rate and the middle class is growing strongly. This means more and more people have disposable income to spend online. In emerging markets countries, the availability of affordable smartphones has provided people with mobile Internet access, paving the way for them to experience eCommerce and global retail brands for the first time in their lives. We call this the "smartphone revolution". We're seeing these users leapfrog physical retail altogether. In addition, we are well diversified across regions, business models and investment stages. Therefore, we can offset weaker with strong performances elsewhere.

On a more personal note, some people at Rocket Internet think you have the most exciting job, overseeing all the newly founded companies?

It is true. Among other things, I run the "birth station" at Rocket Internet, meaning I get to work with our recently launched companies, ensuring the right team is in place, the operational set-up is appropriate for the model and the right strategic decisions are taken (e.g. launch countries, strategic partnerships etc.). While these companies are at their most fragile, we keep them at our headquarter, giving them access to our company infrastructure and daily assistance. This is where you get to see the Rocket Internet platform at work.

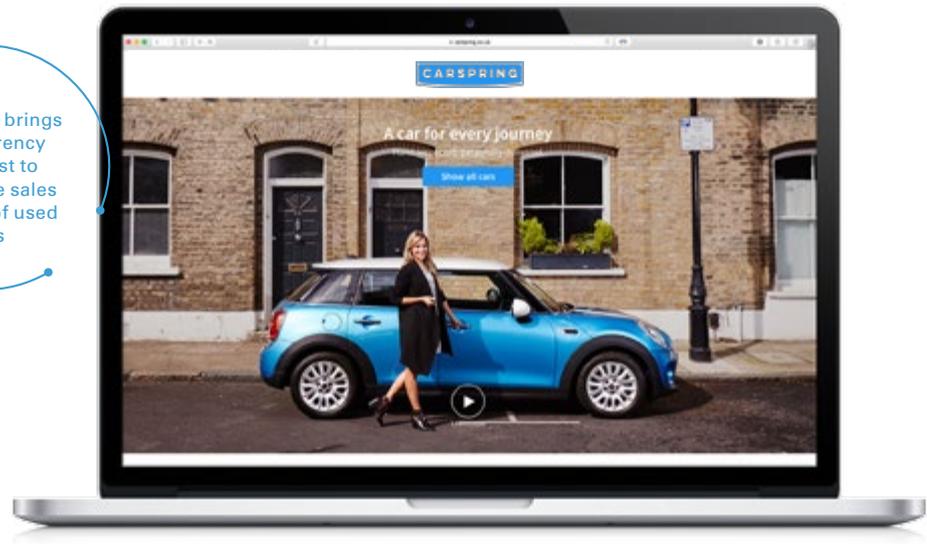


foodora knows
the absolute best
restaurants a city has
to offer and brings
them online

Our Operational Platform

Rocket Internet builds and scales companies that address basic consumer needs using Internet-based business models. We focus on five industry sectors: Food & Groceries, Fashion, General Merchandise, Home & Living, and Travel. The markets we target have 5.4 billion potential customers in Europe, Asia Pacific, Russia & CIS, Africa, the Middle East and Latin America.

Carspring brings transparency and trust to the online sales process of used cars



Our companies aim to maximize their share of a consumer's online and, in particular, mobile retail and services wallet. We seek to disrupt traditional offline industries with new, innovative, online business models. When building a company, we follow a highly standardized process that takes advantage of network effects and synergies across our platform and network of companies. This process is based on best practices we developed when building and launching our current network, and commonalities we identified across their more than 30 business models. This standardization takes into account processes best performed locally and those best performed centrally. Local teams focus on on-the-ground implementation, while certain basic functions of a company's set-up are taken care of centrally, such as the IT infrastructure, marketing support, and strategic development guidance. We tailor this strategic, operational and funding support to the development stage and specific needs of each company. At the core of the Rocket Internet platform is an environment of knowledge and support backed by the expertise of our people and technology.

foodora, Carspring and Movinga are just three of the many companies that have flourished with our support.



foodora is an on-demand food delivery service, available in more than ten countries. It connects customers directly with high-quality restaurants, delivering food via its proprietary logistics operations. The business has grown exponentially and is characterized by high repeat order rates and strong customer loyalty. Rocket Internet's team of functional experts supported foodora's rollout at every step of the way, including recruiting, operations, marketing, product and technology. Our expert teams for technology and product worked closely with the foodora team to build a world-class mobile-first platform, including iOS, Android and responsive web applications.

foodora's iOS app was featured by Apple as "Best of 2015" in Germany and today more than 40% of foodora's orders are placed through a mobile device. foodora's rapid growth required the company to hire a large team in a very short period of time. This was only possible through the strong backing of the Rocket Internet recruiting department and its well-established hiring ecosystem. Initially, Rocket Internet provided foodora with some of its best talent on a temporary basis, until permanent staff was hired. This integrated team took on a high degree of responsibility, enabling fast and efficient growth into more than ten countries. Through knowledge sharing and operational support, Rocket Internet helped foodora to build up its own human resources department, which laid the foundation for its continued growth in the future.



Carspring is a peer-to-peer marketplace that brings potential used car buyers together with sellers. By checking and evaluating every car, the company brings transparency and trust to the online sales process. Buyers can finance their purchase directly through Carspring's financing service. This scalable business model allows for attractive unit economics and significant international growth. Rocket Internet's product experts designed a state-of-the-art user experience, and our engineering team translated this design into a fast and responsive web application. In addition, the product team continued to support Carspring after its launch, including design and implementation of new features that were developed using early customer feedback. This further optimized the website's user experience and conversion rate. At the same time, the online marketing team helped to optimize the website for high search engine rankings and created optimized landing pages that form the basis for targeted online marketing campaigns. The marketing team also set up a scaling and bidding strategy, specially designed for Carspring's Facebook and Google advertisement buying. The Carspring marketing team is still working closely with the Rocket Internet marketing experts on advertising campaigns in the fields of online and offline marketing.

Book Easy.
Move Easy.
No Surprises.



Movinga is an online moving company that aims to become one of Europe's most trusted brands in moving. The company leverages a network of logistics partners and gives people who are relocating a quick online quote, based on a few questions they answer on the website. This eliminates the need for an in-home assessment prior to moving day. The vertically-integrated, asset-light and highly scalable platform helps Movinga and its network of moving companies optimize their capacity and routes and generates incremental demand. We provided Movinga focused support in marketing and operations. Leveraging Rocket Internet best practices, our marketing experts helped Movinga to optimize performance advertising on Facebook and Google, significantly cutting the cost of attracting customers to the website and raising conversion rates at the same time. Furthermore, our team implemented one of Rocket Internet's proprietary automation solutions as the new foundation for highly structured and easily scalable paid search advertising across all countries. Rocket Internet's operations experts helped Movinga to optimize and streamline the customer care process, significantly reducing the number of customer contacts per transaction.

Within each market, we seek to scale and grow our companies to market-leading positions. Our growth culture abides by the key principle of "measuring and optimizing". We identify leaders and best practices by using very granular data and benchmarking our companies in areas like customer acquisition and customer relationship management. We foster internal friendly competition by sharing performance data amongst our com-

panies and continuously conduct market leadership reviews, so that all companies across our network can benefit from the insights we gain. We have a well-defined and rigorous process for shutting down companies that have not met expectations. We believe our platform allows us to consistently scale our companies more quickly than our peers. Our highly standardized business development process, coupled with deep functional expertise, will continue to foster learning curve advantages and synergies across our network.

Our Business Model

We act as founders of our companies, securing the benefits that come with entrepreneurship. We retain major stakes in our businesses and continuously back high performers. To minimize our risk of losses, we do not hesitate to shut down companies, sell non-core businesses and leave markets that do not meet expectations. Based on our platform approach, we seek to create sustainable value for our shareholders. Our recipe:

- We take proven models into new markets to fulfill basic online and mobile consumer needs globally, with a focus on Europe, Asia Pacific, Russia & CIS, Africa, Middle East, Latin America.
- We aim to limit the business concept risk by taking proven “basic consumer needs-based business concepts” to underpenetrated markets.
- Our companies target a significant share of the consumer wallet.
- We have accumulated significant operational expertise with our operating platform, consisting of our infrastructure, processes, network and technology.
- Our persistent focus on acting early and quickly bringing new companies into a market often enables us to position our companies as first movers in their markets and benefit from leadership positions, economies of scale and higher margins.
- A strong set of regional strategic and commercial partners provides us with local expertise, access to distribution channels and capital.
- We have a large network that allows our companies to benefit from synergies through being part of the Rocket Internet ecosystem.
- Our platform gives investors access to founder economics, i.e., our initial stake in a new company is high, while financial investment is low.
- We provide investors with transparency, offering quarterly reporting on the basis of IFRS for companies in our focus sectors, as well as quarterly disclosure of Rocket Internet’s stake in its network of companies.

Overall, we believe our business model offers high capital efficiency and scalability. Once we identify a worthwhile opportunity, we disrupt markets with dedication and speed. Rocket Internet’s highly standardized processes enable our companies



HelloFresh quickly established a leading position in the online grocery market.

to scale operations in a short period of time, maximizing the opportunity for us and our shareholders. Our value creation strategy focuses on sustainable market leadership for our companies in the long-run, while making them profitable in the mid-term.

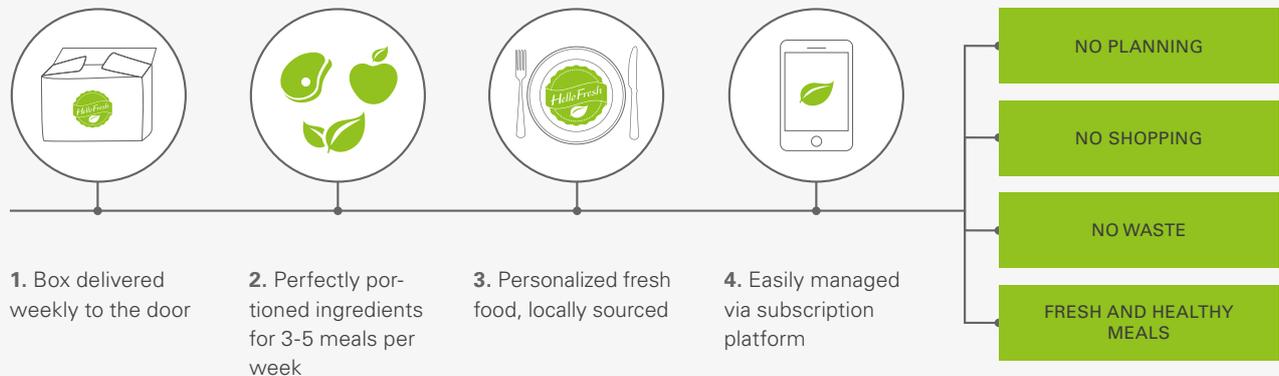
Example: HelloFresh

HelloFresh, the online provider of personalized fresh food at home, is one of the companies that quickly established a leading position in the online grocery market. The company delivers fresh, pre-portioned ingredients each week so consumers can prepare healthy and delicious home-cooked meals using the company’s recipes.

HelloFresh is still investing in building out its leading position in this highly attractive segment. In 2015, it has focused on becoming a nationwide player in the US, setting up logistics centers in three states and increasing general brand awareness (for further information about HelloFresh see the following page).

HelloFresh – Building the Leading Global Online Consumer Food Brand

HelloFresh's Proposition to its Subscribers



HelloFresh's Hyper Growth Continues with Full-force



Active in **7 countries** across **3 continents**



18.1 m meals served in Q4 2015



At the end of the year, mobile sessions already amounted to **more than 47%** of sessions overall



★★★★★
+7,500 recipes in our database with extensive customer ratings and reviews



615k active subscribers as of end of Q4 2015



Delicious home cooked meals every week



Significant Capacity Expansion Laying the Foundations for Sustained Future Growth

With the number of HelloFresh customers continuing to grow at unprecedented levels, 2015 has seen HelloFresh make a number of investments into new fulfillment centers across its markets to meet the higher capacity demands.

In the United States, HelloFresh transitioned its West Coast fulfillment center in Q3 and signed leases on centers in Texas and New Jersey, which will become operational in H1 2016. The new facilities will allow for an approximately 7-fold capacity increase, and will employ higher levels of automation and state-of-the-art equipment.

In Germany, a lease was signed on a new, larger facility, which will become fully operational by Q2 2016.



Strategic Partnership with Jamie Oliver

In January 2016, HelloFresh launched an exclusive partnership with one of the greatest celebrity chefs of all time, Jamie Oliver. Through the partnership, HelloFresh and Jamie Oliver aim to promote their shared mission of empowering people to make better food choices and cook using fresh ingredients, no matter what their lifestyle.

HelloFresh customers in the UK, USA, Netherlands, Germany, Belgium and Austria can now look forward to being able to choose a Jamie Oliver recipe for their box.

Our Infrastructure

Our infrastructure enables us to achieve economies of scale and scope and to realize synergies that improve the performance of our companies. Across our network of companies, we have more than 36,000 people active across six continents, providing us with strong competitive advantages. Since our companies and people are present on the ground in our target markets, we benefit from lower marginal costs for building additional companies as a result of the local learning curve and positive network effects. Our local professionals enable us to scale our companies more quickly and to identify opportunities faster than our competitors. In the process of doing so, we have accumulated significant expertise regarding Internet business models, local operations and logistics, particularly in the fields of marketing, warehousing, content production, sales, last mile delivery, payment and customer care. Thanks to our size and geographical footprint, we are able to have on-site teams from the start of our operations, providing us with a better understanding of the opportunities and challenges in our local markets. In addition, partnerships with leading regional and global companies give us a competitive edge by leveraging their existing infrastructure, relationships and skills. We have established a local ecosystem that can be utilized by all of our companies (e.g. shared last mile delivery capabilities).

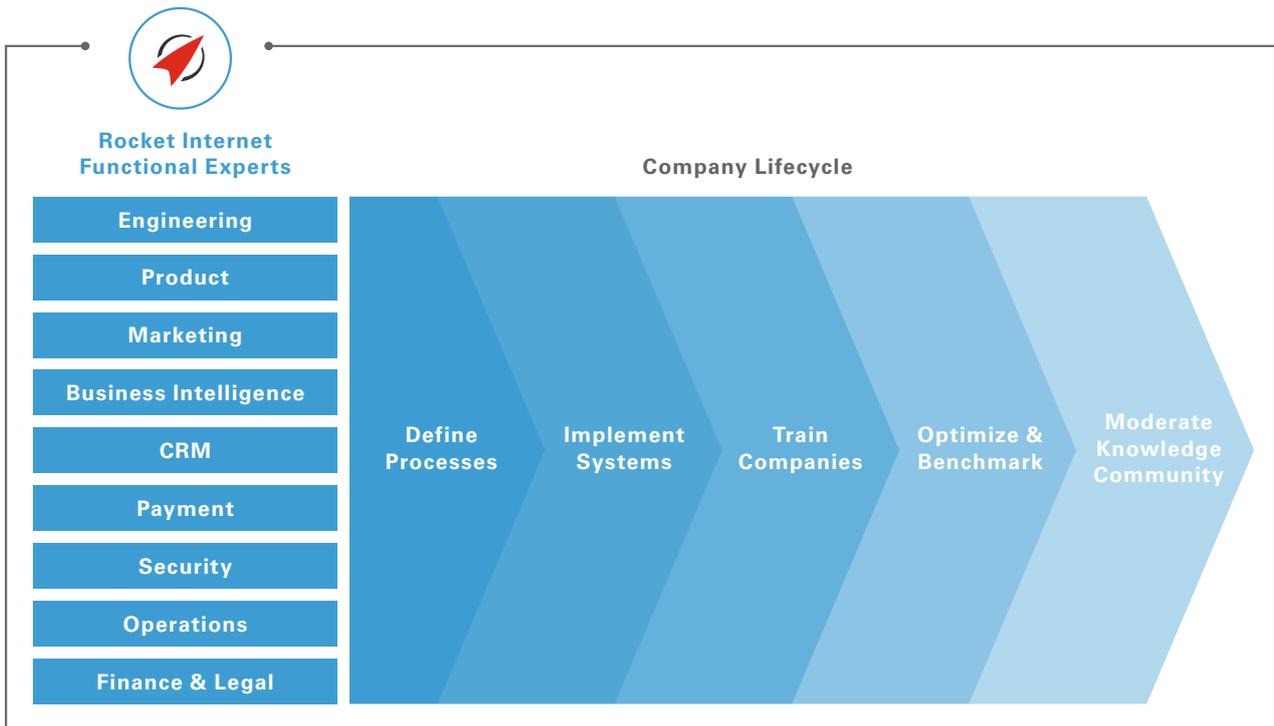
Our infrastructure is built upon four components that enable us to create best-in-class online companies and simultaneously expand them to a number of countries and regions:

- Our Functional Expertise
- Our Regional Expertise
- Our Strategic Partners
- Our Entrepreneurs

Our Functional Expertise

Our team of functional experts supports our companies along their full lifecycle in key areas such as systems engineering, product design, online marketing and customer relationship management as well as mobile applications to name just a few. Companies recently incepted draw heavily upon the functional expertise of the Rocket Internet platform. This enables our companies to develop a presence in a shorter period of time and with best in class functional know-how. Companies then build out their respective internal teams and internalize these functions to be able to operate independently of Rocket Internet in their day-to-day operations. Companies often continue to turn to Rocket Internet for support on special projects, hence getting access to best in class expertise while at the same time managing capacity needs more efficiently by outsourcing certain tasks rather than building up a larger permanent workforce. In addition, our functional experts are monitoring key performance indicators and are fostering best practice management and knowledge sharing across our network of companies.





Our Regional Expertise

Rocket Internet's network of companies is active in more than 110 countries worldwide. In order to foster synergies and back our companies, our regional experts coordinate our activities across our target regions (Europe, Asia Pacific, Russia & CIS, Africa, Middle East and Latin America) and support the companies through the local ecosystem. These regional experts centralize knowledge across local markets and business models, facilitate regional strategic and commercial partnerships and support local recruiting and sourcing to accelerate the regional rollout of our businesses.

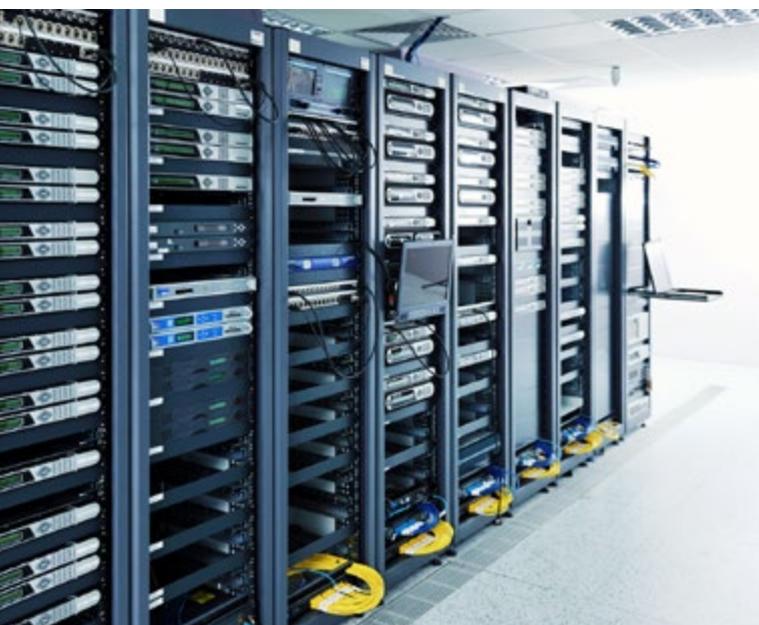
Our Strategic Partnerships

In addition, we have established relationships with strategic partners, including telecommunications and Internet providers (e.g. United Internet, Philippine Long Distance Telephone Company, MTN, Ooredoo and Millicom), industry partners (e.g. Axa, Tesco, Tengelmann and Kering) and financial investors (e.g. Kinnevik, Access Industries and Holtzbrinck). These partners provide our network of companies with extensive financial, operational and strategic support. For example, our partnerships with telecommunications providers position us to benefit from their mobile subscriber base, billing relationships, their physical distribution network, text message marketing competence, local customer relationship infrastructure and pre-installation of our mobile applications on handsets.

Rocket Internet has also entered into framework agreements with leading global technology companies such as Criteo, Google, Facebook, Rackspace, Responsys and Salesforce to complement our technology platform and provide our network of companies with competitively priced, state-of-the-art technology, online advertising and other services on the basis of framework agreements.

Our Entrepreneurs

Each company is run by an independent leadership team, which we refer to as entrepreneurs, co-founders or managing directors. They are recruited locally as well as globally and typically have entrepreneurial general management profiles with outstanding analytical skills from dynamic backgrounds, such as management consulting, investment banking, leading Internet and technology companies and media and consumer goods companies and have graduated from leading business schools.



Our Technology

Rocket Internet is a technology company at heart. The proprietary Rocket Internet technology platform provides our network of companies with state-of-the-art plug-and-play solutions for almost any Internet business model. Our modular infrastructure is built to scale with the needs of our businesses. It can easily be adapted to the specific requirements of individual companies and complex markets. While stand-alone start-ups have to develop their technology from scratch, Rocket Internet provides its network of companies with a powerful and field-tested framework, giving them an edge over the competition. Access to the proprietary Rocket Internet technology platform enables our entrepreneurs to focus on the core business matters of their companies and to scale their operations without technological limitations. Rocket Internet provides an innovative, secure and stable technology framework along the full lifecycle of an online company. This framework consists of three complementary layers:

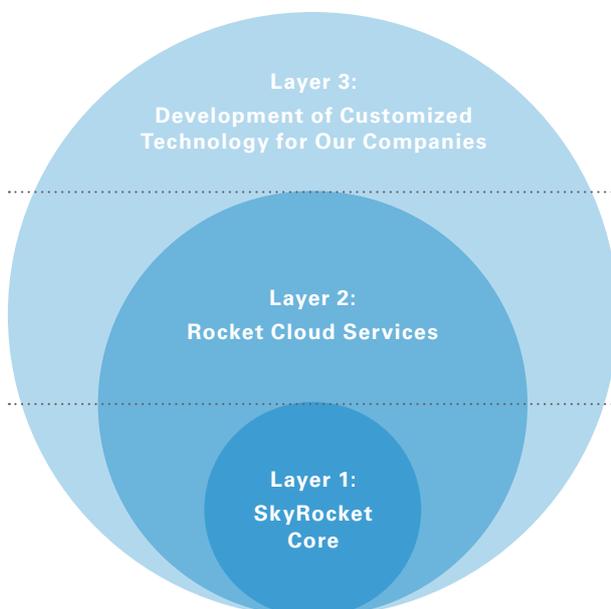
- SkyRocket: Core application framework we use to build companies in less than 100 days
- Rocket Cloud Services: Industry-specific solutions we provide to our companies
- Custom technology development for our companies: Fully customized technology we build for our companies

Layer 1: SkyRocket

At the heart of our technology platform is SkyRocket, our proprietary mobile-first application framework that enables us to launch companies in less than 100 days, independent of the business model. It enables us to expediently assemble and maintain a robust and scalable operational infrastructure based on compatible plug-and-play modules.

SkyRocket provides a blueprint for all key technology components of a fast-growing online company, covering all steps in the customer journey, from acquisition, to conversion, to retention, across the full device universe. It enables us to quickly launch new companies and to provide them from day one with a scalable technology platform that can handle high transaction volume as companies grow. Its standardization provides for cost savings and efficient sharing of technological improvements across business models and companies. Having such a common platform across companies also allows us to crowd-source innovative ideas from our network of companies, integrate them into the common platform and hence make them available to other companies using the same technology.

Our Framework for Proprietary Technology



- More than 170 developers, product managers and UX designers
- Web, Android and iOS

Examples:

- Direct merchant integration (SellerCenter)
- Marketing automation (RAS)
- Product recommendations (Datajet)

- Launching in less than 100 days
- Independent of business model and sector

We build companies with a mobile first strategy. In particular in emerging markets, given the lack of fixed line telecoms infrastructure, far more people access the Internet via smartphones than via computers, but also in Western Europe is the share of mobile traffic ever increasing. On Lazada, our General Merchandise marketplace in South-East Asia, the value of orders placed on mobile devices is exceeding 60% of orders. Our Middle Eastern Fashion company Namshi derived more than 80% of its traffic in 2015 from mobile devices. SkyRocket has been created with this trend towards mobile-first in mind, allowing for the fast and scalable launch of native mobile apps and responsive websites.

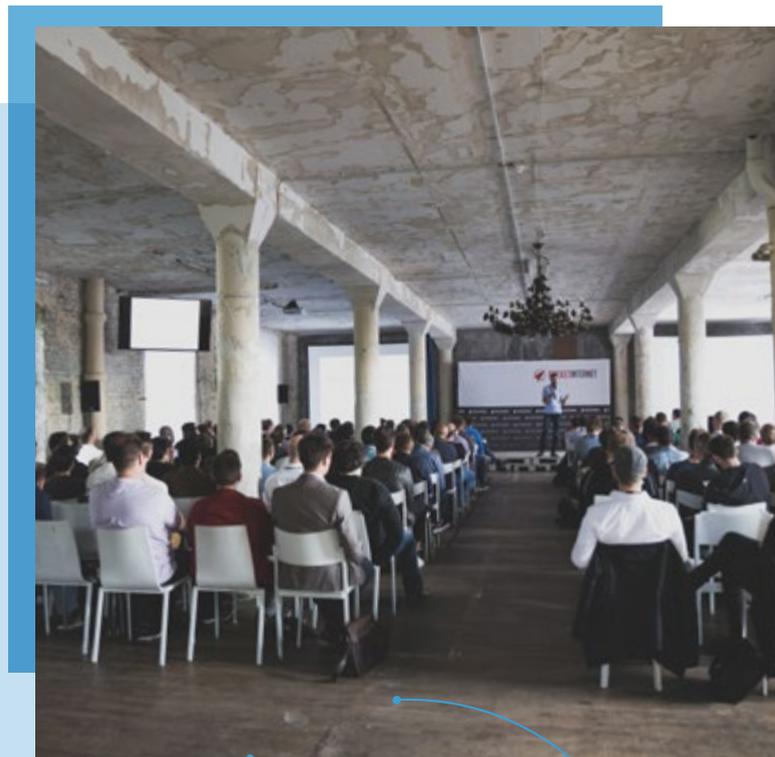
Layer 2: Rocket Cloud Services

We have developed a set of proprietary cloud services that are tightly integrated with SkyRocket and enable our companies to solve complex challenges related to their individual business models. We develop and provide these solutions centrally to our companies, such that they can focus on their business in a way that synergies between companies facing similar challenges are maximized. Examples of these services include:

SellerCenter is a cloud service that provides a direct merchant integration platform tailored to the requirements of our marketplace companies, allowing third party vendors to list and manage their product offering on the platform. SellerCenter includes systems to manage products, orders and logistics, business intelligence tools, mobile apps and APIs to seamlessly integrate with the internal systems of partner vendors. 16 Rocket Internet companies across 47 countries are currently using SellerCenter. The monitoring and reporting tool enables us to monitor front-end and back-end operations of connected companies in real time and report and address emerging problems instantly. Currently, SellerCenter supports more than three million active sellers, more than 31 million active product listings and had processed more than 40 million orders as at December 2015.

Our **Rocket Advertising Service (RAS)** provides marketing automation services for customer acquisition and retention. For example, it collects user location, device, or even weather information to build consumer profiles in real time. These profiles help us adjust marketing measures and attract new customers to our companies' websites and apps. An automated campaign builder helps Rocket Internet's companies advertise their brands, product categories and specific inventory based on real time product availability, and self-learning capabilities systematically manage and optimize campaigns in real time.

DataJet empowers our companies to fully control and leverage their user data, collecting vast amounts of real-time data and using this data to optimize the user experience in native mobile or web applications, resulting in better search results, dynamic merchandising and tailored product recommendations. Thereby, Datajet enables our companies to identify consumer interests and create deeper customer relationships.



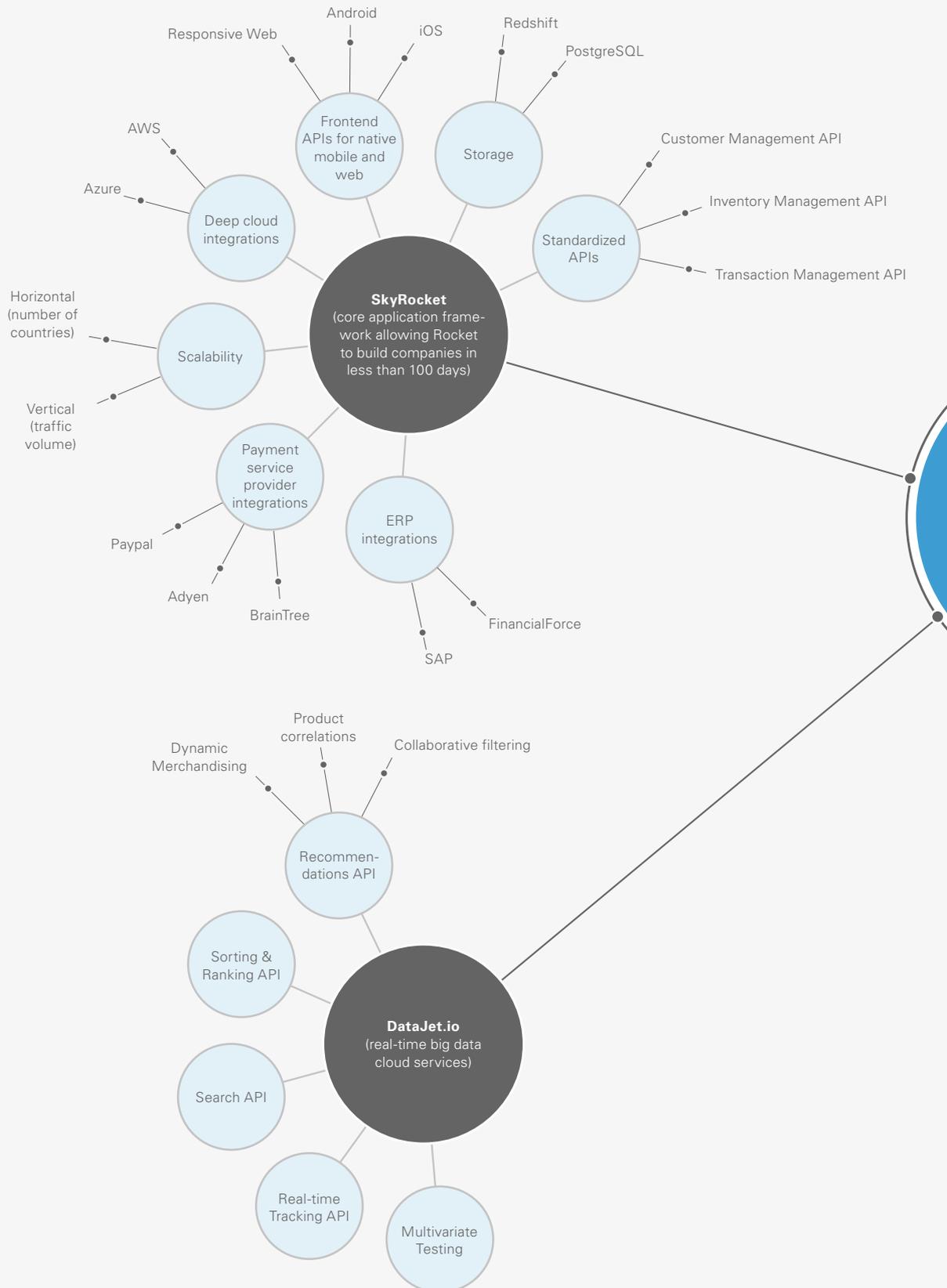
Christian Hardenberg, Chief Technology Officer: "Rocket Internet is a family of companies - our Tech Summit is similar to a family reunion. We invite the tech leadership of all our companies to Berlin once a year to foster relationships and to discuss common challenges. We always identify the one company that is best at a certain topic and let them present and teach others. Beyond that, we invite external speakers - it is just a great way to exchange knowledge."

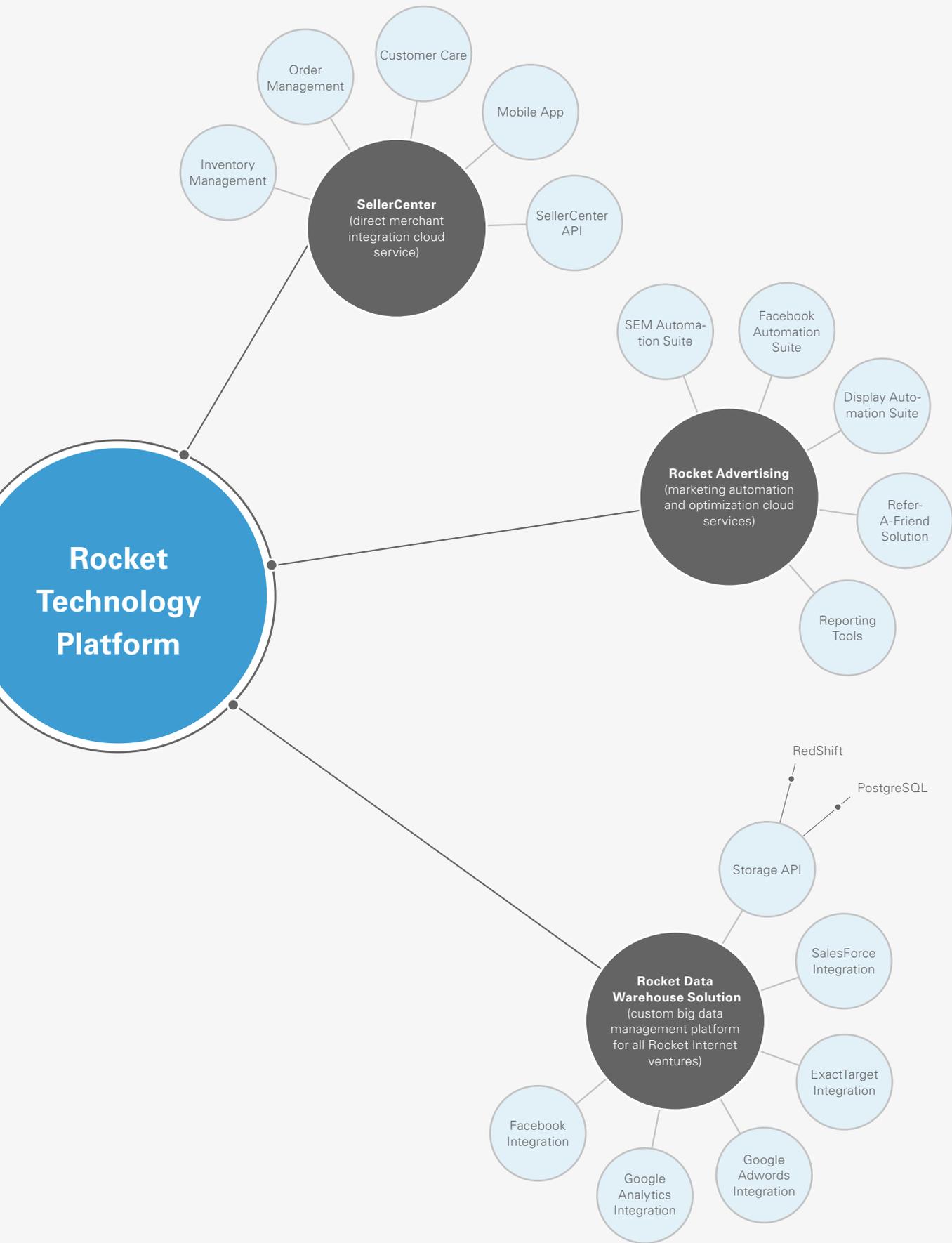
Layer 3: Custom Development

Leveraging the toolbox provided by SkyRocket and Rocket Cloud Services, our in-house product development team with more than 170 engineers and product managers builds custom technology for each of our companies. Full vertical integration and standardized development processes enable us to launch companies quickly. In addition, our internal development team enables us to support our companies along their full life cycle with custom technology solutions.

Our team of technology engineers excels in their respective focus areas but is also keen on learning about the latest trends and work performed in adjacent areas. To foster knowledge sharing across all levels, every year our senior technology staff host the Rocket Internet Tech Summit in Berlin. Here, they discuss the latest trends in Internet technology and how Rocket Internet can harness them. In 2015, over 30 speakers, including senior technology professionals from leading companies such as Amazon and Google presented their leadership approaches, discussed the latest technology trends and also spoke about how to maintain world-class systems.

Rocket Internet Technology Platform





Our Network

Our large and geographically diverse network of companies encompasses our businesses across more than 110 countries on six continents.

The size of our network of companies and their different stages of development provide our companies with substantial opportunity to benefit from synergies and network effects. In particular, we have a strong culture of knowledge transfer that takes place on a regional, functional and business concept level. In our network, knowledge is being shared centrally and locally in a systematic way on a daily, weekly and monthly basis. We also pride ourselves on our speed of execution, our openness to change and our entrepreneurial approach – qualities, which we believe are extremely important to our business model and our ability to quickly identify and implement new business concepts as well as to enter new markets and also to attract highly talented employees.

Our principal goal is to increase shareholder value by identifying, growing and investing in proven Internet models.

In 2015, we significantly expanded our network of companies with the investment in Delivery Hero, acquiring a 37.3% stake. In addition, we launched a number of new businesses and selectively increased our stake in our focus sector companies and achieved major positions at HelloFresh and foodpanda. A number of our businesses also attracted significant funds from existing and new investors, including HelloFresh, foodpanda and Global Fashion Group.

<p>Food & Groceries</p>	  
<p>Fashion</p>	     
<p>General Merchandise</p>	  
<p>Home & Living</p>	 
<p>Travel</p>	
<p>Regional Internet Groups</p>	  
<p>New Businesses & Investments</p>	

Our Global Footprint



Rocket Internet and its network of companies are active in more than 110 countries around the globe with more than 36,000 people on the ground. You find our companies and local offices in many of the world's emerging capitals and cities.

EUROPE

6,200

HEADCOUNT

RUSSIA & CIS

4,300

HEADCOUNT

London

Berlin

Paris

Dubai

New Delhi

Lagos

Singapore

AFRICA & MIDDLE EAST

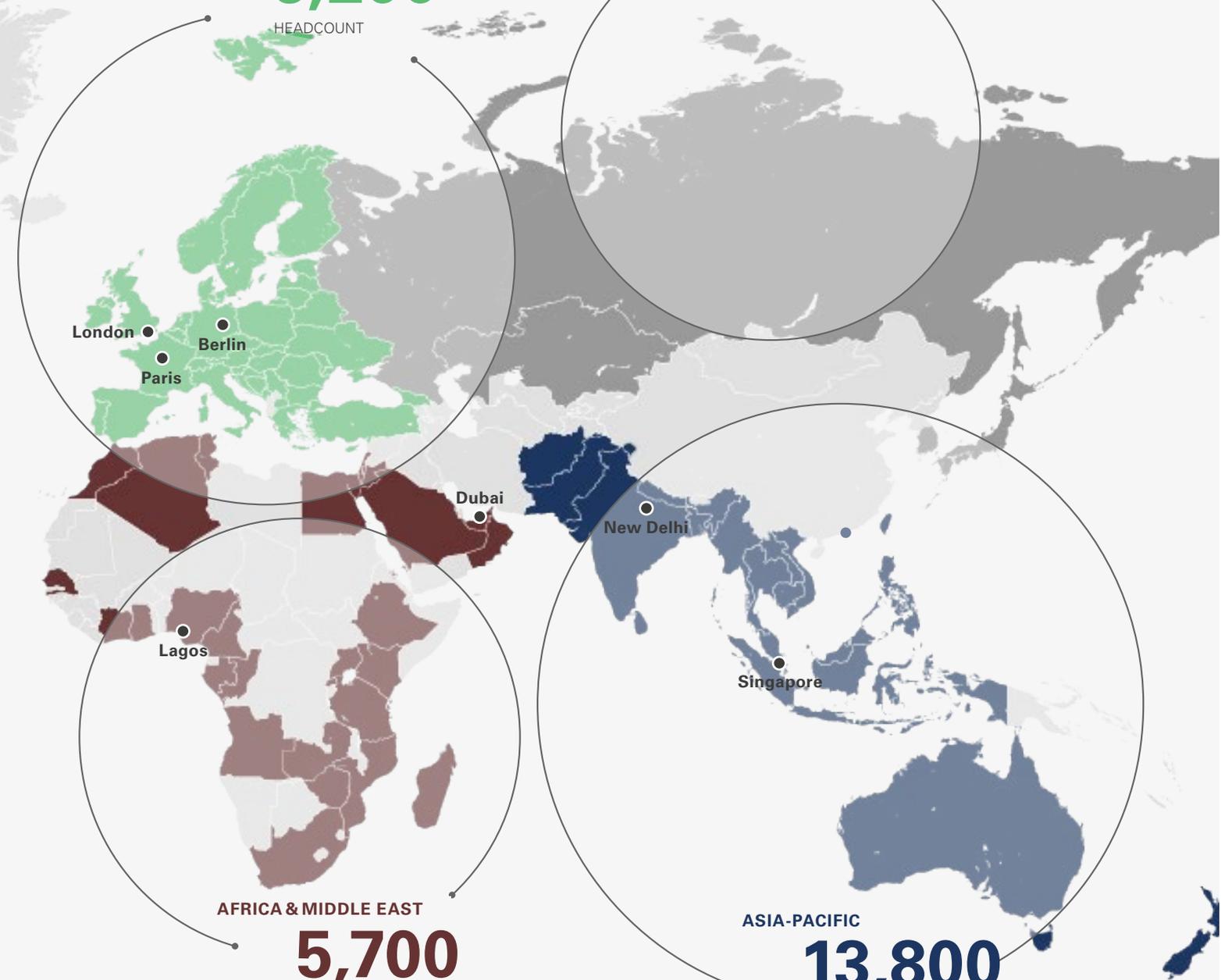
5,700

HEADCOUNT

ASIA-PACIFIC

13,800

HEADCOUNT



Employees

Rocket Internet is an inspiring work environment. Employees are key to building leading online companies around the globe and driving the growth of our business. Working at Rocket Internet means being part of a dynamic team, where each of our employees takes ownership to move the company forward. Rocket Internet attracts talent from around the globe and is continuously looking for the best people. Not only for Rocket Internet, but also for our network of companies - big or small - talent is a crucial success factor.

Attracting the Best Talent Globally

Talent acquisition remains a core priority. Across our network of companies, Rocket Internet's employee count increased from 30,000 in 2014 to over 36,000 at the end of 2015, driven inter alia by the growth of our businesses in the Asia Pacific, European and Africa & Middle East regions. Rocket Internet's central Talent Acquisition team employs cutting edge recruitment processes and technologies, resulting in more than 100 applications per day. Our functional recruitment specialists manage strong global talent pools for all core positions required by online companies, giving our companies access to high caliber talent. Moreover, our companies leverage the strong Rocket Internet brand throughout the entire recruitment process, thereby attracting better talent than lesser known young companies.

Retaining Talent

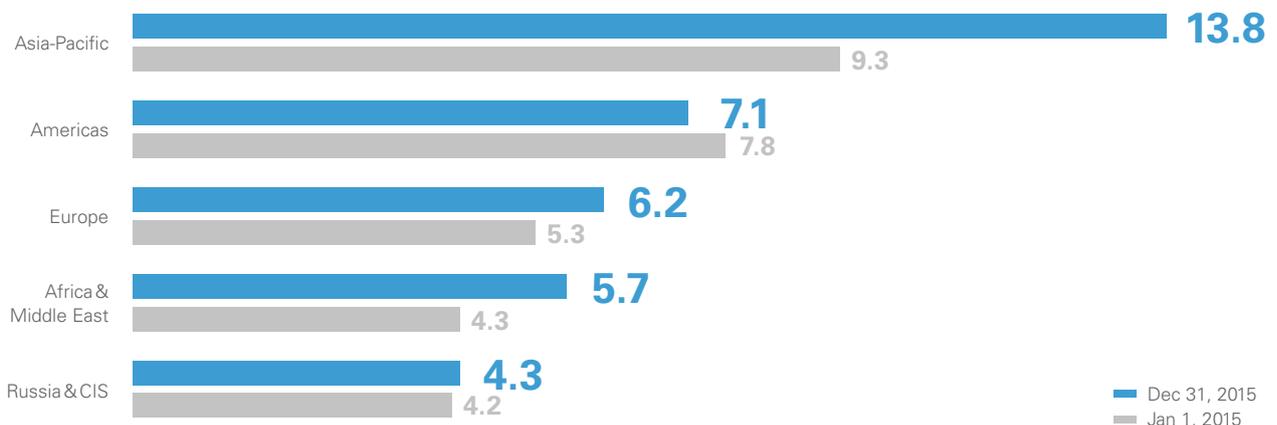
As important as hiring great talent is the retention of talent. Our talent retention strategy is based on three pillars. Firstly Rocket Internet offers interesting and challenging work assignments in a highly dynamic work environment and provides ample growth opportunities for employees either at Rocket Internet or within our network of companies. A second major element of the human resource strategy is targeted development programs, such as the Rocket University, a program in which employees train one another, as well as general inhouse trainings on core skills (e.g. leadership and time-management). Lastly, we offer competitive compensation, which, depending on the position, might include a combination of base salary, bonus and/or equity options.

Driving Diversity and Equal Opportunity

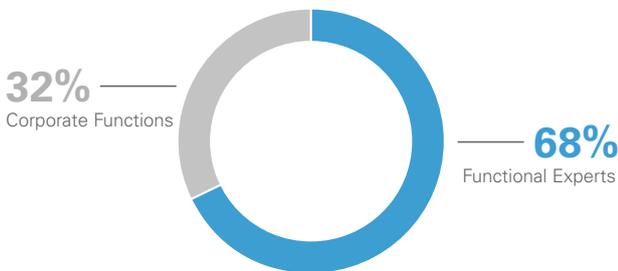
The number of Rocket Internet employees working at our headquarter, located in Berlin, was 425 employees, as of December 2015. A significant portion (68%) of our personnel provides functional expertise (e.g. product design, online marketing and IT) to our network of companies, while 32% perform corporate functions (e.g. finance, legal and HR).

Headcount Increase by Region January to December 2015

numbers in thousand

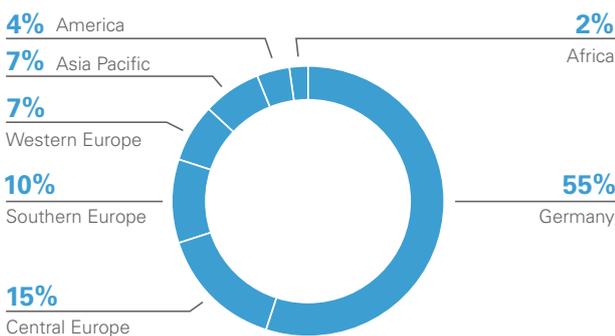


Rocket Internet HQ

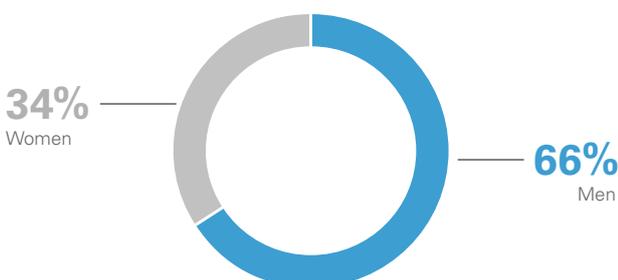


As Rocket Internet operates in many different regions around the globe, it is essential for us to employ people from different cultural backgrounds, with various abilities, talent and local expertise. We sincerely value the diversity of our company and are convinced that such a diverse environment is beneficial for the development of our people as well as for the success of Rocket Internet and its network of companies. The employees at our headquarter come from 70 different countries, only 55% of our employees are from Germany; hence, the main language spoken at Rocket Internet is English. We provide equal opportunities to all of our employees. As of December 2015, more than one third of our employees were female; when excluding our personnel in the IT department, 48% of Rocket Internet personnel were women. The high degree of diversity and gender equality makes Rocket Internet a very dynamic and diverse workplace.

Nationalities



Gender Diversity



Developing Future Entrepreneurs

As a part of our growth strategy we continuously search for the best, highly qualified talent. We offer our employees opportunities to develop in a fast growing, diverse and challenging environment. Moreover, we promote the rise of future entrepreneurs and online leaders by offering trainee programs for more than 20 people in positions such as Global Venture Development, who form a pool for future Founder candidates, and Growth Managers, who are trained to become future Chief Marketing Officers (CMOs). For experienced professionals, Rocket Internet creates tremendous opportunities to take on responsibility and shape industry leading companies.



WE TAKE OWNERSHIP

We are operators, who build companies from end-to-end and take responsibility proactively



WE THINK BIG

Innovating in a single country is one thing, but delivering the same service on a global scale is quite another



WE ACT FAST

We go from zero to launch in 100 days - and that requires a specific fearlessness and strong focus



WE EXCHANGE GLOBALLY

Our entire success is built on sharing know-how within our network, across industries and geographic borders



WE AIM TO WIN

When we build a new company, we are prepared to go the extra mile. We put in everything to ensure sustainable impact

Rocket Internet Stock Information

The year 2015 was the first full calendar year for Rocket Internet as a public company and characterized by a volatile share price development. Since the initial public offering on October 2, 2014 at EUR 42.50 in the Entry Standard of the Frankfurt Stock Exchange under the ticker symbol RKET, the share has in 2015 seen a closing high of EUR 57.08 on February 10, 2015 and a closing low of EUR 21.29 on September 24, 2016.

[www.rocket-internet.com/
investors](http://www.rocket-internet.com/investors)



In February 2015, Rocket Internet successfully raised EUR 588.5 million by placing 12,010,224 new shares that were issued to institutional investors at a price of EUR 49.00 per share, increasing the number of shares outstanding to 165,140,790.

On July 14, 2015, Rocket Internet announced the placement of convertible bonds with an aggregate principal amount of EUR 550.0 million maturing July 22, 2022. The bonds carry a coupon of 3.00% per annum, payable semi-annually and the initial conversion price amounts to EUR 47.5355.

Rocket Internet announced on February 2, 2016 that it will use up to EUR 150.0 million to pursue a buyback of the convertible bonds until the end of 2016, thereby reducing interest expenses as well as potential dilution. Repurchased bonds will either be held or cancelled by Rocket Internet.

Share Information

as of March 31, 2016

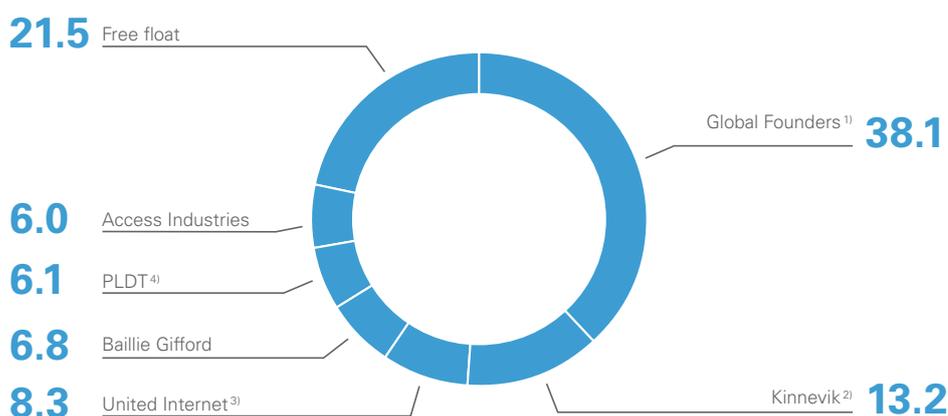
Issuer	Rocket Internet SE
TYPE OF SHARES	ORDINARY BEARER SHARES WITH NO PAR VALUE (STÜCKAKTIEN)
STOCK EXCHANGE	FRANKFURT STOCK EXCHANGE
MARKET SEGMENT	NON-REGULATED MARKET (ENTRY STANDARD)
TOTAL NUMBER OF SHARES OUTSTANDING	165,140,790
ISSUED SHARE CAPITAL	EUR 165,140,790
ISIN	DE000A12UJK6
WKN	A12UJK
TICKER SYMBOL	RKET
COMMON CODE	111314110
THOMSON REUTERS	RKET.DE
BLOOMBERG	RKET:GR

Shareholder Structure

The shareholding percentages shown below are generally based on the shareholdings as last notified to Rocket Internet by its shareholders pursuant to Section 20 German Stock Corporation Act (Aktiengesetz) or the shareholdings as of the time of the IPO in October 2014. The shareholdings have, however, been adjusted for the dilution of and any allocations to shareholders in connection with the share capital increase in February 2015. Please note that these shareholding percentages could have changed within the respective thresholds of Section 20 German Stock Corporation Act (25%/50%) without triggering an obligation of the shareholders to notify Rocket Internet.

Rocket Internet's Last Known Shareholder Structure

in percent



- (1) The shareholding percentage shown for Global Founders includes shares that are held by affiliates of Global Founders GmbH.
(2) This shareholding percentage was also given in Kinnevik's year-end release 2015, published on February 11, 2016.
(3) This shareholding percentage was also given in United Internet's annual report 2015, published on March 11, 2016.
(4) This shareholding percentage was also given in PLDT's US - SEC form 20-F filing, published on March 18, 2016.

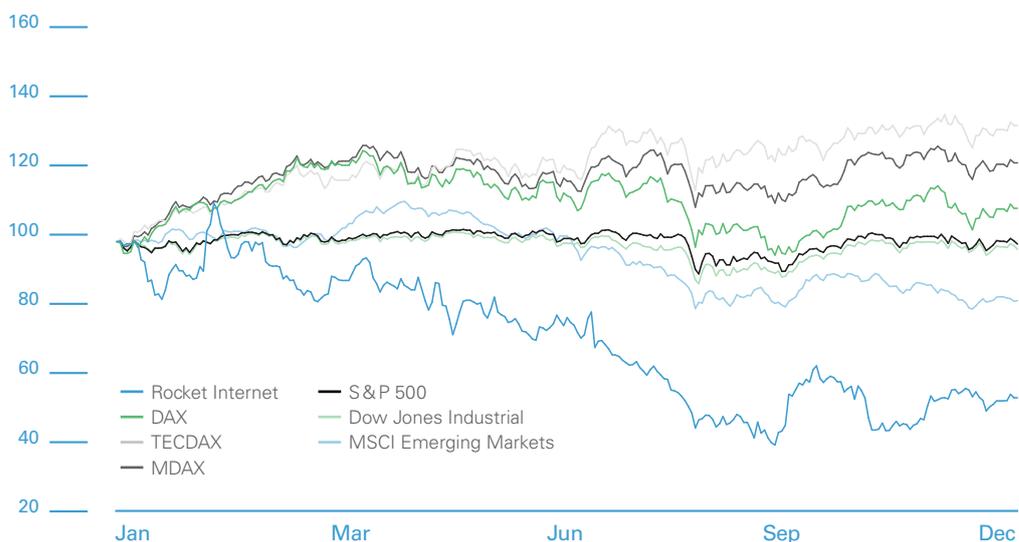
Development of the Rocket Internet Stock and Important Stock Market Indices

	Dec. 31, 15	Dec. 31, 14	Change
Rocket Internet share (EUR)	28.24	51.39	- 45.0%
DAX	10,743.01	9,805.55	9.6%
MDAX	20,774.62	16,934.85	22.7%
TECDAX	1,830.74	1,371.36	33.5%
Dow Jones	17,425.03	17,823.07	- 2.2%
S&P 500	2,043.94	2,058.90	- 0.7%
MSCI Emerging Markets Index	794.14	956.31	- 17.0%

The performance of global stocks throughout the year 2015 was shaped by a volatile and uncertain market, caused by the unpredictability of future quantitative easing measures by the United States Federal Reserve and the European Central Bank as well as geopolitical stress in Europe and the Middle East. In the first months of the year, German stocks continued a bullish path, reaching all-time highs. However, driven by falling oil prices and the fear of higher interest rates in the US as well as a drop in the Shanghai Composite in August, global indices declined in the second half of 2015. While in the first months after the IPO, the Rocket Internet share outperformed global indices, in 2015, it suffered from prevailing market conditions, declining by 45% to EUR 28.24 per share at the end of 2015, compared to EUR 51.39 per share as of December 31, 2014.

Relative Share Price Performance

Jan 1 to Dec 31, 2015, indexed



Annual General Meeting 2014

On June 23, 2015 Rocket Internet SE held its first Annual General Meeting in Berlin. A total of 92.19% of the capital stock was present. All proposed resolutions were approved with a majority of at least 89.39%.

Financial Calendar

May 31, 2016	Q1 2016 Results for Selected Portfolio Companies
June 9, 2016	Annual General Meeting of Rocket Internet SE
September 22, 2016	H1 2016 Results for Rocket Internet SE and Selected Portfolio Companies

Report of the Supervisory Board

of Rocket Internet SE for the Financial Year 2015



•— **Professor Dr Marcus Englert,**
Chairman of the Supervisory Board

Dear Shareholders,

The Supervisory Board of Rocket Internet is looking back on its second year of work. Key challenges of the year 2015 for Rocket Internet were significant macroeconomic changes, in particular the economic slowdown in emerging markets and the weakening of emerging market currencies. Furthermore, Rocket Internet pursued key projects such as the formation of Rocket Internet's online food delivery group, including the integration of Delivery Hero into this group, as well as the formation and integration of the Global Fashion Group. The Supervisory Board advised and supervised the Management Board with respect to these key projects and further material management matters. It was deeply involved in all matters of fundamental importance for Rocket Internet and was thereby able to convince itself of the lawfulness and appropriateness of all actions of the Management Board.

1. Summary

The financial year 2015 brought changes in the composition of the Supervisory Board. At the Annual General Meeting 2015, five of the nine members of the Supervisory Board were elected with two members being confirmed in office and three new members being appointed.

The Supervisory Board continued to be involved in a number of approvals of a variety of measures at the level of Rocket Internet as well as transactions directly relating to Rocket Internet's network of companies: In March, Rocket Internet's legal form was converted from AG to SE. In February, Rocket Internet issued new shares by way of an accelerated bookbuild offering which raised gross proceeds of EUR 588.5 million. In July, Rocket Internet issued convertible bonds in the amount of EUR 550.0 million. These bonds are listed on the Open Market (Freiverkehr/Entry Standard) of the Frankfurt Stock Exchange. In addition, the Supervisory Board, after careful review and discussion, approved several transactions regarding Rocket Internet's network of companies. With respect to transactions not requiring the Supervisory Board's prior approval, the Management Board kept the Supervisory Board apprised and involved. Apart from the ongoing transactional advice the Supervisory Board offered to the Management Board, the Supervisory Board put a focus on the development of the strategic orientation of Rocket Internet.

In 2015, a total of four Supervisory Board meetings were held: On April 21, 2015, June 23, 2015, September 15, 2015 and December 3, 2015. All members participated in all of those meetings. The Chairman of the Supervisory Board stayed in close contact with the CEO also outside of meetings. In addition, over 40 resolutions were passed outside of meetings in written form or by way of telephone conferences.

The Management Board of Rocket Internet regularly and timely provided the Supervisory Board with comprehensive information on Rocket Internet policies, fundamental questions of management and planning, the financial development, compliance, the status of the transition of financial accounting from German GAAP principles to international IFRS standards and any events of significance for Rocket Internet. Relevant deviations from the business plan were comprehensively discussed. Members of the Management Board made themselves available at any time for questions and discussions during and also outside of the Supervisory Board's meetings. The Supervisory Board reviewed whether the financial reporting of Rocket Internet conformed to applicable requirements.

2. Members of the Supervisory Board

The Supervisory Board of Rocket Internet consists of nine members. Until the Annual General Meeting 2015 on June 23, 2015, these were the members which had been elected by the Extraordinary General Meeting of August 22, 2014: Lorenzo Grabau, Erik Mitteregger, Napoleon L. Nazareno, Daniel Shinar, Ralph Dommermuth, Professor Dr Marcus Englert, Dr Erhard Schipporeit, Philip Yea and Professor Dr h.c. Roland Berger. Effective from the end of the Annual General Meeting 2015 after the resignation from office of Mr Dommermuth, the ending of the term of office of Mr Yea and Dr Schipporeit and the (re)election of Professor Dr Englert, Professor Dr h.c. Berger, Professor Dr Joachim Schindler, Dr Martin Enderle and Norbert Lang, the Supervisory Board consists of Professor Dr Englert, Professor Dr h.c. Berger, Dr Enderle, Mr Grabau, Mr Lang, Mr Mitteregger, Mr Nazareno, Professor Dr Schindler and Mr Shinar. The Supervisory Board thanks Mr Yea, Dr Schipporeit and Mr Dommermuth for their support in the past financial year.

Effective from December 16, 2015, Mr Grabau resigned from his position as the Chairman of the Supervisory Board and Professor Dr Englert from his position as deputy chairman. The members of the Supervisory Board thereupon elected Professor Dr Englert as Chairman and Mr Lang as deputy chairman of the Supervisory Board.

The members of the Supervisory Board possess the necessary knowledge, abilities and experience to duly perform their duties. The professional capacity of individual members is complementary so that the Supervisory Board as a whole is in a position to comprehensively perform its duties. It is therefore secured that the Supervisory Board duly performs its control and advisory function in accordance with the law, the Articles of Association and the Rules of Procedure.

3. Focal Points of the Work of the Supervisory Board

The Supervisory Board, after the Annual General Meeting 2015, re-established its previous committees in its constituent meeting (for the composition and tasks of each of the committees, see 4 below). It furthermore formed and appointed an Accelerated Bookbuild Offering (ABO) Committee to accompany the increase of Rocket Internet's capital by partially utilizing authorized capital granted in the Annual General Meeting 2014. The Supervisory Board also established a Financing Committee which intensely advised the Management Board in the issuance of the convertible bonds. In addition to the SE conversion, the Supervisory Board – primarily through its Audit Committee – closely supervised the transition from German GAAP accounting methods to IFRS accounting. Finally, the Supervisory Board was closely involved in the discussions concerning the last portfolio value - valuation methodology applied by Rocket Internet.

After due deliberations with the Management Board, the Supervisory Board approved the business plan and the investment budget of Rocket Internet.

The Audit Committee also dealt with the improvement of the risk and compliance management system of Rocket Internet.

Furthermore, the Supervisory Board dealt with the appropriateness of the remuneration of the members of the Management Board. In this context, the Supervisory Board engaged an independent, external advisor to render an opinion on the appropriateness of the remuneration. According to the expert, the remuneration, including all its components, is appropriate and customary in Rocket Internet's market. The Supervisory Board shares this opinion.

In addition, the Supervisory Board approved multiple financing rounds in companies in the network of companies as well as acquisitions of companies. It closely monitored and approved the establishment of Rocket Internet's global online takeaway food business by acquiring and increasing its stake in Delivery Hero and building up its stake in foodpanda. After detailed discussion and review, the Supervisory Board furthermore approved, inter alia, multiple financing rounds in Westwing, Global Fashion Group, Home24 and the acquisition of shares in HelloFresh.

4. The Work in the Committees of the Supervisory Board

For the purpose of an efficient distribution and performance of tasks, the Supervisory Board in its constituent meeting after the Annual General Meeting 2015 resolved to re-establish the Audit, the Remuneration, the Nomination, the Executive and the Investment Committee. The committees, namely the Audit and the Investment Committee, supported the Supervisory Board efficiently in its work and reported to it on the work of said committees.

Audit Committee

The members of the Audit Committee are Professor Dr Schindler, successor of Dr Schipporeit as from June 23, 2015, and Chairman of the Committee as from December 16, 2015 as well as independent member with special knowledge of accounting and auditing (Sec. 100 para. 5 German Stock Corporation Act), Mr Mitteregger (Chairman until December 16, 2015), and Mr Nazareno.

The preparation of discussions and resolutions of the Supervisory Board to review and approve the annual and semi-annual consolidated financial statements and the proposal on the appropriation of the distributable profit are among the duties of the Audit Committee. In addition, the Audit Committee is responsible for the monitoring of the independence of the Auditor. It makes a proposal to the Supervisory Board for the selection of the auditor as well as for the focus points of the audit. The Committee deals with other periodic financial reporting, with general questions of accounting, including the application of new accounting standards and with the internal risk management system, the internal control system, the internal audit system and all compliance issues.

The Audit Committee met four times in the past financial year with all members present in order to, inter alia, discuss the consolidated financial statements and group consolidated financial statements for the financial year 2014 and to make recommendations for their approval and for the instructions to the auditor for the financial year 2015 by the Supervisory Board. In addition, the Committee continued to deal with the transition process of the accounting methods of Rocket Internet from German GAAP to IFRS, the internal risk management system and the compliance management system of Rocket Internet. Members of the management of Rocket Internet and representatives of the auditor were available for the Audit Committee members and participated in its meetings when necessary to discuss particular agenda items.

Remuneration Committee

Professor Dr Englert (Chairman), Mr Grabau, Mr Shinar, Mr Nazareno and Mr Lang, successor of Mr Dommermuth as from June 23, 2015, are the members of the Remuneration Committee.

The tasks of the Remuneration Committee are above all the remuneration system, including the variable components for the Management Board and certain leading executives, and its implementation in the relevant service agreements. In addition, the Remuneration Committee prepares the regular review of the remuneration system for the Management Board by the full Supervisory Board.

Nomination Committee

The Nomination Committee consists of Chairman Professor Dr Englert, Mr Grabau, Mr Shinar, Mr Nazareno and Mr Lang, successor of Mr Dommermuth as from June 23, 2015. The Nomination Committee proposes to the Supervisory Board suitable candidates for its proposal to the General Meeting for the election of members of the Supervisory Board.

Executive Committee

The Chairman of the Executive Committee is Mr Grabau. Its other members are Professor Dr Englert, Mr Shinar, Mr Nazareno and Mr Lang, successor of Mr Dommermuth as from June 23, 2015. The Executive Committee prepares the meetings of the Supervisory Board and deals with ongoing matters between the meetings of the Supervisory Board. It makes proposals to the Supervisory Board for the appointment and removal of Management Board members, deals with employment and pension agreements and is also responsible for the preparation of decisions in the area of corporate governance.

Investment Committee

The Investment Committee consists of Professor Dr Englert as Chairman and Mr Grabau, Mr Shinar, Mr Nazareno and Mr Lang, successor of Mr Dommermuth as from June 23, 2015.

The Investment Committee discusses with the Management Board the annual investment plan and investment focus points of Rocket Internet, reviews the ongoing investment projects, deals with the acquisition of equity and debt capital and with strategic and financial participations. The Investment Committee is furthermore exclusively responsible for the approval of medium sized investments. In this capacity, it approved three business transactions: The increase of Rocket Internet's shareholding in Travelbird, the final terms of the sale of Zencap and a further investment in Africa Internet Holding GmbH.

Accelerated Bookbuild Offering Committee

The ABO Committee consists of Mr Grabau, Professor Dr Englert, and Mr Mitteregger, Mr Grabau being the Chairman. The Supervisory Board conferred to the ABO Committee the authority to approve Management Board resolutions on the capital increase, to change the Articles of Association of Rocket Internet in connection with the capital increase and the authority to decide on all expedient measures necessary in connection with the capital increase.

The ABO Committee held two meetings via telephone conference and approved the launch of the capital increase measures as well as the final share price for the new shares and the adaption of the Articles of Association of Rocket Internet.

Financing Committee

The Financing Committee acts on behalf of the Supervisory Board in the process of issuing Rocket Internet's convertible bond. Chairman of the Committee is Mr Grabau. Its other members are Professor Dr Englert and Mr Shinar.

The Financing Committee held one meeting via telephone conference and passed its resolution by telephone. The Committee dealt with significant details of the issuing process, discussed it with the advising banks and external lawyers and reviewed their opinions. It granted the necessary approval to the Management Board to the placement of the convertible bonds under exclusion of the shareholders' subscription rights and to the commencement and execution of the book-building procedure.

5. Corporate Governance

In the course of the financial year 2015, the Supervisory Board furthermore continued to follow standards of good corporate governance. According to Sec. 4 para. 2 of the Rules of Procedure of the Supervisory Board, each member of the Supervisory Board is obliged to disclose conflicts of interests to the Supervisory Board. In the financial year 2015, no member of the Supervisory Board has disclosed any conflict of interests.

6. Annual Financial Statements and Consolidated Financial Statements 2015

Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, Berlin, was appointed by the Annual General Meeting 2015 as auditor for the annual financial statements and the consolidated financial statements for the financial year 2015.

Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft audited the accounting system, the annual financial statements of Rocket Internet SE prepared in accordance with German GAAP (HGB), the consolidated financial statements prepared in accordance with IFRS and the combined management report for Rocket Internet and the group for the financial year 2015. The auditor issued unqualified opinions on the annual financial statements, on the consolidated financial statements and on the combined management report for Rocket Internet and the group in the meaning of Sec. 322 para. 2 sentence 1 No. 1 German Commercial Code (HGB).

The annual financial statements, the consolidated financial statements and the combined management report for Rocket Internet and the group for the financial year 2015 were closely reviewed and discussed in the meeting on April 12, 2016 with the CFO and representatives of the auditor.

The audit report of the auditor was comprehensively dealt with at the accounts meeting of the Supervisory Board in the presence of representatives of the auditor on the same day; all members of the Supervisory Board received the audit reports prior to the meeting. The Chairman of the Audit Committee, Professor Dr Schindler, reported on the preceding meeting of the Audit Committee. Representatives of the auditor reported on the main results of the audit and elaborated in detail on the extent and the focus of the audit.

The Supervisory Board approved the results of the audit. According to the final results of the review by the Audit Committee and the Supervisory Board's own review, no objections were raised. The Supervisory Board approved the annual financial statements and the consolidated annual financial statements of Rocket Internet for the financial year 2015 in accordance with the recommendation of the Audit Committee. The annual financial statements of Rocket Internet for the financial year 2015 are therefore adopted.

7. Additional Information on the Focus of the Supervisory Board's Activities in 2016

In the financial year 2016 up to the date of this report, the Supervisory Board dealt in particular with the following measures: In January, after due and careful consideration and having dealt with the matter in previous meetings, the Supervisory Board approved Rocket Internet's involvement and investment in the Rocket Internet Capital Partners fund. In the same month, the Supervisory Board also approved the divestiture of Pizzabo and La Nevera Roja, two online food delivery platforms. In February, it approved the buy-back of some of the convertible bonds up to an amount of EUR 150.0 million until the end of 2016.

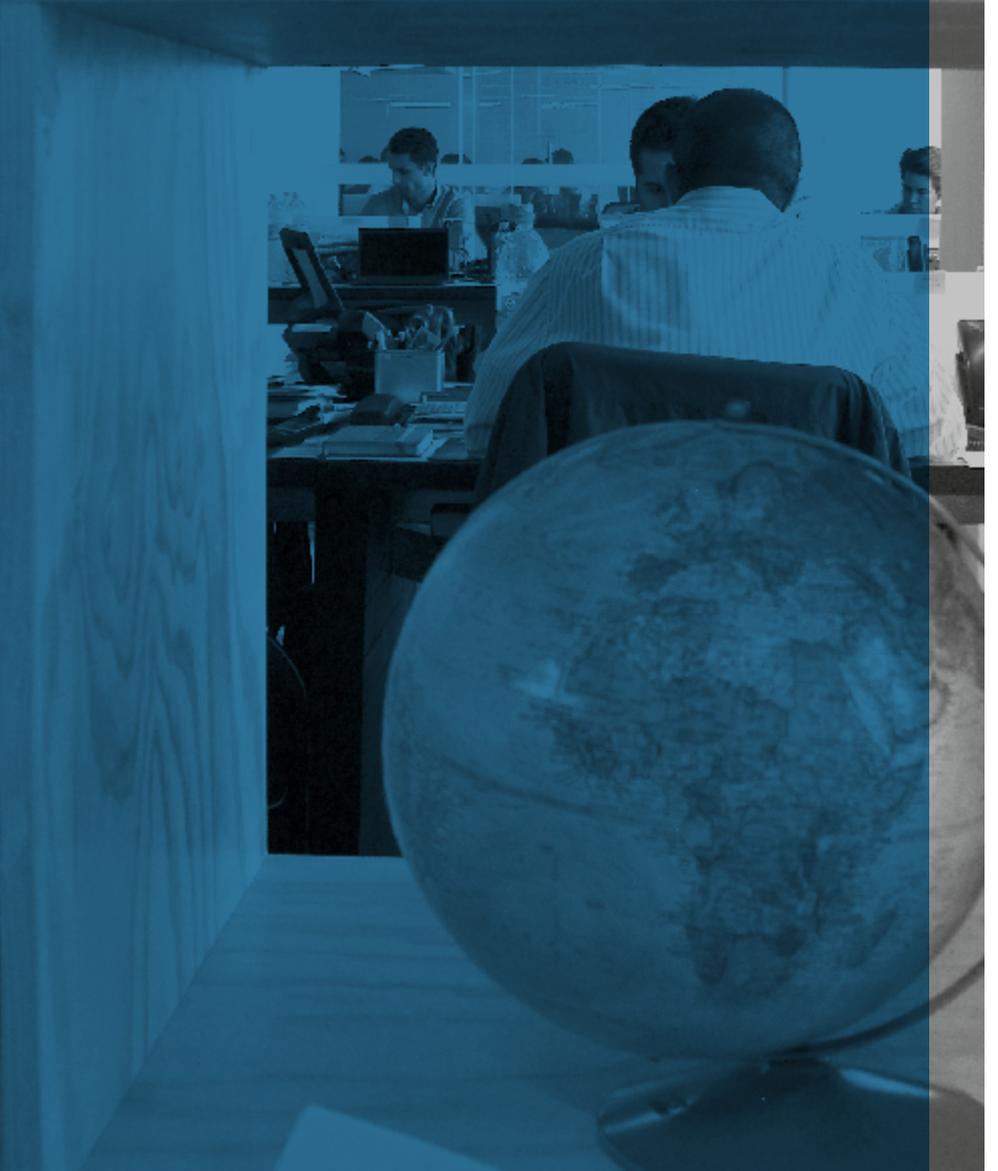
The Supervisory Board thanks the members of the Management Board and the employees of Rocket Internet and all group companies for their successful work in the financial year 2015.

Berlin, April 2016

For the Supervisory Board



Professor Dr Marcus Englert
Chairman of the Supervisory Board



2

Our Companies

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Our Companies – Introduction

Rocket Internet has built a large and geographically diverse network of companies, active in more than 110 countries across six continents.

At Rocket Internet, we focus our company building efforts on five industry sectors Food & Groceries, Fashion, General Merchandise, Home & Living and Travel and geographically on Europe, South-East Asia, Africa, Middle East and Latin America. Founding, investing in and increasing stakes in companies in these sectors allows Rocket Internet to capture exposure to online consumer spend.

Food & Groceries

Food & Groceries account for a significant part of consumer spending. We view this sector as particularly attractive, given the high frequency and repurchase characteristics. We have focused on the two most attractive models in the Food & Groceries sector where we seek to build and maintain market leading positions. HelloFresh has been able to establish an international position in the personalized fresh food at home market. In 2015, HelloFresh entered into a strategic partnership with one of the preeminent chefs Jamie Oliver.

The second model, in which we have invested significantly in 2015, is marketplaces for online food takeaway. Rocket Internet owns 37.3% in Delivery Hero - one of the world's largest food networks – with a presence in more than 33 markets, focusing mainly on Continental Europe, Turkey and the Middle East. In addition, we increased our ownership in foodpanda, a market leader in online food takeaway in emerging markets. foodpanda operates in 26 countries in Eastern Europe, the Middle East, South-East Asia and Africa.

Fashion

In 2015, the roll up of our five emerging market online Fashion companies Lamoda, Dafiti, Namshi, Zalora and Jabong into Global Fashion Group was completed. These online fashion retailers offer a wide variety of internationally renowned brands as well as private labels in product categories covering men's, women's and children's clothing, shoes, accessories as well as a certain selection of home decor and beauty items. Overall, the group targets a population across four continents in 27 markets.

General Merchandise

The General Merchandise sector comprises companies offering a broad assortment of consumer products (including consumer electronics, fashion, home & living, sporting goods, media as well as health & beauty products). Our General Merchandise businesses have shifted to be predominantly marketplace models, allowing merchants to list and transact their product via the platform. Our General Merchandise companies are Lazada in the Asia-Pacific region, Jumia in Africa and Linio in Latin America.

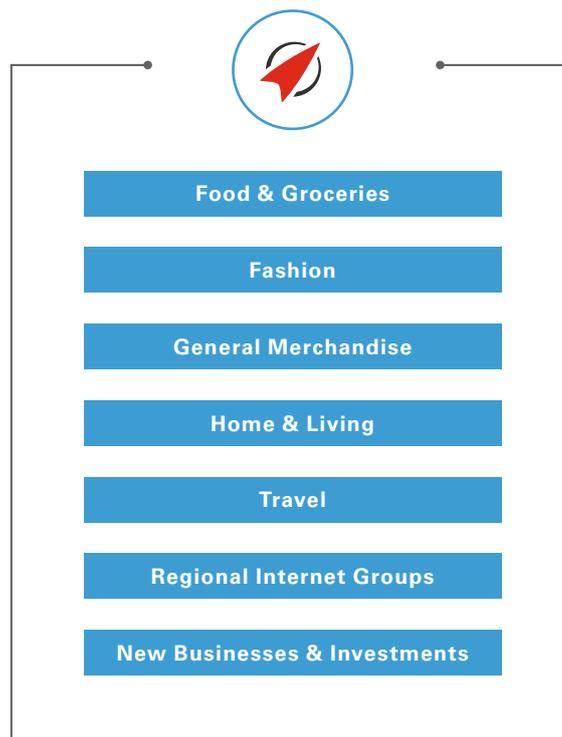
Home & Living

Our two companies that operate in the Home & Living sector are Home24 and Westwing. Home24 is a leading online shop for home & living products in Europe, operating in seven European countries and in Brazil, Russia and Kazakhstan. Westwing is a leading international home & living eCommerce company that offers a frequently changing, curated selection of home & living products to its customers in eleven European countries and Brazil.

Travel

Our company in the Travel sector is Traveloka, a company that offers a flight search engine and hotel booking service in South-East Asia.

We Focus on Online and Mobile Business Models that Satisfy Basic Consumer Needs



Regional Internet Groups

Our Regional Internet Groups combine the local market know-how with regional commercial partnerships and sourcing. The Regional Internet Groups support the roll-out of different business models in their respective regions and benefit from the strategic partnerships with large local telecommunication operators, who are also co-investors in the respective Regional Group. Asia Pacific Internet Group is headquartered in Singapore, Middle East Internet Group in Dubai and Africa Internet Group in Lagos and Paris.

New Businesses & Investments

In addition to the companies in our focus sectors, we own stakes in companies at different development stages, ranging from recently launched models to companies that are in the process of building leadership positions and that are expanding their geographic reach. Rocket Internet also holds financial investments in other Internet companies.

The participation quotas shown in the Chapter "Our Companies" may differ compared to respective figures shown in other parts of this Annual Report. The differences are caused by the consideration of unallocated trust shares, which have for accounting purposes been allocated to the Group, by the elimination of treasury shares when calculating ownership interests for accounting purposes as well as by agreements in which signing and closing do not occur simultaneously. All the numbers relating to participation quotas in the Annual Report (except stated otherwise) are calculated on a non-diluted basis. Financing rounds or other transactions that happened post end of March are not reflected in this Annual Report. "Founded" indicates in this chapter the legal foundation year which often precedes the operational launch date.



Food & Groceries

EUR
534.4 million
2015 Revenues

Our companies in the Food & Groceries sector include HelloFresh, a leader in the personalized fresh food at home market as well as Delivery Hero and foodpanda, our two online marketplace companies that offer food takeaway in complementary geographies. In 2015, our companies in the Food & Groceries sector had EUR 534.4 million in revenues, an increase of 225% over 2014.



2011

Founded

Subscription Commerce

Business Model

1,177

Dec 2015, Headcount

Europe, North America, Asia-Pacific

Regions

Sector

Fresh Food at Home

Rocket Internet Stake
December 2015

56.4%

HelloFresh launched its operations in the first quarter of 2012. The company delivers fresh, pre-portioned ingredients that enable its subscribers to prepare healthy and delicious home-cooked meals each week using the company’s recipes. HelloFresh currently operates in the United States, the United Kingdom, Germany, the Netherlands, Belgium, Australia and Austria. HelloFresh is a leading global online provider of personalized fresh food at home, having delivered more than seven million meals in January 2016 and having grown its revenue in the financial year 2015 to EUR 305.0 million.

Every week, HelloFresh’s local nutritionists create diverse and healthy menus, tailored to match each market’s seasonality and the customers’ preferences. The high quality ingredients are selectively purchased from local suppliers and finest purveyors. All ingredients are pre-portioned to match the corresponding recipes, avoiding waste and making cooking as convenient as possible. HelloFresh operates a flexible subscription model that allows customers to pause and cancel orders according to their needs. The meals are delivered using insulated packaging, allowing for a very high level of freshness. HelloFresh operates a just-in-time business model with close to zero inventory and very low fulfillment costs per order. The company’s business is technology driven, utilizing the weekly subscriber data. HelloFresh’s technology platform supports all departments within the group with a purpose-built suite of software tools across recipe creation, procurement, production, delivery and marketing. In January 2016, HelloFresh launched its strategic partnership with Jamie Oliver, further endorsing HelloFresh as a leading international brand.



HelloFresh delivers ingredients for healthy home cooked meals in 7 countries

The following table provides an overview of HelloFresh's consolidated key financials, which have been derived from HelloFresh's accounting or controlling records and have been prepared on the basis of IFRS and HelloFresh's key performance indicators, which are based on management reports.

HelloFresh's net revenue increased by 338.0% from EUR 69.6 million in 2014 to EUR 305.0 million in 2015 driven by the continued strong increase (255.8%) of active subscribers.

HelloFresh's adjusted EBITDA margin decreased from -17.6% in 2014 to -28.3% in 2015 due to further logistics and marketing investments.

Net working capital changed from EUR -7.2 million as of December 31, 2014 to EUR -28.4 million as of December 31, 2015 in line with its subscription based model.

HelloFresh's cash and cash equivalents increased from EUR 19.8 million as of December 31, 2014 to EUR 109.2 million as of December 31, 2015 as a result of funding rounds during 2015.

Key Figures

Key Financials (in EUR million)	FY 2015	FY 2014
Net revenue	305.0	69.6
<i>% growth</i>	338.0%	391.8%
Adjusted EBITDA ¹⁾	(86.2)	(12.2)
<i>% margin</i>	(28.3%)	(17.6%)
Capex ²⁾	5.6	0.7
<i>% of net revenue</i>	1.8%	1.0%

Balance Sheet (in EUR million)	Dec 31, 15	Dec 31, 14
Net working capital ³⁾	(28.4)	(7.2)
Cash position	109.2	19.8

Key Performance Indicators (in million)	FY 2015	FY 2014
Number of servings delivered ⁴⁾	49.5	12.3
<i>% growth</i>	302.4%	412.5%
Active subscribers ⁵⁾ (in thousand)	614.5	172.7
<i>% growth</i>	255.8%	444.8%

(1) Adjusted EBITDA is calculated as (i) EBIT (FY 2014: loss of EUR 15.8m; FY 2015: loss of EUR 115.5m) plus (ii) depreciation of property, plant and equipment and amortization of intangible assets (FY 2014: EUR 0.2m; FY 2015: EUR 0.6m). Adjusted EBITDA excludes share based compensation expenses and non-recurring items that amounted to EUR 3.3m in FY 2014 and EUR 28.6m in FY 2015.

(2) Capital expenditure is calculated as (i) purchase of property, plant and equipment (FY 2014: EUR 0.7m; FY 2015: EUR 5.6m) plus (ii) acquisition of intangible assets excluding goodwill (FY 2014: None; FY 2015: EUR 0.1m).

(3) Net working capital is calculated as (i) inventories (December 31, 2014: EUR 1.4m; December 31, 2015: EUR 5.6m) plus (ii) trade receivables (December 31, 2014: EUR 2.7m; December 31, 2015: EUR 11.5m) minus (iii) trade payables (December 31, 2014: EUR 11.2m; December 31, 2015: EUR 45.5m).

(4) Number of all servings/meals sold and shipped to customers in period.

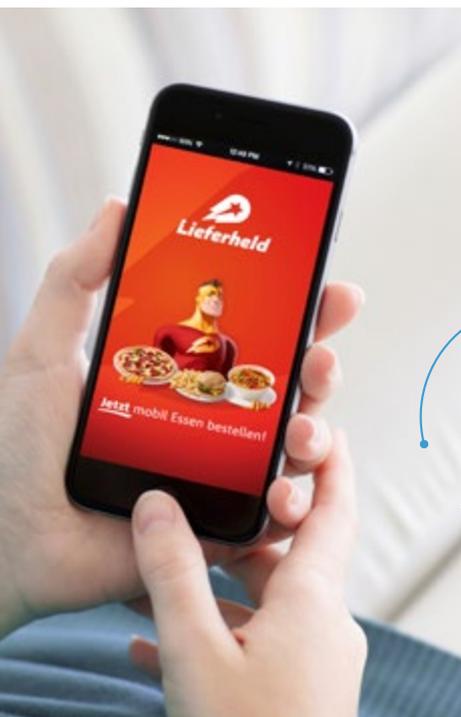
(5) Number of people subscribed to services and having ordered at least once during the last three months of the period presented.



2011 Founded	Marketplace Business Model
3,332 Dec 2015, Headcount	Worldwide Regions
Sector	Food Takeaway
Rocket Internet Stake December 2015	37.3% ⁽¹⁾

Delivery Hero launched its operations in May 2011 and has since become one of the world’s largest online food networks with more than 300,000 participating restaurants, processing food orders of customers in more than 33 countries across five continents. In addition to the highly recognized Delivery Hero brand, the company also serves its customers through several distinct brands, specifically Lieferheld and Pizza.de in Germany, Yemeksepeti in Turkey, Talabat in the Middle East, PedidosYa and ClickDelivery in Latin America, hungryhouse in the United Kingdom, Mjam in Austria, DameJidlo in Czech Republik, PizzaPortal in Poland, OnlinePizza in Sweden, Pizza-online in Finland, hungry.dk in Denmark, Yogiyo and Baedaltong in Korea and Foodarena in Switzerland. The very scalable business model, which demonstrated strong organic growth, was complemented by a series of acquisitions, leading to Delivery Hero’s triple-digit growth and a GMV of more than EUR 1.6 billion in 2015. Delivery Hero processed an average of about 9.3 million orders per month in 2015, making it a leading company in the online food delivery sector. The company employed more than 3,300 people as of December 2015. Customers can access the vast variety of dishes via Delivery Hero’s websites, mobile web as well as mobile (iOS, Android) and tablet applications, which are top ranked and have proven to be very successful. Characterized by user friendly interfaces and state-of-the-art technology, the mobile apps are currently responsible for over 50% of total orders placed. Delivery Hero distinguishes itself by algorithmic order processing and vertical integrated point of sale technology, comprising best in-class analytics. Due to the incremental revenue stream for restaurants and the high convenience of the service for consumers, Delivery Hero’s customers as well as its restaurant partners are characterized by a high degree of loyalty and high return rates.

(1) Ownership shown on a fully diluted basis.



Delivery Hero operates one of the world's largest online food networks

Throughout 2015, Delivery Hero made several acquisitions, including the acquisition of Damejidló and Jidloted in the Czech Republic as well as in Slovakia, Yemeksepeti in Turkey, eFood in Greece and Talabat in the Middle East. Moreover, it acquired foodora, a high quality food delivery service active in ten countries, which was subsequently merged with its own high quality delivery branch Urban Taste.

The following table provides an overview of Delivery Hero's key performance indicators which have been taken from management reports.

Delivery Hero's GMV increased by 148.4% from EUR 656.7 million as of December 31, 2014 to EUR 1,631.3 million as of December 31, 2015.

Delivery Hero's number of orders increased by 182.6% from 39.5 million in 2014 to 111.6 million in 2015, leading to a respective increase of net revenue by 124.8%.

Net revenue changed from EUR 88.0 million as of December 31, 2014 to EUR 197.9 million as of December 31, 2015, on account of the increased scale of operations and number of orders.

Key Figures

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV (in EUR million)	1,631.3	656.7
<i>% growth</i>	148.4%	115.9%
Total orders	111.6	39.5
<i>% growth</i>	182.6%	139.8%
Net revenue (in EUR million)	197.9	88.0
<i>% growth</i>	124.8%	111.2%



 **foodpanda**

2013

Founded (current legal entity)

Marketplace

Business Model

3,392

Dec 2015, Headcount

Emerging Markets

Regions

Sector

Food Takeaway

Rocket Internet Stake
December 2015

49.1%

foodpanda operates a leading emerging markets online marketplace for food delivery and takeaway in more than 500 cities across 26 countries in Europe, the Middle East, Russia, CIS, India, Asia-Pacific and Latin America. Based on its very scalable business model and the untapped market potential, foodpanda has grown substantially since its launch in 2012, both organically and through investments in complementary businesses. The company had 3,392 employees as of December 2015. foodpanda's customers can order food from over 35,000 partner restaurants around the globe via their mobile, tablet or desktop devices. Its mobile apps have proven particularly very successful, have been downloaded over 15.5 million times and accounted for 53% of foodpanda's 22.6 million total orders in 2015. The automated state-of-the-art order transmission technology, enabled foodpanda to increase the automation rate to over 80% in 2015, ensuring efficient order processing. Both, the consumers who order and the restaurants that offer meals are loyal repeat customers, since restaurants benefit from incremental revenue generation, while consumers benefit from the convenience, customer service and mobile focus. foodpanda's active user base was 4.9 million for the full year of 2015. foodpanda partners with several leading messaging apps around the world, such as WeChat, Viber and Talk in order to address users with targeted messages and push downloads of the foodpanda app.

In November 2015, foodpanda launched a separate product for corporate clients, offering a more convenient order management for both the companies and their employees. In 2015, foodpanda complemented its strong organic growth with several acquisitions. The noteworthy transactions are the acquisition of Just Eat in India, FoodbyPhone in Thailand, Koziness and MaiDan in Hong Kong, EatOye in Pakistan, the Foodrunner network with branches in Singapore, Malaysia and the Philippines, Hungerstation in Saudi Arabia and Otlob in Egypt.

Food & Groceries



More than 50% of foodpanda's total orders are placed through a mobile device



The following table provides an overview of foodpanda's consolidated key financials, which are derived from foodpanda's accounting or controlling records and have been prepared on the basis of IFRS and foodpanda's key performance indicators, which are based on management reports.

In 2015, foodpanda continued its strong growth, both organically and through acquisitions. Gross merchandise volume increased by 128.3% from EUR 116.7 million in 2014 to EUR 266.4 million in 2015. Organic growth was realized by adding new vendors, expansion to new countries and cities, acquisition of new customers and improved customer loyalty.

The number of orders increased by 158.6% from 8.7 million in 2014 to 22.6 million in 2015, driven mostly by the strong increase in the active user base. Revenue increased by 373.0% from EUR 6.7 million in 2014 to EUR 31.5 million as of December 2015.

Adjusted EBITDA is negative as the business is in a high growth phase, investing heavily in marketing and its infrastructure.

foodpanda closed the year with a cash position of EUR 97.9 million, following several successful funding rounds in 2015 as it continues to benefit from strong investor interest in its business model.

Key Figures

Key Financials (in EUR million)	FY 2015	FY 2014
Net revenue	31.5	6.7
<i>% growth</i>	373.0%	838.9%
Gross profit	30.0	6.5
<i>% margin</i>	95.2%	97.4%
Adjusted EBITDA ¹⁾	(102.6)	(33.6)
<i>% margin</i>	N/M	N/M
Capex ²⁾	53.5	44.9
<i>% of net revenue</i>	N/M	N/M

Balance Sheet (in EUR million)	Dec 31, 15	Dec 31, 14
Net working capital ³⁾	(9.4)	(5.9)
Cash position	97.9	44.5

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV ⁴⁾ (in EUR million)	266.4 ⁶⁾	116.7 ⁶⁾
<i>% growth</i>	128.3%	N/M
Total orders ⁵⁾	22.6 ⁶⁾	8.7 ⁶⁾
<i>% growth</i>	158.6%	N/M

(1) Adjusted EBITDA is calculated as (i) operating profit or loss (FY 2014: loss of EUR 39.6m; FY 2015: loss of EUR 117.5m) plus (ii) depreciation of property, plant and equipment (FY 2014: EUR 0.2m; FY 2015: EUR 0.6m) plus (iii) amortization of intangible assets (FY 2014: EUR 1.4m; FY 2015: EUR 8.4m). Adjusted EBITDA excludes share based compensation expenses that amounted to EUR 4.5m in FY 2014 and EUR 5.9m in FY 2015.

(2) Capital expenditure is calculated as (i) purchase of property, plant and equipment (FY 2014: EUR 0.4m; FY 2015: EUR 2.7m) plus (ii) acquisition of intangible assets including acquisition of subsidiaries and businesses, net of cash acquired, NCI and Investment in associate & other financial assets (FY 2014: EUR 44.4m; FY 2015: EUR 50.7m).

(3) Net working capital is calculated as (i) inventories (December 31, 2014: EUR 0.2m; December 31, 2015: EUR 0.5m) plus (ii) trade and other receivables (December 31, 2014: EUR 5.3m; December 31, 2015: EUR 10.1m) minus (iii) trade and other payables (December 31, 2014: EUR 11.3m; December 31, 2015: EUR 19.9m).

(4) The total value of "total orders" sold in period, converted to EUR using period specific exchange rates, including commission, delivery and service fees, and taxes.

(5) Total number of orders booked and delivered.

(6) Pro forma for acquisitions.



Fashion

In 2015, we completed the roll up of Global Fashion Group, which consists of five emerging market fashion eCommerce companies: Lamoda, Dafiti, Namshi, Zalora and Jabong. These online fashion retailers offer a variety of men's, women's and children's clothing, shoes and accessories, as well as a certain selection of home decor and beauty items. In 2015, Global Fashion Group had EUR 930.1 million in revenues, an increase of 48% over 2014.

EUR
930.1 million
2015 Revenues



GFG GLOBAL FASHION GROUP

2014

Founded

eCommerce

Business Model

10,548

Dec 2015, Headcount

Emerging Markets

Regions

Sector

Fashion

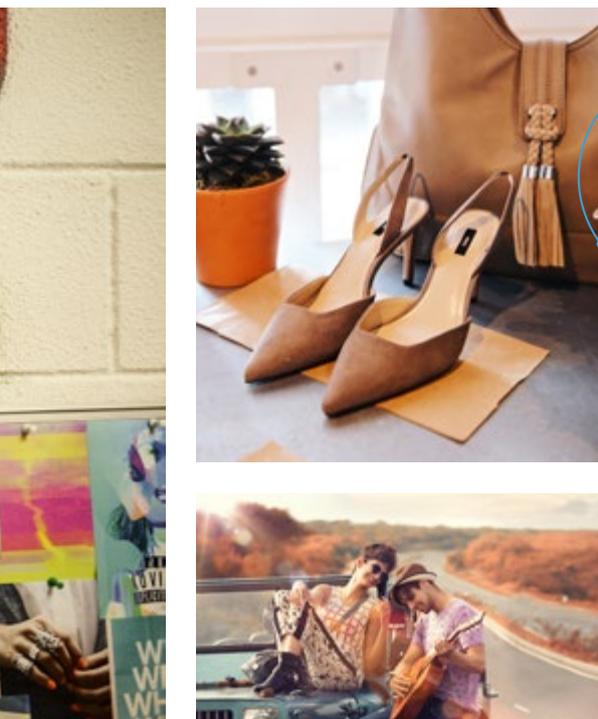
Rocket Internet Stake
December 2015

22.5%^{(1) (2)}

Global Fashion Group (GFG) is a leading online fashion destination focused on emerging markets. In 2015, the group's roll up was completed, uniting six emerging market fashion eCommerce companies Lamoda (Russia/CIS), Dafiti (Brazil/LatAm), Namshi (Middle East), Zalora (South-East Asia), The Iconic (Australia) and Jabong (India). GFG operates across four continents and 27 countries, employing over 10,000 people. With a focus on emerging markets, GFG targets a EUR 368 billion fashion market and over 2.5 billion people, who rapidly continue to move and purchase online. GFG provides a best in-class shopping experience to its more than 15 million total customers, by offering a wide assortment of more than 3,000 leading international and local fashion brands as well as private labels. By working closely with local logistics providers as well as, in some cases, the establishment of own distribution networks, the companies are able to offer cost effective delivery services, including in some countries same day delivery options and free shipping across all regions. The group's companies distinguish themselves through a high degree of customer service, excellent technology and highly engaging mobile applications. The group facilitates global best practice sharing across functions, creating economies of scale in sourcing international brands and marketing with global media channels, strengthening the joint private label efforts, enhancing the company's ability to attract and retain top talent and accelerating the development of technology platforms.

(1) Anticipates completion of last roll up step in creation of the Global Fashion Group.
 (2) Overall Rocket Internet's ownership is 24.8% if including the stake held through Latin America Internet Group.

Fashion



Global Fashion Group operates across four continents

Key Figures

Key Financials (in EUR million)	FY 2015	FY 2014 ⁽⁸⁾
Net revenue	930.1 ⁽⁹⁾	627.4
<i>% growth</i>	48.2%	97.8%
Gross profit	318.5 ⁽⁹⁾	186.3
<i>% margin</i>	34.2%	29.7%
Adjusted EBITDA ⁽¹⁾	(275.3) ⁽⁹⁾	(234.7)
<i>% margin</i>	(29.6%)	(37.4%)
Capex ⁽²⁾	27.4 ⁽⁹⁾	n.a.
<i>% of net revenue</i>	2.9%	n.a.

Balance Sheet (in EUR million)	Dec 31, 15	Dec 31, 14
Net working capital ⁽³⁾	17.4 ⁽⁹⁾	n.a.
Cash position	76.7 ⁽⁹⁾	223.8 ⁽⁹⁾

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV ⁽⁴⁾ (in EUR million)	1,494.3	1,025.2
<i>% growth</i>	45.8%	70.7%
Total orders ⁽⁵⁾	23.6	18.6
<i>% growth</i>	26.9%	79.8%
Total customers ⁽⁶⁾	15.3	9.4
<i>% growth</i>	62.2%	80.1%
Active customers (LTM) ⁽⁷⁾	7.7	5.8
<i>% growth</i>	32.9%	50.8%

In 2015, Global Fashion Group raised EUR 181 million in additional funding from existing shareholders. Moreover, it acquired two Brazilian online fashion businesses, Kanui and Tricae, in a share for share transaction from Rocket Internet. In 2015, GFG appointed Romain Voog as CEO and Nils Chrestin as CFO of GFG. In November 2015, GFG appointed Sanjeev Mohanty as the new CEO of GFG's Indian business Jabong.

The following table provides an overview of GFG's consolidated key financials, which have been derived from GFG's accounting or controlling records and have been prepared on the basis of IFRS and GFG's key performance indicators, which are based on management reports.

GFG's net revenue increased by 48.2%, from EUR 627.4 million in 2014 to EUR 930.1 million in 2015, driven by an increase in the number of active customers (+32.9%) and orders (+26.9%).

Gross profit grew from EUR 186.3 million in 2014 to EUR 318.5 million in 2015, while the gross profit margin changed by 4.5 percentage points, from 29.7% in 2014 to 34.2% in 2015.

The adjusted EBITDA margin improved by 7.8 percentage points to -29.6% in 2015 from -37.4% in 2014.

Net working capital was EUR 17.4 million as of December 31, 2015.

GFG's cash and cash equivalents amounted to EUR 76.7 million as of December 31, 2015.

(1) Adjusted EBITDA is calculated as (i) operating profit or loss (FY 2015: loss of EUR 384.0m) plus (ii) depreciation of property, plant and equipment (FY 2015: EUR 9.9m) plus (iii) amortization of intangible assets (FY 2015: EUR 60.3m). Adjusted EBITDA excludes share based compensation expenses that amounted to EUR 38.6m in FY 2015.

(2) Capital expenditure is calculated as (i) purchase of property, plant and equipment (FY 2015: EUR 20.7m) plus (ii) acquisition of intangible assets (FY 2015: EUR 6.7m).

(3) Net working capital is calculated as (i) inventories (December 31, 2015: EUR 166.5m) plus (ii) trade and other receivables (December 31, 2015: EUR 48.3m) minus (iii) trade and other payables (December 31, 2015: EUR 197.4m).

(4) The total value of "total orders" sold in period, excluding taxes and shipping costs, including value of vouchers.

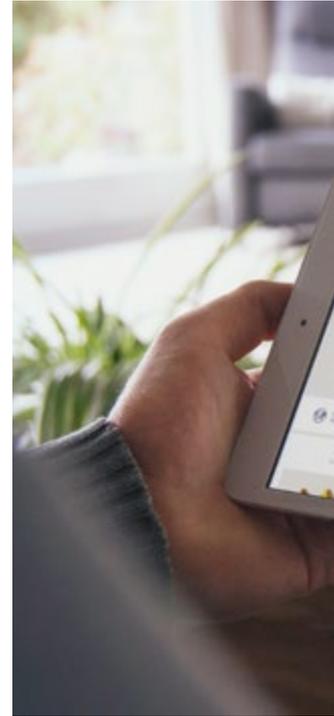
(5) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period.

(6) Number of customers that have made at least one order as defined in "total orders" at any time before end of period.

(7) Number of customers having made at least one order as defined in "total orders" within the last 12 months before end of period.

(8) Based on simple aggregation and not a true consolidation.

(9) Derived from unaudited consolidated financial statements of GFG. Differences relative to sum-of-the-parts are due to eliminations, holding and other.





мода с доставкой

<p>2010 Founded</p> <p>4,011 Dec 2015, Headcount</p>	<p>eCommerce Business Model</p> <p>CIS Regions</p>
Sector	Fashion

Lamoda has become one of the leading and most recognized online retailers for fashion in the CIS. Since its launch in Russia in 2011, the company has expanded into Kazakhstan in 2012, where it soon became the market leader, as well as into Ukraine the following year. Lamoda commenced its Belarus operations in 2014. In 2015, the company recorded net revenue of RUB 15,946.7 million, an increase of 67.9% over the previous year and as of December 2015 Lamoda employed more than 4,000 people. The company offers a growing range of men’s, women’s and children’s clothing, shoes and accessories, sourced from well-known designers as well as promising young brands and has also set-up its own complementary, fast growing private labels. Through its website and its mobile applications, which regularly rank high in app-stores, customers can access more than 100,000 products from over 1,000 regional and international brands. In 2015, over 30% of net revenue was generated through the mobile website and applications.

Since its launch, Lamoda has shown high customer growth rates as well as increasing repurchase rates. In 2015 Lamoda invested in its fulfillment center in order to accommodate the steady increase in orders. By establishing its own distribution and delivery capabilities, which process more than 70% of the shipments, Lamoda successfully overcame the logistics challenge in Russia, offering a high quality service, including try-on services as well as next day delivery options in more than 130 cities.

Fashion



Lamoda's mobile applications rank high in app-stores

Key Figures

Key Financials (in RUB million)	FY 2015	FY 2014
Net revenue	15,946.7	9,496.2
% growth	67.9%	84.4%
Gross profit	6,486.3	3,879.1
% margin	40.7%	40.8%
Adjusted EBITDA ¹⁾	(2,737.4)	(2,158.1)
% margin	(17.2%)	(22.7%)

Balance Sheet (in RUB million)	Dec 31, 15	Dec 31, 14
Net working capital ²⁾	659.5	(483.9)

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV ³⁾ (in RUB million)	43,909.3	23,527.2
% growth	86.6%	99.8%
Total orders ⁴⁾	5.5	3.9
% growth	41.6%	70.3%
Total customers ⁵⁾	4.2	2.7
% growth	57.2%	88.2%
Active customers (LTM) ⁶⁾	2.2	1.7
% growth	33.8%	52.1%

In 2015, the company was able to maintain strong growth and improve its margins despite the challenging macroeconomic development in Russia and CIS. Lamoda added numerous new brands throughout 2015 including Michael Kors, Benetton, Blukids, Replay, GAP, Antony Morato, Kurt Geiger, Aeronautica Militare and further increased focus on the private label brand Lost Ink. In November 2015, Lamoda received the National Internet Award in the categories "Internet shops" and "Site with the best marketing potential". Lamoda recently introduced a marketplace model, offering local retailers the possibility to sell their products online via the Lamoda website, thereby expanding its product range and enhancing the potential for market share gains and further growth.

The following table provides an overview of Lamoda's consolidated key financials, which have been derived from Lamoda's accounting or controlling records and have been prepared on the basis of IFRS and Lamoda's key performance indicators, which are based on management reports.

Lamoda's net revenue increased by 67.9%, from RUB 9,496.2 million in 2014 to RUB 15,946.7 million in 2015, driven by an increase in total customers (57.2%) and total orders (41.6%).

The gross profit margin changed slightly, from 40.8% in 2014 to 40.7% in 2015.

The adjusted EBITDA margin improved by 5.5 percentage points to -17.2% in 2015 from -22.7% in 2014, due to the active management of costs in logistic and inventory.

Net working capital changed from RUB -483.9 million as of December 31, 2014 to RUB +659.5 million as of December 31, 2015.

(1) Adjusted EBITDA is calculated as (i) operating profit or loss (FY 2014: loss of RUB 2,382.9m; FY 2015: loss of RUB 3,065.3m) plus (ii) depreciation of property, plant and equipment (FY 2014: RUB 134.8m; FY 2015: RUB 232.2m) plus (iii) amortization of intangible assets (FY 2014: RUB 32.0m; FY 2015: RUB 67.6m). Adjusted EBITDA excludes share based compensation expenses that amounted to RUB 58.1m in FY 2014 and RUB 28.1m in FY 2015.

(2) Net working capital is calculated as (i) inventories (December 31, 2014: RUB 1,841.5m; December 31, 2015: RUB 2,912.1m) plus (ii) trade and other receivables (December 31, 2014: RUB 111.8m; December 31, 2015: RUB 189.2m) minus (iii) trade and other payables (December 31, 2014: RUB 2,437.2m; December 31, 2015: RUB 2,441.9m).

(3) The total value of "total orders" sold in period, excluding taxes and shipping costs.

(4) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period.

(5) Number of customers that have made at least one order as defined in "total orders" at any time before end of period.

(6) Number of customers having made at least one order as defined in "total orders" within the last 12 months before end of period.



dafiti

2010
Founded

eCommerce
Business Model

3,404
Dec 2015, Headcount

Latin America
Regions

Sector

Fashion

Dafiti launched its business in 2011 and has developed into one of the best known online fashion retailers in Latin America. It operates in four Latin American countries, Brazil, Argentina, Chile and Colombia and employed more than 3,400 people as of December 2015. Dafiti's net revenue has grown to more than BRL 856.4 million in the year 2015. Dafiti offers an increasing variety of men's, women's and children's clothing, shoes and accessories, as well as home decor products sourced from a large portfolio of third-party vendors. Its products range from popular high-street brands and designer labels to exclusive private label brands launched by Dafiti, which have established themselves as top-sellers in key categories. Offering more than 180,000 products from over 2,700 different international brands in Brazil alone, the company has one of the largest online portfolios of products in the region. Dafiti's share of mobile sales is increasing constantly; its customers are able to browse and shop via both desktop and mobile websites as well as through Dafiti's proprietary universal iOS and Android applications, which have been downloaded more than six million times. Dafiti continues to invest in its logistics infrastructure with own storage facilities, distribution and delivery capabilities and its customer care service. In order to offer an even greater portfolio to its customers, Dafiti started the establishment of a marketplace model for fashion and lifestyle products in 2015. This is expected to promote further growth.

Fashion



Dafiti's private labels have established themselves as top-sellers

In order to foster future growth and strengthen its positioning in the sports and kids market, in 2015, Dafiti acquired two online eCommerce platforms Kanui and Tricae, focusing on men's and children's fashion respectively. Also, Dafiti started new customer service operations and opened a second service center in Brazil.

The following table provides an overview of Dafiti's consolidated key financials, which have been derived from Dafiti's accounting or controlling records and have been prepared on the basis of IFRS and Dafiti's key performance indicators, which are based on management reports.

In 2015, Dafiti continued its growth trajectory, net revenue increased by 44.6%, from BRL 592.2 million in 2014 to BRL 856.4 million, driven by a 37.2% increase in the number of customers and an increase in the average order size.

The gross profit margin changed by one percentage point to 38.6% in 2015 from 37.6% in 2014.

The adjusted EBITDA margin improved from -35.2% in 2014 to -27.1% in 2015.

Net working capital changed from BRL -34.8 million as of December 31, 2014 to BRL -24.7 million as of December 31, 2015.

Key Figures

Key Financials (in BRL million)	FY 2015	FY 2014
Net revenue	856.4	592.2
<i>% growth</i>	44.6%	41.2%
Gross profit	331.0	222.4
<i>% margin</i>	38.6%	37.6%
Adjusted EBITDA ¹⁾	(231.7)	(208.2)
<i>% margin</i>	(27.1%)	(35.2%)

Balance Sheet (in BRL million)	Dec 31, 15	Dec 31, 14
Net working capital ²⁾	(24.7)	(34.8)

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV ³⁾ (in BRL million)	867.7	625.9
<i>% growth</i>	38.6%	37.1%
Total orders ⁴⁾	5.4	4.4
<i>% growth</i>	21.0%	34.3%
Total customers ⁵⁾	5.1	3.7
<i>% growth</i>	37.2%	57.4%
Active customers (LTM) ⁶⁾	2.4	2.1
<i>% growth</i>	14.6%	28.9%

(1) Adjusted EBITDA is calculated as (i) operating profit or loss (FY 2014: loss of BRL 223.5m; FY 2015: loss of BRL 274.5m) plus (ii) depreciation of property, plant and equipment (FY 2014: BRL 4.6m; FY 2015: BRL 6.0m) plus (iii) amortization of intangible assets (FY 2014: BRL 2.6m; FY 2015: BRL 7.6m). Adjusted EBITDA excludes share based compensation expenses that amounted to BRL 8.0m in FY 2014 and BRL 29.2m in FY 2015.

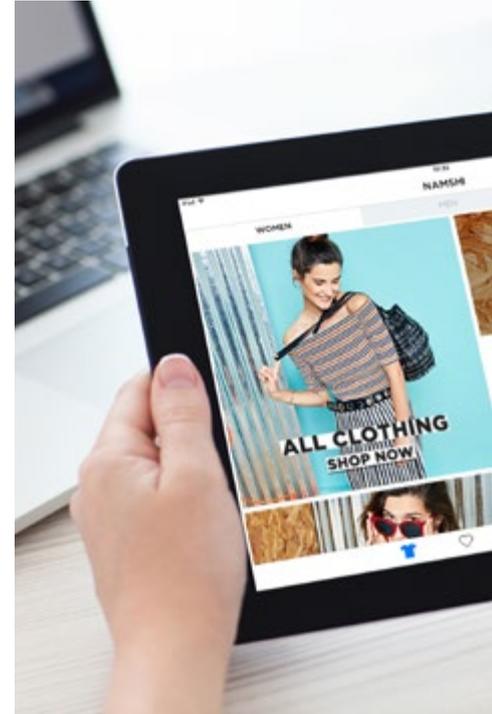
(2) Net working capital is calculated as (i) inventories (December 31, 2014: BRL 129.7m; December 31, 2015: BRL 133.8m) plus (ii) trade and other receivables (December 31, 2014: BRL 48.0m; December 31, 2015: BRL 37.6m) minus (iii) trade and other payables (December 31, 2014: BRL 212.5m; December 31, 2015: BRL 196.2m).

(3) The total value of "total orders" sold in period, excluding taxes and shipping costs, including value of vouchers.

(4) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period.

(5) Number of customers that have made at least one order as defined in "total orders" at any time before end of period.

(6) Number of customers having made at least one order as defined in "total orders" within the last 12 months before end of period.



NAMSHI

2012

Founded

eCommerce

Business Model

315

Dec 2015, Headcount

Middle East

Regions

Sector

Fashion

Namshi is a leading online fashion retailer in the Middle East, offering an assortment of clothing, shoes and accessories for men, women and children, both from local and international designers as well as from its own private labels. Namshi has successfully built an online fashion eCommerce presence in seven countries (Bahrain, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia and United Arab Emirates), capitalizing on the continuous shift to online purchases in the Middle Eastern region. Namshi's portfolio of more than 30,000 products from over 500 international brands can be accessed through its website, mobile sites as well as its top rated mobile applications. Mobile sales contributed to 81% of Namshi's total revenue of AED 439.0 million in 2015. Namshi has grown to 315 employees as of December 2015 and, by the end of the year, Namshi served more than 280,000 active customers.

In 2015, Namshi improved its assortment with local and international brands such as Mango, Topshop and Topman. Throughout 2015, the company continued its strong top line growth and invested in logistics infrastructure as well as new warehouses to provide a platform for future growth. This logistics strategy enables Namshi to offer same-day delivery options and to control the customer experience end-to-end in the United Arab Emirates.

The following table provides an overview of Namshi's consolidated key financials, which have been derived from Namshi's accounting or controlling records and have been prepared on the basis of IFRS and Namshi's key performance indicators, which are based on management reports.

Fashion



Namshi capitalizes on the continuous shift to online purchases in the Middle East

Namshi's net revenue increased further by 161.8%, from AED 167.7 million in 2014 to AED 439.0 million in 2015, due to the strong increase in customers as well as the increase in GMV of 160.8%.

Gross profit margin at Namshi was 54.1% in 2015, almost the same as in 2014.

Due to improved gross margins and an increase in order size the adjusted EBITDA margin improved by 9.8 percentage points, from -12.1% in 2014 to -2.3% in 2015, nearing the break-even point.

Net working capital increased in-line with Namshi's increase of operations from AED 9.3 million as of December 31, 2014 to AED 38.2 million as of December 31, 2015.

Key Figures

Key Financials (in AED million)	FY 2015	FY 2014
Net revenue	439.0	167.7
% growth	161.8%	215.2%
Gross profit	237.3	91.0
% margin	54.1%	54.3%
Adjusted EBITDA ¹⁾	(10.2)	(20.3)
% margin	(2.3%)	(12.1%)

Balance Sheet (in AED million)	Dec 31, 15	Dec 31, 14
Net working capital ²⁾	38.2	9.3

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV ³⁾ (in AED million)	522.6	200.4
% growth	160.8%	218.8%
Total orders ⁴⁾	1.2	0.5
% growth	152.3%	206.6%
Total customers ⁵⁾	0.8	0.3
% growth	147.2%	195.5%
Active customers (LTM) ⁶⁾	0.3	0.2
% growth	20.3%	207.8%

As a result of the formation of GFG, the capital and shareholder structure of the group and its underlying businesses has been aligned. This change has also required a change in accounting treatment of shareholder loans at Namshi. Starting from Q1 2015 the FX impact is no longer to be accounted for within EBITDA, but in equity (same policy applied for all GFG group companies). Prior periods have been adjusted on a pro-forma basis to allow like for like comparison over the disclosed periods.

(1) Adjusted EBITDA is calculated as (i) EBIT (FY 2014: loss of AED 24.6m; FY 2015: loss of AED 11.8m) plus (ii) depreciation of property, plant and equipment (FY 2014: AED 1.3m; FY 2015: AED 2.7m) plus (iii) amortization of intangible assets (FY 2014: AED 0.2m; FY 2015: AED 0.2m). Adjusted EBITDA excludes share based compensation expenses that amounted to AED 2.8m in FY 2014 and AED (1.2)m in FY 2015.

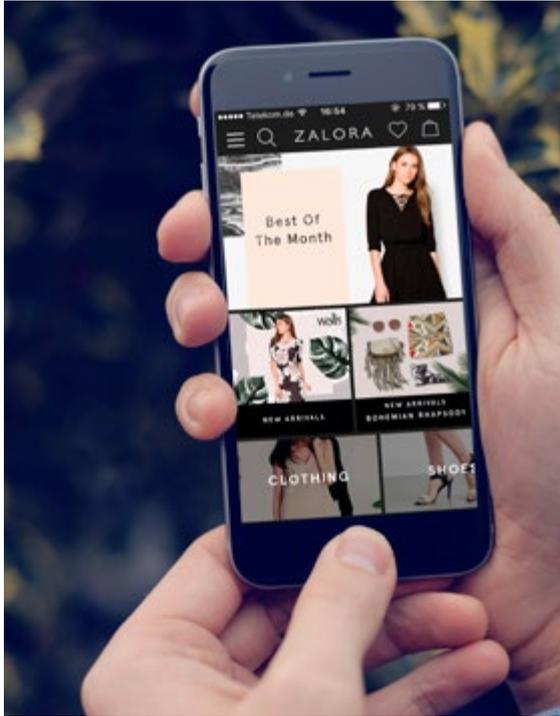
(2) Net working capital is calculated as (i) inventories (December 31, 2014: AED 23.8m; December 31, 2015: AED 61.5m) plus (ii) trade and other receivables including related parties (December 31, 2014: AED 15.7m; December 31, 2015: AED 30.2m) minus (iii) trade and other payables including related parties (December 31, 2014: AED 30.1m; December 31, 2015: AED 53.5m).

(3) The total value of "total orders" sold in period, excluding taxes and shipping costs, including value of vouchers.

(4) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period.

(5) Number of customers that have made at least one order as defined in "total orders" at any time before end of period.

(6) Number of customers having made at least one order as defined in "total orders" within the last 12 months before end of period.



ZALORA

2011

Founded

eCommerce

Business Model

2,154

Dec 2015, Headcount

Asia Pacific

Regions

Sector

Fashion

ZALORA Group is a leading online fashion retailer in the Asia-Pacific region. It offers clothing, shoes, accessories and beauty products in nine countries in South-East Asia and Greater China (Indonesia, Malaysia, the Philippines, Singapore, Taiwan, Thailand, Vietnam, Brunei and Hong Kong) under the ZALORA brand and in Australia and New Zealand under the brand The Iconic. Since its launch in March 2012, net revenue of ZALORA has grown to EUR 208.0 million in financial year 2015 and the company employed 2,154 people at the end of 2015. By offering an attractive mix of compelling high-street brands and its own eponymous private label, ZALORA has been able to continuously grow its loyal customer base, characterized by high repurchase rates. The Group's mobile apps, which have been downloaded over five million times, were redesigned in 2015, offering an improved user experience; 68% of the users now access the company's online stores through a mobile device. ZALORA successfully promotes general brand awareness and customer loyalty through its fashion blog and Facebook presence with currently 6.4 million followers. The company has an attractive value proposition among online fashion retailers as it offers more than 20,000 products from over 500 brands in each market. ZALORA is increasingly filling the gap of missing offline supply for affordable high street fashion that exists in many South-East Asian markets. ZALORA operates a local distribution network with its own last-mile delivery fleet, enabling it to offer cost-effective next day deliveries in most capital cities and an average delivery time in the very widespread territory of South-East Asia of only 2.4 days.

Fashion



Zalora's mobile applications have been downloaded over five million times

ZALORA continued to invest in its infrastructure including warehousing, customer experience, call center, payments and last mile delivery throughout 2015. In addition, the company further improved its assortment by adding key international brands such as Topman and Topshop. ZALORA's private label is one of the best selling brands, even though it is only available through ZALORA's own website. Throughout the year, ZALORA also focused on its marketplace model, facilitating merchants to sell directly over the Zalora platform.

The following table provides an overview of ZALORA's consolidated key financials, which have been derived from ZALORA's accounting or controlling records and have been prepared on the basis of IFRS and ZALORA's key performance indicators, which are based on management reports.

In 2015, ZALORA reported an increase of 77.5% in net revenue, from EUR 117.2 million in 2014 to EUR 208.0 million in 2015, driven by a 91.5% growth in the number of total customers and a strong increase in the number of transactions to 6.7 million.

The gross profit margin changed from 34.2% in 2014 to 35.0% in 2015.

Adjusted EBITDA margin improved by 13.7 percentage points from -58.6% in 2014 to -44.9% in 2015.

Adjusted EBITDA amounted to EUR -93.5 million in 2015.

Key Figures

Key Financials (in EUR million)	FY 2015	FY 2014
Net revenue	208.0	117.2
<i>% growth</i>	77.5%	70.2%
Gross profit	72.8	40.0
<i>% margin</i>	35.0%	34.2%
Adjusted EBITDA ¹⁾	(93.5)	(68.7)
<i>% margin</i>	(44.9%)	(58.6%)

Balance Sheet (in EUR million)	Dec 31, 15	Dec 31, 14
Net working capital ²⁾	2.9	8.4

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV ³⁾ (in EUR million)	274.3	151.6
<i>% growth</i>	81.0%	80.3%
Total orders ⁴⁾	6.1	3.8
<i>% growth</i>	58.5%	89.5%
Total transactions ⁵⁾	6.7	3.9
<i>% growth</i>	70.6%	91.4%
Total customers ⁶⁾	5.2	2.7
<i>% growth</i>	91.5%	102.2%
Active customers (LTM) ⁷⁾	2.7	1.8
<i>% growth</i>	55.4%	72.9%

(1) Adjusted EBITDA is calculated as (i) operating profit or loss (FY 2014: loss of EUR 81.3m; FY 2015: loss of EUR 104.2m) plus (ii) depreciation of property, plant and equipment (FY 2014: EUR 0.7m; FY 2015: EUR 1.4m) plus (iii) amortization of intangible assets (FY 2014: EUR 0.4m; FY 2015: EUR 0.4m). Adjusted EBITDA excludes share based compensation expenses that amounted to EUR 11.5m in FY 2014 and EUR 8.9m in FY 2015.

(2) Net working capital is calculated as (i) inventories (December 31, 2014: EUR 28.1m; December 31, 2015: EUR 33.1m) plus (ii) trade and other receivables (December 31, 2014: EUR 5.1m; December 31, 2015: EUR 10.1m) plus (iii) prepaid expenses (December 31, 2014: EUR 4.7m; December 31, 2015: EUR 4.8m) minus (iv) trade and other payables (December 31, 2014: EUR 29.5m; December 31, 2015: EUR 45.1m).

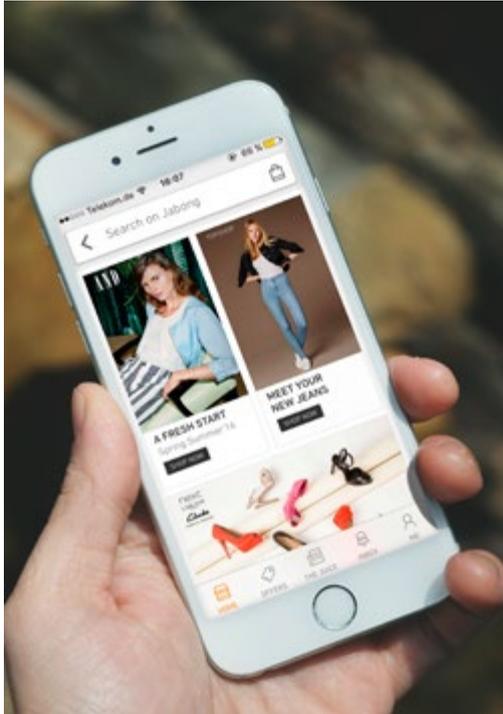
(3) The total value of "total transactions" sold in period, excluding taxes and shipping costs, including value of vouchers and coupons.

(4) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period (eCommerce excluding marketplace).

(5) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period (eCommerce and marketplace).

(6) Number of customers that have made at least one transaction as defined in "total transactions" at any time before end of period.

(7) Number of customers having made at least one order as defined in "total orders" within the last 12 months before end of period.



JABONG  .COM

<p>2010 Founded</p> <p>660 Dec 2015, Headcount</p>	<p>eCommerce Business Model</p> <p>India Regions</p>
Sector	Fashion

Since its launch in 2011, Jabong has become a leader in online fashion and a well recognized online fashion brand in India. It offers a wide range of products such as men’s, women’s and children’s clothing, shoes, beauty products and accessories. The company offers more than 400,000 products from more than 2,000 brands including well-known international brands and its own private labels. Jabong’s net revenue in calendar year 2015 amounted to INR 8,691.4 million. Jabong offers users access via their desktop and mobile devices as well as Jabong’s mobile applications. In 2015, more than half of the company’s net revenue was generated through the mobile website and mobile applications. The brand succeeded in building a loyal customer base, with the majority of orders being placed by returning customers and 3.7 million followers on Facebook. Jabong continues to bring fashion trends to India’s urban population living in metro, tier one, tier two and even tier three cities, in which offline stores are difficult to develop.

Throughout 2015, Jabong continued the development of its marketplace platform, enabling merchants to offer their products directly on the Jabong platform and thereby more brands and choice to the consumer. Moreover, Jabong provides a very customer friendly delivery experience to Jabong’s customers as it introduced a real time order tracking feature and also offers “next door” delivery, giving customers the possibility to pick up their packages at nearby business partners such as petrol stations or coffee shops. In December 2015, Sanjeev Mohanty, who had previously been the Managing Director of Benetton India, was appointed as the new CEO & Managing Director of Jabong.

Fashion

The majority of Jabong's orders are placed by loyal, returning customers



The following table provides an overview of Jabong's consolidated key financials, which have been derived from Jabong's accounting or controlling records and have been prepared on the basis of IFRS and Jabong's key performance indicators, which are based on management reports.

Greater focus on its marketplace platform as well as an increase in product assortment led to an increase of Jabong's net revenue from INR 8,114.1 million in 2014, to INR 8,691.4 million in 2015.

Adjusted EBITDA margin improved by 6.9 percentage points from -56.0% in 2014 to -49.1% in 2015, while adjusted EBITDA changed to negative INR 4,263.6 million due to continued strong investments in infrastructure.

Net working capital of Jabong increased from INR 814.3 million as of December 31, 2014, to INR 1,310.8 million as of December 31, 2015.

Key Figures

Key Financials (in INR million)	FY 2015	FY 2014
Net revenue	8,691.4	8,114.1
<i>% growth</i>	7.1%	135.7%
Gross profit	(467.4)	(1,595.8)
<i>% margin</i>	(5.4%)	(19.7%)
Adjusted EBITDA ¹⁾	(4,263.6)	(4,540.1)
<i>% margin</i>	(49.1%)	(56.0%)

Balance Sheet (in INR million)	FY 2015	FY 2014
Net working capital ²⁾	1,310.8	814.3

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV ³⁾ (in INR million)	15,029.0	13,206.4
<i>% growth</i>	13.8%	158.3%
Total orders ⁴⁾	5.4	5.9
<i>% growth</i>	(8.7%)	131.7%
Total transactions ⁵⁾	8.8	8.7
<i>% growth</i>	0.6%	158.7%

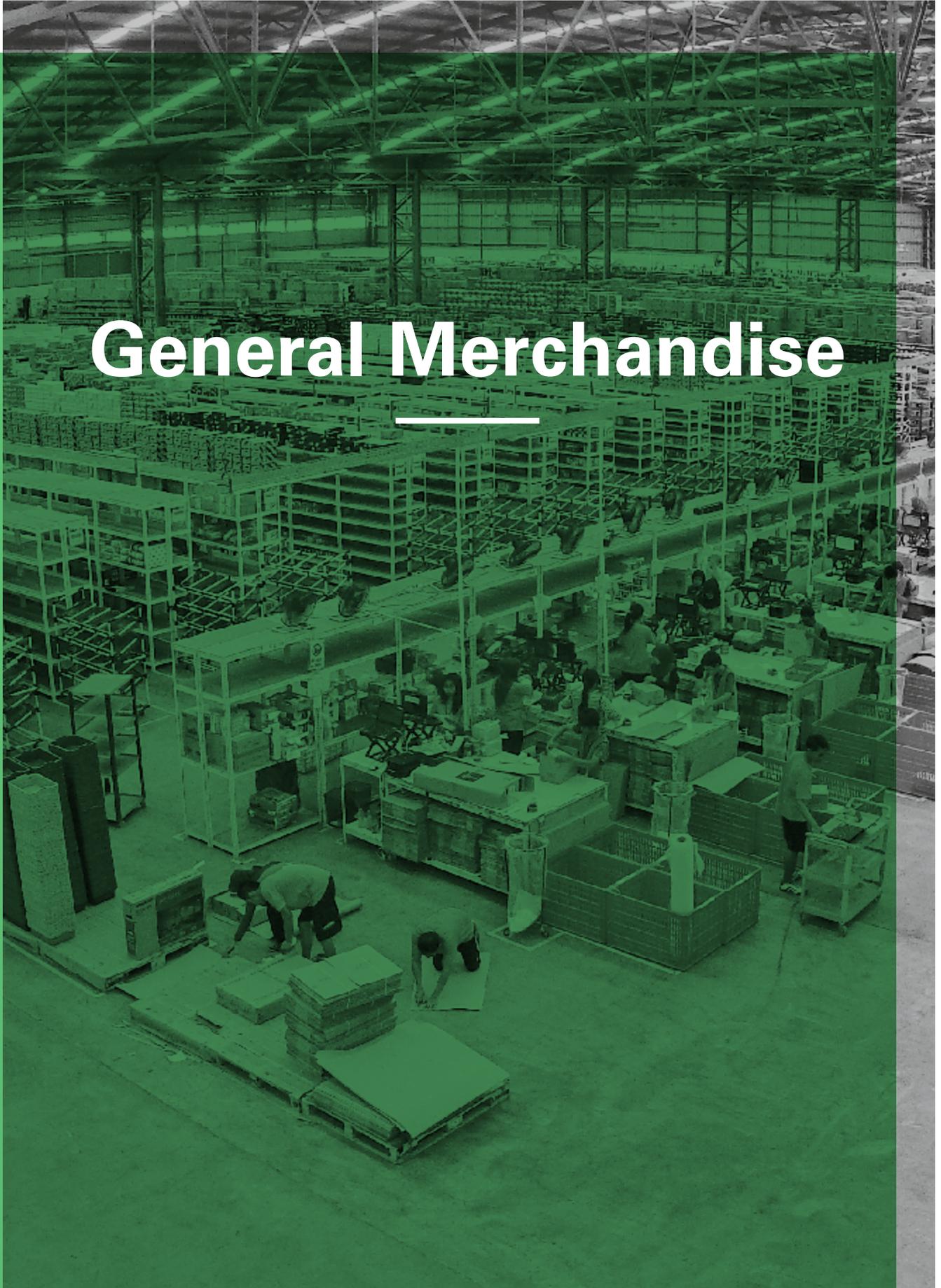
(1) Adjusted EBITDA is calculated as (i) operating profit or loss (FY 2014: loss of INR 4,727.1m; FY 2015: loss of INR 4,491.3m) plus (ii) depreciation of property, plant and equipment and amortization of intangible assets (FY 2014: INR 148.4m; FY 2015: INR 216.4m). Adjusted EBITDA excludes share based compensation expenses that amounted to INR 38.6m in FY 2014 and INR 11.4m in FY 2015.

(2) Net working capital is calculated as (i) inventories (December 31, 2014: INR 2,362.2m; December 31, 2015: INR 2,867.9m) plus (ii) trade and other receivables (December 31, 2014: INR 999.8m; December 31, 2015: INR 1,021.8m) plus (iii) prepayments and other assets (December 31, 2014: INR 229.4m; December 31, 2015: INR 236.0m) minus (iv) trade and other payables (December 31, 2014: INR 2,777.1m; December 31, 2015: INR 2,814.9m).

(3) The total value of "total transactions" sold in period, excluding taxes and shipping costs, including value of paid vouchers and coupons.

(4) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period.

(5) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period (eCommerce and marketplace).



General Merchandise

Our companies in the General Merchandise sector are Lazada, the market leader in the Asia-Pacific region, Jumia, the market leader in Africa and Linio, the market leader in certain Latin American countries. The companies offer a broad assortment of consumer products such as consumer electronics, fashion, home & living, sporting goods, media as well as health & beauty products. Our companies offer their products both through traditional online retail as well as increasingly via their marketplace models. In 2015, our General Merchandise companies had EUR 450.0 million in revenues, an increase of 71% over 2014.

EUR
450.0 million
2015 Revenues



LAZADA

2011

Founded

Marketplace

Business Model

5,692

Dec 2015, Headcount

South-East Asia

Regions

Sector	General Merchandise
Rocket Internet Stake December 2015	22.8%

Lazada Group launched its business in the first quarter of 2012 and has become one of the leading online shopping and selling destination in South-East Asia, with a presence in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam. Lazada features an extensive product offering in categories ranging from consumer electronics and health & beauty products to household goods and fashion. It sells its products and provides third-party brands and merchants a marketplace solution with simple and direct access to approximately 550 million consumers in six countries through one retail channel. Within the last four years, Lazada has successfully grown its business to more than USD 1.0 billion of GMV in 2015.

Lazada's marketplace model has been the key driver of growth, leading to a strong increase in active sellers and active SKUs. Lazada's development is also built upon its effortless shopping experience supported by extensive customer care, fast and reliable delivery, friendly return policy and secure payment options enabled by helloPay, Lazada Group's payment platform, which includes cash-on-delivery, cash payment over the counter, bank transfers and credit cards. Another driver of Lazada's growth is its popular mobile platform, especially the best-in-class mobile applications which have won several awards in South-East Asia. By the end of December 2015, Lazada's mobile sales represented more than 60% of total GMV and its apps had been downloaded almost 30 million times.

Throughout 2015, Lazada has significantly expanded its logistics capabilities to accommodate its rapid growth and to address logistics challenges in the region. These efforts ensure a better experience to shoppers as well as logistics services to sellers. Lazada's fulfillment network included ten fulfillment centers across South-East Asia, and the company's last mile unit, Lazada Express, reached more than 65% of its customers,

General Merchandise



Lazada provides an effortless shopping experience

covering over 250 cities and districts with 84 last mile distribution hubs, six sortation centers and a fleet of over 2,000 vehicles by the end of 2015.

The following table provides an overview of Lazada's consolidated key financials, which have been derived from Lazada's accounting or controlling records and have been prepared on the basis of IFRS and Lazada's key performance indicators, which are based on management reports.

Throughout 2015, Lazada continued to record strong growth of its gross merchandise volume, which amounted to USD 1,024.7 million in 2015, an increase of 167.0% over USD 383.8 million in 2014.

Net revenue increased by 78.2% over the year, due to an increase in both customers and orders, resulting in net revenue of USD 275.0 million in 2015, compared to USD 154.3 million in 2014.

Also, gross profit margin increased by 9.9 percentage points, from 14.5% in 2014 to 24.4% in 2015.

Adjusted EBITDA margin reached negative 107.8% of net revenue due to the ongoing shift of Lazada's business towards the marketplace model.

Lazada Group's cash and cash equivalents at the end of 2015 were USD 75.4 million.

Key Figures

Key Financials (in USD million)	FY 2015	FY 2014
Net revenue	275.0	154.3
<i>% growth</i>	78.2%	104.2%
Gross profit	67.0	22.4
<i>% margin</i>	24.4%	14.5%
Adjusted EBITDA ⁽¹⁾	(296.5)	(142.5)
<i>% margin</i>	(107.8%)	(92.4%)

Balance Sheet (in USD million)	Dec 31, 15	Dec 31, 14
Cash position	75.4	198.0

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV ⁽²⁾ (in USD million)	1,024.7	383.8
<i>% growth</i>	167.0%	304.8%

(1) Adjusted EBITDA is calculated as (i) operating profit or loss (FY 2014: loss of USD 150.7m; FY 2015: loss of USD 328.8m) plus (ii) depreciation of property, plant and equipment (FY 2014: USD 1.4m; FY 2015: USD 5.1m) plus (iii) amortization of intangible assets (FY 2014: USD 0.5m; FY 2015: USD 1.2m). Adjusted EBITDA excludes share based compensation expenses that amounted to USD 6.3m in FY 2014 and USD 26.1m in FY 2015.

(2) The total value of "total transactions" sold in period, including taxes and shipping costs. Total transactions are defined as the total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period (eCommerce and marketplace).



Jumia capitalizes on increasing traffic from mobile devices

JUMIA

<p>2012 Founded</p> <p>3,486 Dec 2015, Headcount</p>	<p>eCommerce / Marketplace Business Model</p> <p>Africa Regions</p>
<p>Sector</p>	<p style="text-align: center;">General Merchandise and Fashion</p>
<p>Rocket Internet Stake</p> <p>December 2015</p> <p>March 2016</p>	<p style="text-align: right;">26.9% ¹⁾</p> <p style="text-align: right;">33.5% ²⁾</p>

Jumia is the largest eCommerce platform in Africa, connecting local and international brands and services with consumers. The company operates in twelve African countries including Algeria, Cameroon, Egypt, Ghana, Ivory Coast, Kenya, Morocco, Nigeria, Senegal, South Africa, Tanzania and Uganda. It has expanded its merchant base with in the last year, offering an assortment of more than 83,000 SKU's from more than 10,000 local and international brands. Its primary focus lies on fashion and electronics, which are offered through two operating models, the business-to-consumer eCommerce platform and the online marketplace, enabling third party merchants and brands to offer their products to the Jumia customer base. In 2015, the company continued to focus on the development of its marketplace platform and associated services such as logistics. Jumia's products can be shopped through its desktop and mobile websites as well as its mobile applications. The company has continued its strong growth on mobile presence with increasing numbers of users of mobile applications, resulting in a significantly higher share of mobile orders of 45%. In 2015, Jumia significantly grew its business by more than 200% to a GMV of EUR 288.7 million. Jumia's Black Friday sale in November 2015, the key commercial event of the year, reached a GMV of EUR 20 million, which was 25 times the volume of a normal day and nine times the volume of the 2014 Black Friday sale. The company employed 3,486 people by the end of 2015.

To further strengthen its market positioning and maintain its high quality delivery experience, Jumia continued to invest in the logistic platform throughout 2015. By operating its own delivery fleets, warehouses and call centers as well as working closely with selected partners, Jumia is able to efficiently handle the operational challenges in the region. The established payment on delivery method enables Jumia to successfully respond to a market where a large portion of the population

(1) Reflects 8.1% of Jumia stake held indirectly through Jumia's holding company and 18.8% stake held through Africa Internet Group.
 (2) Reflects 16.7% of Jumia stake held indirectly through Jumia's holding company and 16.8% stake held through Africa Internet Group.



does not have a bank account. In collaboration with major local telecommunications partners MTN and Millicom, Jumia continues to focus on driving its future growth by increasing traffic from its mobile users through promotions, joint marketing campaigns, mobile apps, business data sharing, cross-selling as well as the joint construction and use of certain infrastructure. Jumia is continuously focusing on the advancement of its marketplace model and enhancing the product offering in order to acquire more customers.

The following table provides an overview of Jumia's consolidated key financials, which have been derived from Jumia's accounting or controlling records and have been prepared on the basis of IFRS and Jumia's key performance indicators, which are based on management reports.

Jumia's gross merchandise volume increased by 205.6% from EUR 94.5 million in 2014 to EUR 288.7 million in 2015 driven mainly by an increase in transactions.

Net revenue in 2015 increased by 117.8% from EUR 61.8 million in 2014 to EUR 134.6 million in 2015, as a result of the expansion of its attractive marketplace model.

The gross profit margin amounted to 11.1% in 2015, a decrease of 6.5 percentage points compared to 17.6% in 2014.

Adjusted EBITDA for Jumia decreased from negative EUR 47.9 million in 2014 to negative EUR 111.3 million in 2015.

Jumia's net working capital was EUR -24.2 million as of December 31, 2015 and its cash position amounted to EUR 9.5 million as of December 31, 2015.

Key Figures

Key Financials (in EUR million)	FY 2015	FY 2014
Net revenue	134.6	61.8
<i>% growth</i>	117.8%	113.2%
Gross profit	14.9	10.9
<i>% margin</i>	11.1%	17.6%
Adjusted EBITDA ¹⁾	(111.3)	(47.9)
<i>% margin</i>	(82.7%)	(77.6%)
Capex ²⁾	3.8	3.9
<i>% of net revenue</i>	2.8%	6.4%

Balance Sheet (in EUR million)	Dec 31, 15	Dec 31, 14
Net working capital ³⁾	(24.2)	(6.4)
Cash position	9.5	21.2

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV ⁴⁾ (in EUR million)	288.7	94.5
<i>% growth</i>	205.6%	172.0%
Total orders ⁵⁾	1.6	0.9
<i>% growth</i>	81.9%	94.0%
Total transactions ⁶⁾	3.2	1.2
<i>% growth</i>	169.0%	159.0%
Total customers ⁷⁾	1.6	0.6
<i>% growth</i>	179.9%	156.7%
Active customers (LTM) ⁸⁾	1.2	0.5
<i>% growth</i>	173.0%	132.3%

(1) Adjusted EBITDA is calculated as (i) operating profit or loss (FY 2014: loss of EUR 56.4m; FY 2015: loss of EUR 120.7m) plus (ii) depreciation of property, plant and equipment and amortization of intangible assets (FY 2014: EUR 0.7m; FY 2015: EUR 1.8m). Adjusted EBITDA excludes share based compensation expenses that amounted to EUR 7.7m in FY 2014 and EUR 7.6m in FY 2015.

(2) Capital expenditure is calculated as (i) purchase of property, plant and equipment (FY 2014: EUR 3.9m; FY 2015: EUR 3.8m) plus (ii) acquisition of intangible assets (FY 2014: None; FY 2015: EUR 0.02m).

(3) Net working capital is calculated as (i) inventories (December 31, 2014: EUR 8.5m; December 31, 2015: EUR 8.6m) plus (ii) trade and other receivables (December 31, 2014: EUR 7.7m; December 31, 2015: EUR 6.2m) plus (iii) prepaid expenses (December 31, 2014: EUR 3.1m; December 31, 2015: EUR 1.7m) minus (iv) trade and other payables (December 31, 2014: EUR 25.7m; December 31, 2015: EUR 40.7m).

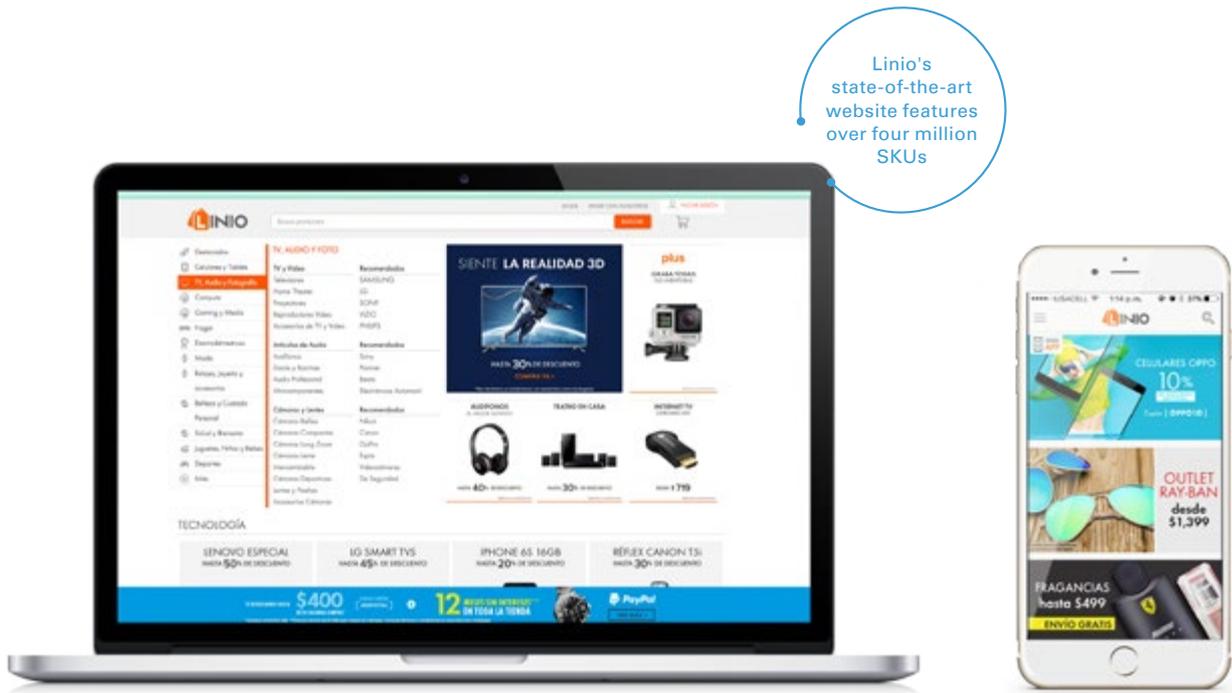
(4) The total value of "total transactions" sold in period, including taxes, including shipping costs.

(5) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period (eCommerce excluding marketplace).

(6) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period (eCommerce and marketplace).

(7) Number of customers that have made at least one transaction as defined in "total transactions" at any time before end of period.

(8) Number of customers having made at least one transaction as defined in "total transactions" within the last 12 months before end of period.



2011

Founded

Marketplace

Business Model

2,396

Dec 2015, Headcount

Latin America

Regions

Sector

General Merchandise

Rocket Internet Stake

December 2015

33.2%

March 2016

21.9%

Linio launched its operations in May 2012 and has since become one of the most visited multi-category eCommerce portals for Spanish speaking countries in Latin America, specifically Argentina, Chile, Colombia, Ecuador, Mexico, Panama, Peru and Venezuela. The company focuses on offering a large product assortment across 60 subcategories, including electronics, home & living, fashion, sports, kids, health & beauty and media, featuring over four million SKUs. Linio offers a wide range of payment methods such as cash on delivery and runs its own delivery service, enabling the company to offer fast delivery options. In 2015, Linio generated GMV of EUR 183.8 million. Linio operates three business lines: First, its marketplace platform, secondly its original business-to-consumer model and thirdly its eCommerce logistic solutions for merchants. The marketplace platform, through which merchants sell original products to Linio's customers, has been a key driver of recent growth. At the end of December 2015, close to 75% of all transactions were generated through the marketplace platform and the number of marketplace merchants increased to more than 20,000 by the end of 2015. Linio's wide assortment of products can be accessed through its website as well as mobile sites and its user friendly mobile applications. Mobile devices now account for approximately 35% of total sales. By partnering with major logistic carriers and using dedicated last-mile delivery fleets in selected locations, Linio is able to deliver to areas, which have previously not been served by the market. This is one of the factors leading to Linio's growth and its highly engaged customer base, evidenced by more than 3.7 million newsletter subscribers and its 3.6 million followers on Facebook. In 2015, Linio reached the one million active customers mark, following customer experience improvement.

Key Figures

Key Financials (in EUR million)	FY 2015	FY 2014
Net revenue	67.4	61.6
<i>% growth</i>	9.6%	28.5%
Gross profit	16.9	4.4
<i>% margin</i>	25.1%	7.1%
Adjusted EBITDA ¹⁾	(64.0)	(54.9)
<i>% margin</i>	(94.9%)	(89.1%)
Capex ²⁾	2.5	2.2
<i>% of net revenue</i>	3.7%	3.6%

Balance Sheet (in EUR million)	Dec 31, 15	Dec 31, 14
Net working capital ³⁾	(10.8)	(16.6)
Cash position	29.3	57.1

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV ⁴⁾ (in EUR million)	183.8	127.4
<i>% growth</i>	44.2%	107.2%
Total orders ⁵⁾	0.6	1.0
<i>% growth</i>	(36.7%)	77.7%
Total transactions ⁶⁾	2.2	1.5
<i>% growth</i>	48.9%	164.9%
Total customers ⁷⁾	1.8	1.0
<i>% growth</i>	76.0%	193.8%
Active customers (LTM) ⁸⁾	1.0	0.8
<i>% growth</i>	35.1%	144.1%

The following table provides an overview of Linio's consolidated key financials, which have been derived from Linio's accounting or controlling records and have been prepared on the basis of IFRS and Linio's key performance indicators, which are based on management reports.

In 2015, gross merchandise volume of Linio continued to grow by 44.2% from EUR 127.4 million in 2014 to EUR 183.8 million in 2015, fostered by its international assortment, higher traffic and mobile penetration.

Linio's net revenue increased from EUR 61.6 million in 2014 to EUR 67.4 million in 2015.

The gross profit margin increased by 18 percentage points, from 7.1% in 2014 to 25.1% in 2015, due to increasing monetization of marketplace services and pricing rigor.

Adjusted EBITDA margin decreased slightly from -89.1% in 2014 to -94.9% in 2015. Adjusted EBITDA margin based on GMV improved from -43.1% in 2014 to -34.8% in 2015.

During the financial year 2015, Linio undertook investments to increase the share of marketplace transactions. By the end of financial year 2015, Linio had cash and cash equivalents of EUR 29.3 million.

- (1) Adjusted EBITDA is calculated as (i) operating profit or loss (FY 2014: loss of EUR 58.3m; FY 2015: loss of EUR 67.5m) plus (ii) depreciation of property, plant and equipment (FY 2014: EUR 0.6m; FY 2015: EUR 1.0m) plus (iii) amortization of intangible assets (FY 2014: EUR 0.1m; FY 2015: EUR 0.2m). Adjusted EBITDA excludes share based compensation expenses and that amounted to EUR 2.6m in FY 2014 and EUR 2.3m in FY 2015.
- (2) Capital expenditure is calculated as (i) purchase of property, plant and equipment (FY 2014: EUR 2.0m; FY 2015: EUR 1.2m) plus (ii) acquisition of intangible assets (FY 2014: EUR 0.3m; FY 2015: EUR 1.3m).
- (3) Net working capital is calculated as (i) inventories (December 31, 2014: EUR 8.9m; December 31, 2015: EUR 2.5m) plus (ii) trade and other receivables (December 31, 2014: EUR 3.9m; December 31, 2015: EUR 4.1m) minus (iii) trade and other payables (December 31, 2014: EUR 29.5m; December 31, 2015: EUR 17.4m).
- (4) The total value of "total transactions" sold in period, including taxes, including shipping costs.
- (5) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period (eCommerce excluding marketplace). Number of total orders decreasing due to introduction of marketplace model.
- (6) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period (eCommerce and marketplace).
- (7) Number of customers that have made at least one transaction as defined in "total transactions" at any time before end of period.
- (8) Number of customers having made at least one transaction as defined in "total transactions" within the last 12 months before end of period.

Home & Living



Our companies in the Home & Living sector are Westwing, a leading international home & living eCommerce company that offers a frequently changing, curated selection of home & living products to its customers in eleven European countries as well as Brazil, Russia and Kazakhstan and Home24, a leading online shop for home & living products in Europe. In 2015, our companies in the Home & Living sector had EUR 452.9 million in revenues, an increase of 32% over 2014.

EUR
452.9 million
2015 Revenues



2011

Founded

eCommerce

Business Model

1,605

Dec 2015, Headcount

**Europe, CIS,
Latin America**

Regions

Sector

Home & Living

Rocket Internet Stake
December 2015

31.8%

Westwing is a leading international home & living eCommerce company that offers a frequently changing, curated selection of home & living products to its customers in eleven European countries as well as Brazil, Russia and Kazakhstan. The company inspires its mostly female customer base with the latest hand-picked selection of decoration products and textiles for home & living as well as furniture, partnering with more than 5,000 different suppliers and offering products of its own private labels. Westwing distinguishes itself as the destination for curated, inspirational and, at the same time, affordable home & living products. For the financial year 2015, Westwing reported net revenue of EUR 219.2 million and had more than 1,600 employees as of December 2015. Westwing's customers are highly loyal as demonstrated by the average monthly engagement of over 20 minutes per monthly active customer. The company provides a consistent quality of service and thus achieves high customer satisfaction, which is supported by a strong local presence in its international markets and a multi-national logistics infrastructure. Westwing's mobile applications add to the outstanding customer experience. With over 2.8 million downloads of its mobile applications, Westwing continues to focus on generating sales from mobile devices, which were the source of over 40% of total revenue in 2015.

In 2015, Westwing started its permanent assortment shop WestwingNow in Germany, a website that provides a fixed assortment with a wide selection of products and fast delivery options as well as the possibility to shop the look of pre-designed rooms, completing the company's overall Home & Living offering. Westwing underwent several technological improvements and was able to improve processes and efficiency. Moreover, it introduced new iOS apps to provide an even better user experience to its mobile customers.



Westwing partners with more than 5,000 different suppliers

Key Figures

Key Financials (in EUR million)	FY 2015	FY 2014
Net revenue	219.2	183.3
<i>% growth</i>	19.6%	66.1%
Gross profit	92.6	79.3
<i>% margin</i>	42.2%	43.3%
Adjusted EBITDA ¹⁾	(49.9)	(46.9)
<i>% margin</i>	(22.8%)	(25.6%)
Capex ²⁾	6.4	4.7
<i>% of net revenue</i>	2.9%	2.6%

Balance Sheet (in EUR million)	Dec 31, 15	Dec 31, 14
Net working capital ³⁾	(21.8)	(18.3)
Cash position	18.7	20.7

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV ⁴⁾ (in EUR million)	233.9	193.8
<i>% growth</i>	20.7%	63.9%
Total orders ⁵⁾	2.5	2.2
<i>% growth</i>	18.2%	85.2%
Total customers ⁶⁾	1.7	1.2
<i>% growth</i>	49.1%	98.5%
Active customers (LTM) ⁷⁾	0.9	0.8
<i>% growth</i>	17.5%	76.2%

The following table provides an overview of Westwing's consolidated key financials, which have been derived from Westwing's accounting or controlling records and have been prepared on the basis of IFRS and Westwing's key performance indicators, which are based on management reports.

Westwing's net revenue increased by 19.6% from EUR 183.3 million in 2014 to EUR 219.2 million in 2015, despite the negative impact on Westwing's business of the adverse foreign exchange movement in Brazil. On a constant currency basis, net revenue grew by 25.7%.

The gross profit margin changed from 43.3% in 2014 to 42.2% in 2015.

Westwing's adjusted EBITDA changed from EUR -46.9 million in 2014 to EUR -49.9 million in 2015 due to investments into global teams, technology and the impact of customer acquisition initiatives. The adjusted EBITDA margin improved by 2.8 percentage points from -25.6% in 2014 to -22.8% in 2015.

Westwing's net working capital amounted to EUR -21.8 million at the end of 2015. Its cash and cash equivalents amounted to EUR 18.7 million at the end of 2015.

(1) Adjusted EBITDA is calculated as (i) operating profit or loss (FY 2014: loss of EUR 63.4m; FY 2015: loss of EUR 57.3m) plus (ii) depreciation of property, plant and equipment and amortization of intangible assets (FY 2014: EUR 2.7m; FY 2015: EUR 2.7m). Adjusted EBITDA excludes share based compensation expenses that amounted to EUR 13.8m in FY 2014 and EUR 4.6m in FY 2015.

(2) Capital expenditure is calculated as (i) purchase of property, plant and equipment (FY 2014: EUR 2.9m; FY 2015: EUR 4.4m) plus (ii) acquisition of intangible assets (FY 2014: EUR 1.8m; FY 2015: EUR 2.0m).

(3) Net working capital is calculated as (i) inventories including prepayments (December 31, 2014: EUR 12.6m; December 31, 2015: EUR 14.5m) plus (ii) trade and other receivables (December 31, 2014: EUR 9.9m; December 31, 2015: EUR 5.8m) minus (iii) trade payables and accruals (December 31, 2014: EUR 30.7m; December 31, 2015: EUR 33.0m) minus (iv) advance payments received (December 31, 2014: EUR 10.1m; December 31, 2015: EUR 9.1m).

(4) The total value of "total orders" sold in period, excluding taxes, shipping costs and vouchers.

(5) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of valid orders placed in the period.

(6) Number of customers that have made at least one order as defined in "total orders" at any time before end of period.

(7) Number of customers having made at least one order as defined in "total orders" within the last 12 months before end of period.



home 24

2009

Founded

eCommerce

Business Model

1,383

Dec 2015, Headcount

Europe, Latin America

Regions

Sector

Home & Living

Rocket Internet Stake

December 2015

45.5%

March 2016

44.6%

Home24 is a leading online shop for home & living products in Europe. The company operates in seven core markets in Europe: Germany, Austria, Switzerland, Belgium, France, Italy and the Netherlands. Additionally, Home24 is also operating in Brazil under the molly brand. Since its launch in 2009 (from 2012 onwards under the brand name Home24), the company has been offering a broad range of approximately 180,000 furniture products from over 800 manufacturers ranging from upholstery to lamps and home accessories as well as garden furniture. In 2015, Home24 was able to grow revenue to EUR 233.7 million and employed 1,383 people as of December 2015. The Home24 assortment consists of a variety of brands, including Home24's own private labels. In addition to the wide assortment, the company sets itself apart through a high degree of product availability as well as through its customer service and fulfillment process. Home24 delivers all of its products – regardless of weight and dimensions – for free and directly into the customer's room of choice. By combining different logistical fulfillment channels, Home24 seeks to reduce inventory risk and working capital requirements while, at the same time, offering very attractive delivery times. The company's updated tablet applications, which have been featured in Apples "Apps of the year" selection, provide its customers with a best-in-class shopping experience, resulting in a higher basket value per customer and an increase in the engagement rate.

In order to increase its inventory capacity and further reduce delivery times, Home24 took a major step in 2015 by opening a new warehouse with over 60,000m² in Northern Germany. Moreover, the company launched nine new private label brands throughout the year, covering sofas, sideboards, mattresses, beds, wardrobes, lamps and tables. Levers for future growth will be the further development of its private labels as well as synergies emerging from the recent acquisition of



Home24's private labels have established themselves as top-sellers

Fashion For Home – an international furniture company for premium designer furniture. This acquisition further advances Home24's positioning as one of the leading European online home & living retailers.

The following table provides an overview of Home24's consolidated key financials, which have been derived from Home24's accounting or controlling records and have been prepared on the basis of IFRS and Home24's key performance indicators, which are based on management reports.

Home24's net revenue grew by 45.9% from EUR 160.1 million in 2014 to EUR 233.7 million in 2015, despite the negative impact of the Latin American business due to weak retail climate and foreign exchange devaluation.

The gross profit margin increased slightly from 36.8% in 2014 to 38.3% in 2015 driven mostly by more attractive end-consumer pricing and the enhancement of its own private label brands.

Home24's adjusted EBITDA margin decreased from -30.8% in 2014 to -32.2% in 2015, due to ongoing investments into future growth. Adjusted EBITDA changed from EUR -49.4 million in 2014 to EUR -75.3 million in 2015.

Home24's net working capital changed from EUR -13.1 million as of December 31, 2014 to EUR -2.8 million as of December 31, 2015 generating more cash with additional revenue.

Key Figures

Key Financials (in EUR million)	FY 2015	FY 2014
Net revenue	233.7	160.1
<i>% growth</i>	45.9%	72.5%
Gross profit	89.5	58.9
<i>% margin</i>	38.3%	36.8%
Adjusted EBITDA ¹⁾	(75.3)	(49.4)
<i>% margin</i>	(32.2%)	(30.8%)
Capex ²⁾	16.6	5.8
<i>% of net revenue</i>	7.1%	3.6%

Balance Sheet (in EUR million)	Dec 31, 15	Dec 31, 14
Net working capital ³⁾	(2.8)	(13.1)
Cash position	45.9	29.7

Key Performance Indicators (in million)	FY 2015	FY 2014
GMV ⁴⁾ (in EUR million)	244.1	189.2
<i>% growth</i>	29.0%	93.4%
Total orders ⁵⁾	1.2	1.0
<i>% growth</i>	20.4%	79.6%
Total customers ⁶⁾	2.4	1.4
<i>% growth</i>	69.7%	100.5%
Active customers (LTM) ⁷⁾	1.0	0.8
<i>% growth</i>	27.7%	75.7%

(1) Adjusted EBITDA is calculated as (i) operating profit or loss (FY 2014: loss of EUR 59.7m; FY 2015: loss of EUR 81.7m) plus (ii) depreciation of property, plant and equipment (FY 2014: EUR 0.6m; FY 2015: EUR 1.1m) plus (iii) amortization of intangible assets (FY 2014: EUR 5.0m; FY 2015: EUR 3.4m). Adjusted EBITDA excludes share based compensation expenses that amounted to EUR 4.8m in FY 2014, EUR 1.8m in FY 2015.

(2) Capital expenditure is calculated as (i) purchase of property, plant and equipment (FY 2014: EUR 2.9m; FY 2015: EUR 7.1m) plus (ii) acquisition of intangible assets (FY 2014: EUR 2.9m; FY 2015: EUR 9.5m). Figures exclude Fashion For Home (acquired in Q4 2015).

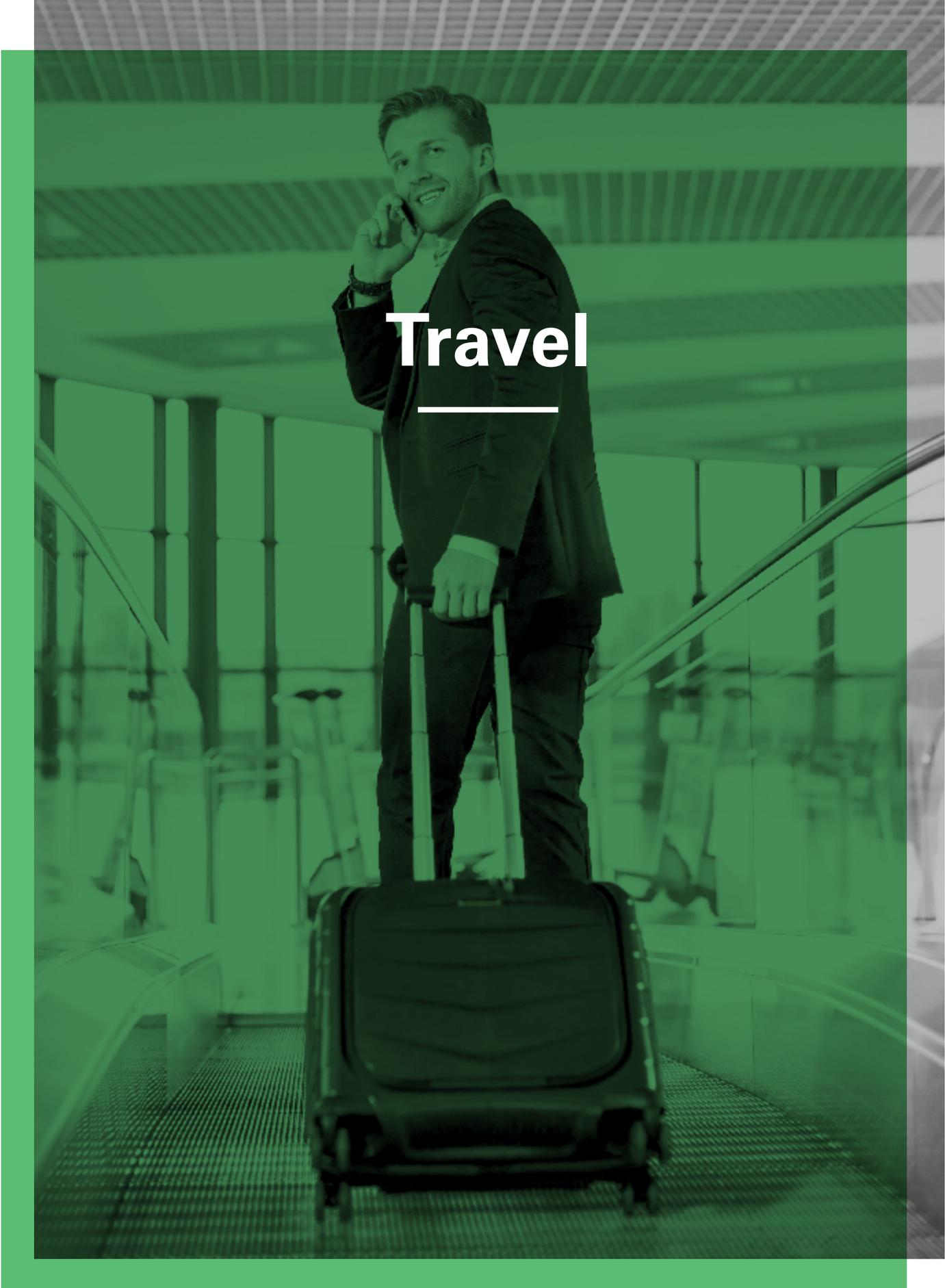
(3) Net working capital is calculated as (i) inventories (December 31, 2014: EUR 25.1m; December 31, 2015: EUR 28.3m) plus (ii) trade and other receivables (December 31, 2014: EUR 7.2m; December 31, 2015: EUR 15.5m) minus (iii) trade and other payables (December 31, 2014: EUR 45.5m; December 31, 2015: EUR 46.6m).

(4) The total value of "total orders" sold in period, excluding taxes and shipping costs.

(5) Total number of valid (i.e. not failed or declined) orders starting the fulfillment process less cancelled orders (before rejected and returned orders), i.e. total number of orders shipped in the period.

(6) Number of customers that have made at least one order as defined in "total orders" at any time before end of period.

(7) Number of customers having made at least one order as defined in "total orders" within the last 12 months before end of period.



Travel

Our company Traveloka is active in the Travel sector, offering bookings for flights, hotels and complete journeys. Traveloka operates a market leading flight search engine and hotel booking platform with focus on travel in South-East Asia.



Traveloka's mobile application was featured as a "Best App of 2015"



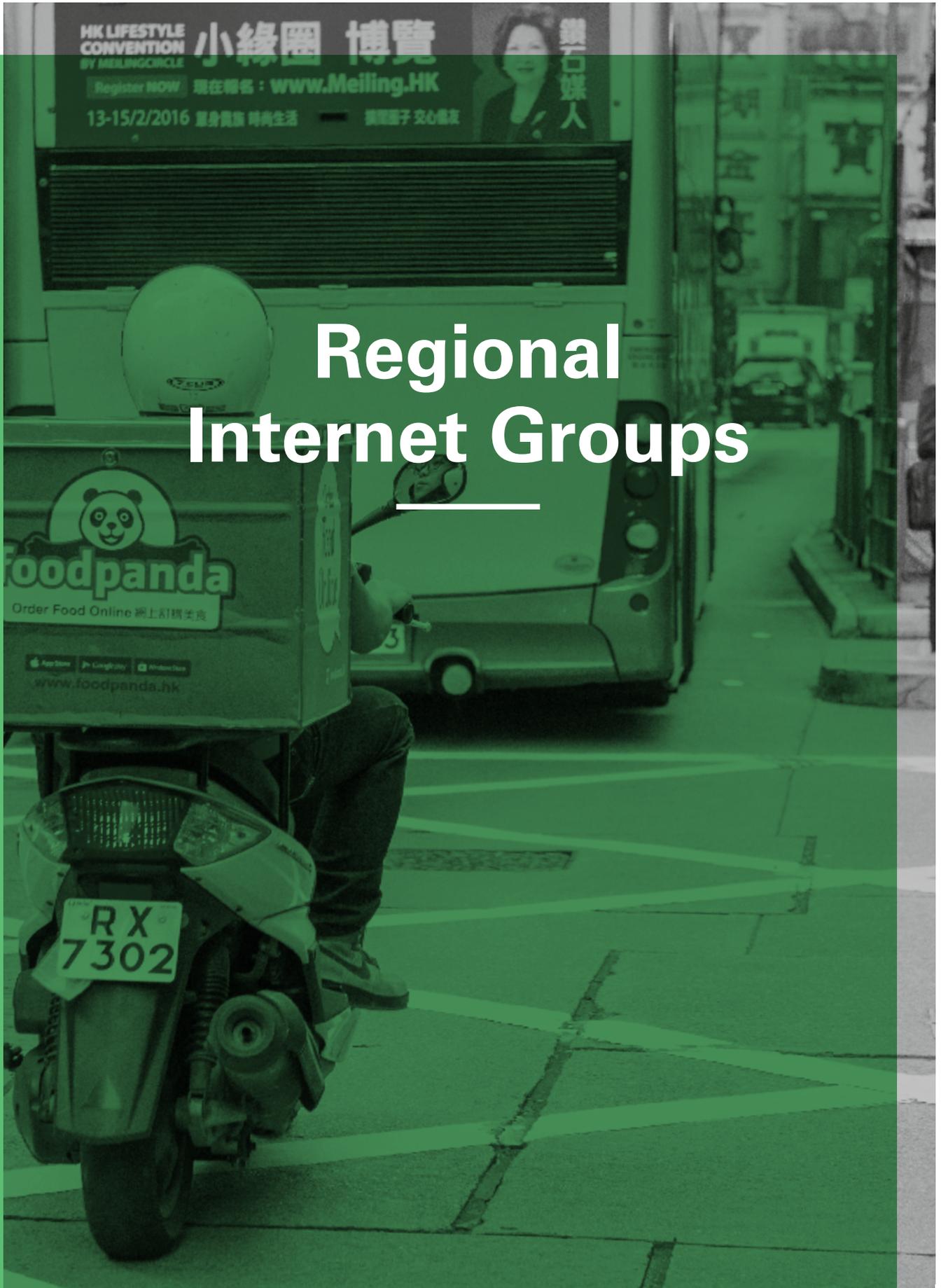
<p>2012 Foundation Date</p> <p>456 Dec 2015, Headcount</p> <hr style="border: 1px solid black;"/> <p>Sector</p> <hr style="border: 1px solid black;"/> <p>Rocket Internet Stake December 2015</p>	<p>Marketplace Business Model</p> <p>Asia-Pacific Regions</p> <hr style="border: 1px solid black;"/> <p>Online Travel</p> <hr style="border: 1px solid black;"/> <p style="text-align: right;">35.7%</p>
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Traveloka is a fast growing online booking service for flights and hotels in Indonesia, Malaysia, Singapore, Thailand and Vietnam. Since its launch in 2012, the company continued to experience significant growth by offering a differentiated and localized experience for customers to book domestic and international flights and hotels. Users can book via the online website as well as through the iOS application and Android application, which was featured as a "Best App of 2015" in the Google Play Store with more than one million downloads. Traveloka offers a wide variety of payment channels to cater to the needs of local customers including ATM, convenience stores, online transfer and credit cards. Traveloka employed 456 people as of December 31, 2015. The growing customer base and the increasing number of routes, currently more than 18,000 different routes across Asia-Pacific, are expected to further strengthen Traveloka's market position in Indonesia and grow its market share in the other regions. Throughout 2015, Traveloka strengthened partnerships with international airlines as well as with leading regional carriers.

By investing in its accommodation business, Traveloka seeks to further promote future growth. It is building strong direct relationships with thousands of budget and independent hotels in the region. Additionally, it has already established partnerships with strong international hotel chains such as Ibis, Best Western, Marriott and Hilton. In 2015, Traveloka was awarded the Indonesian "Top Brand Award 2015" in the categories Online Hotel Reservation and Online Travel Agency.

Travel

Regional Internet Groups



As part of our global strategy, we have created Regional Internet Groups in Africa, Middle East and Asia Pacific in order to bundle local market expertise, facilitate regional commercial partnerships, enhance the local presence and sourcing, enable local recruiting as well as to support the rollout of businesses in the respective regions. Strategic and investment partnerships, in particular with mobile telecommunication providers, accelerate the regional rollout of our companies. Our partners such as MTN, Ooredoo and Millicom are co-investors in our Regional Internet Groups and provide them with significant strategic support and opportunities to realize synergies.

Regional Internet Groups



Africa Internet Group

2012

Founded

Regional Internet Group

Business Model

5,423

Dec 2015, Headcount

Africa

Regions

Partners

AXA, Millicom, MTN, Orange, Goldman Sachs

Rocket Internet Stake

December 2015

33.3%

March 2016

27.1% ¹⁾

Africa Internet Group (AIG) operates ten business models in Africa, including the marketplace platforms Jumia (shopping mall) Kaymu Africa (shopping community), AIG Express (logistics platform), Jovago Africa (hotel booking platform), Hellofood Africa (food ordering platform) and Easy Taxi Africa (taxi hailing platform) as well as the classifieds companies Lamudi Africa (real estate classifieds), Carmudi Africa (vehicle classifieds) and since beginning of 2015, Vendito Africa (general classifieds) and Everjobs (job classifieds). The Group is dedicated to providing easy-to-use services across the African continent, enabling businesses and consumers to connect and transact. The company was formed in 2012 and is currently active in 23 African countries.

AIG is actively partnering with telecommunications companies MTN and Tigo (Millicom) on sales and marketing activities, both being shareholders in the company.

In 2015 AIG launched two new companies, Vendito Africa, a general classifieds platform that is already available in six countries throughout Africa, and Everjobs Africa, a job classifieds platform which expanded into six African countries. Jumia reported significant growth throughout the year with an increase of 282% in GMV. Jovago is now cooperating with more than 16,000 hotels in Africa, Easy Taxi facilitates the life of more than 10,000 taxi drivers and Kaymu was able to strengthen its market position now partnering with more than 140,000 sellers.

(1) Includes Rocket Internet participation in Rocket Internet Capital Partners fund



MEIG - Running Change in the Middle East

Middle East Internet Group

2013
Founded

342
Dec 2015, Headcount

Regional Internet Group
Business Model

Middle East
Regions

Partners	MTN
Rocket Internet Stake December 2015	50.0%

estate classifieds), Carmudi (online car classifieds), Helping (marketplace for cleaning services), Vaniday (beauty booking platform) and Kaymu (online consumer-to-consumer marketplace). MEIG operates across six countries: Bahrain, Jordan, Kuwait, Saudi Arabia, the United Arab Emirates (UAE) and Qatar. As of December 2015, the Group employed 342 people.

Founded in 2015, Wadi is one of the fastest growing eCom-merce platforms in the Middle East, offering 150,000 products from over 2,000 brands and covering products ranging from consumer electronics, fashion and cosmetics, to kitchen appliances and more. In February 2016, Wadi raised USD 67 million from a round led by the Al Tayyar Travel Group.

Easy Taxi, one of the world’s leading mobile Taxi booking services, has established partnerships with thousands of active drivers across five countries in the Middle East, specifically Bahrain, Jordan, Kuwait, Qatar and Saudi Arabia. Lamudi Middle East operates in Saudi Arabia and Jordan, two of the region’s largest markets. To date, they have listed 19,000 properties and are partnering with more than 350 real estate agents, who are using its services. Carmudi was launched in 2014 and operates in the Middle Eastern countries Qatar, Saudi Arabia and the UAE, which are markets with exceptional-ly high levels of car ownership. Carmudi Middle East has listed over 20,000 vehicles across the region, and has partnered with 500 car dealerships. Helping Middle East is an online platform for household-related services and is active in the UAE. It allows users to book trusted and reliable cleaners in a fast and convenient way at attractive prices.

In 2013, Rocket Internet created the Middle East Internet Group (MEIG), which bundles our activities across seven business models in six countries in the Middle East. MEIG supports some of the leading Internet companies in the region, including Wadi (general merchandise marketplace), Easy Taxi (mobile taxi hailing platform), Lamudi (online real

The group is co-owned by our strategic partner MTN (Dubai) Limited, which is an affiliate of MTN Group Limited. Through the cooperation with MTN, MEIG has access to a significant subscriber base and to additional marketing, distribution and payment channels.

Regional Internet Groups



APACIG is active across 15 countries in the Asia Pacific region



Asia Pacific Internet Group

2013 Founded	Regional Internet Group Business Model
2,525 Dec 2015, Headcount	Asia-Pacific Regions
Partners	Ooredoo
Rocket Internet Stake December 2015	50.0%

Asia Pacific Internet Group (APACIG) is active across 15 countries in the Asia Pacific region, including Australia. APACIG focuses on online businesses in the areas of eCommerce, marketplaces, classifieds and travel and also offers several other services. Currently, the Asia Pacific Internet Group operates 16 business models, including Daraz (consumer goods retailer), Kaymu (online consumer-to-consumer marketplace), Jovago (online hotel booking platform), Lamudi (global online real estate classifieds), Carmudi (global online car classifieds), Everjobs (job classifieds), Easy Taxi (mobile taxi hailing platform), ClickBus (bus booking platform), Helping (cleaning service platform), Vaniday (online destination for beauty and wellness services), Zenrooms (online budget hotel network), Lyke (mobile app for personalized fashion), Easy Taxi (a global mobile taxi hailing platform), ClickBus (bus booking platform), ads.com.mm (classifieds website) and Next commerce (price comparison engine).

Especially Daraz, one of the largest online shopping malls in Asia, was able to scale its business significantly throughout the year and raised funds in a financing round driven by the external investment of CDC.

In addition, the businesses that were rolled out in 2015, including Vaniday, Zenrooms and Lyke, were already able to show significant growth.

Since April 2014, the Group has been a joint venture between Rocket Internet and its telecommunications partner Ooredoo Group. The strategic cooperation with Ooredoo, which is active in multiple Asian countries, enables APACIG's companies faster and easier local scaling by providing them access to a large consumer base of 60 million telecom subscribers. APACIG also holds two-thirds of the shares in Philippines Internet Group; the remaining shares are held by its partner PLDT.

New Businesses & Investments



In addition to the companies in our focus sectors, we own stakes in companies at various maturity stages, ranging from recently launched models to companies that have already taken steps to build leadership positions and expand geographically. Helping, Spotcap and Caterwings are three examples of companies grouped under New Businesses & Investments. The companies vary in terms of business model, size and development stage.



Helping provides a safe and trustworthy experience

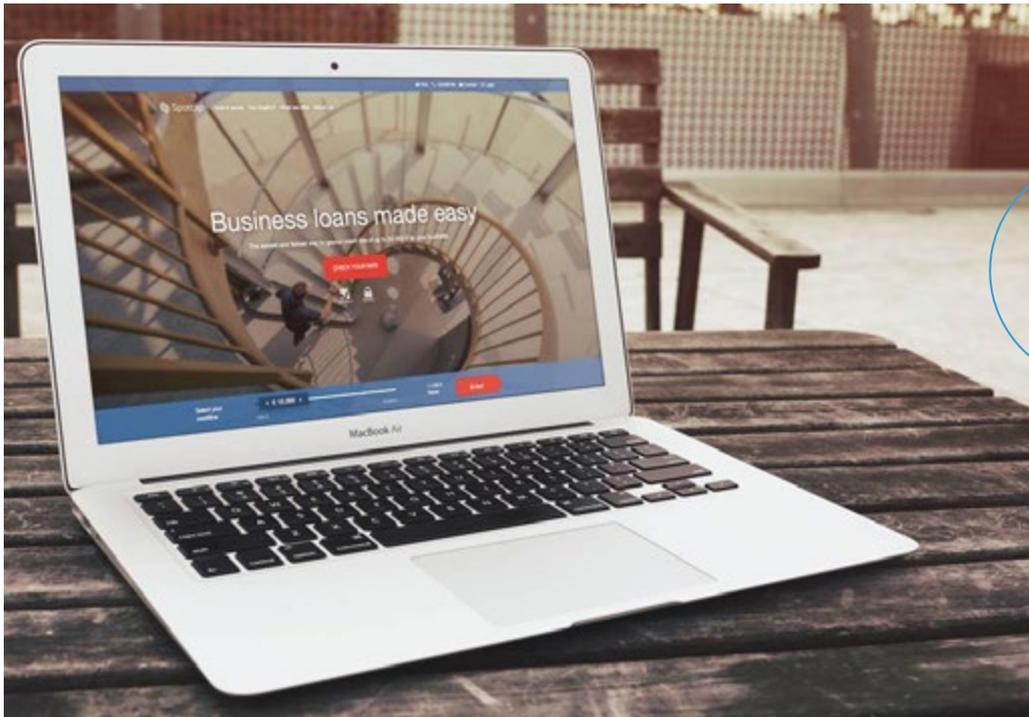


2014 Founded	Marketplace Business Model
263 Dec 2015, Headcount	Worldwide Regions
Sector	<u>Cleaning Services</u>

Helping operates a leading global online marketplace for professional cleaning services outside the US, addressing private households as well as small- and medium-sized companies. The business was launched in Berlin in the first quarter of 2014 and quickly expanded to many cities in Germany as well as to other European countries. Customers can book the cleaning service through Helping’s website and mobile application in more than 200 cities worldwide. Currently, the service is focused on home cleaning; however, Helping plans to expand its offering in the future, offering additional household services such as home repair, lockout services, removal services and animal care. One of Helping’s key commitments is to provide a safe and trustworthy experience for its customers. Therefore, Helping conducts a background check on every service provider and encourages its customers to rate the individual service provider.

In 2015, Helping conducted successful marketing campaigns through several online and offline channels and was able to double the number of unique visitors. Furthermore, in July 2015, Helping acquired UK’s leading on-demand home cleaning platform Hassle.com, strengthening its competitive positioning in the UK.

New Businesses & Investments



Quick and easy credit decisions



2014
Founded

Financial Technology
Business Model

63
Dec 2015, Headcount

Spain, the Netherlands, Australia
Regions

Sector

[Online Lending](#)

Launched in the second half of 2014, Spotcap is an online lending platform that provides small and medium sized enterprises with short-term credit facilities. Spotcap targets businesses, who are currently not being served by traditional financial institutions. Companies can apply for a loan through a straight forward online application process, allowing them to receive funding within a short timeframe. The service is currently available in Spain, the Netherlands and Australia; however, Spotcap aims to expand into new markets in Europe, Asia Pacific and Latin America. Due to its recent growth, the company was selected to join the Deutsche Börse Venture Network in August 2015.



Caterwings seeks to disrupt the fragmented, intransparent catering industry

CATER WINGS
— We make eat happen —

2015
Founded

Marketplace
Business Model

19
Dec 2015, Headcount

**Germany,
United
Kingdom**
Regions

Sector

Catering

Caterwings is a leading business to business marketplace for catering services that launched in the third quarter of 2015. It offers companies a convenient way to order food for small events or business meetings through Caterwings' user friendly, well designed website. By offering customers access to several caterers via one marketplace, the company seeks to bring online the fragmented, intransparent catering industry, which is still operating predominantly offline today. Caterwings has already entered into partnerships with more than 80 caterers and currently offers its services in London and Berlin; it plans to expand to other European cities.

3

Consolidated Financial Statements

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Consolidated Statement of Comprehensive Income

for the Period January 1 to December 31, 2015

Income Statement

In EUR thousand	Note	Jan 1–Dec 31, 2015	Jan 1–Dec 31, 2014
Revenue	6, 11	128,332	128,182
Changes in work in progress		0	194
Internally produced and capitalized assets	12	5,719	2,878
Other operating income	13	4,994	4,200
Result from deconsolidation of subsidiaries	14	167,025	452,601
Gain from distribution of non-cash assets to owners	15	0	60,594
Purchased merchandise and purchased services	16	-64,116	-69,788
Employee benefits expenses	17	-171,656	-141,870
Other operating expenses	18	-82,470	-87,669
Share of profit/loss of associates and joint ventures	19	-188,629	75,109
<i>EBITDA</i>		<i>-200,801</i>	<i>424,432</i>
Depreciation and amortization	20	-7,271	-2,653
Impairment of non-current assets	25	-18,050	0
<i>EBIT</i>		<i>-226,122</i>	<i>421,778</i>
Financial result		29,717	12,031
Finance costs	21	-65,357	-16,497
Finance income	21	95,074	28,528
<i>Loss/profit before tax</i>		<i>-196,406</i>	<i>433,809</i>
Income taxes	22	-1,395	-5,003
<i>Loss/profit for the period</i>		<i>-197,801</i>	<i>428,806</i>
Profit/loss attributable to non-controlling interests		-4,658	34,215
<i>Loss/profit attributable to equity holders of the parent</i>		<i>-202,459</i>	<i>463,022</i>
Earnings per share (in EUR)	23	-1.24	3.24

Consolidated Statement
of Comprehensive Income

Statement of Comprehensive Income

In EUR thousand	Note	Jan 1–Dec 31, 2015	Jan 1–Dec 31, 2014
Loss / profit for the period		-197,801	428,806
Exchange differences on translation of foreign operations		-1,144	-455
Net gain on available-for-sale (AFS) financial assets		135,327	0
Deferred taxes on net gain on available-for-sale (AFS) financial assets		-209	0
Share of the changes in the net assets of associates/joint ventures that are recognized in OCI of the associates/joint ventures		-98,988	80,238
Deferred taxes on share of the changes in the net assets of associates/joint ventures that are recognized in OCI of the associates/joint ventures		1,443	-1,220
Other changes in OCI		0	-321
<i>Net other comprehensive income to be reclassified to profit or loss in subsequent periods</i>		<i>36,431</i>	<i>78,241</i>
<i>Other comprehensive income for the period, net of tax</i>		<i>36,431</i>	<i>78,241</i>
Total comprehensive loss / income for the period, net of tax		-161,370	507,048
Total comprehensive loss/income attributable to:			
Equity holders of the parent		-165,731	541,510
Non-controlling interests		4,361	-34,462

Consolidated Balance Sheet

as of December 31, 2015

Assets

In EUR thousand	Note	Dec 31, 2015	Dec 31, 2014
Non-current assets			
Property, plant and equipment	24	2,826	3,131
Intangible assets	25	129,127	9,024
Investments in associates and joint ventures	10	1,696,421	1,450,762
Non-current financial assets	26, 41	1,333,184	338,530
Other non-current non-financial assets	30	523	4,158
Income tax assets	22	167	112
Deferred tax assets	22	0	48
		3,162,248	1,805,765
Current assets			
Inventories	27	743	11,238
Trade receivables	28, 40, 41	10,085	20,748
Other current financial assets	29, 41	41,260	15,095
Other current non-financial assets	30	5,246	7,975
Income tax asset	22	482	991
Cash and cash equivalents	31, 40, 41	1,758,889	2,053,448
		1,816,705	2,109,496
Assets classified as held for sale	32	17,090	3,879
Total assets		4,996,044	3,919,140

Consolidated Balance Sheet

Equity and Liabilities

In EUR thousand	Note	Dec 31, 2015	Dec 31, 2014
Equity			
Subscribed capital	33	165,141	153,131
Capital reserves	33	3,105,477	2,482,643
Retained earnings	33, 34	883,912	1,014,782
Other components of equity	33	123,844	87,116
<i>Equity attributable to equity holders of the parent</i>		<i>4,278,373</i>	<i>3,737,672</i>
Non-controlling interests	33	73,735	34,184
<i>Total equity</i>		<i>4,352,108</i>	<i>3,771,857</i>
Non-current liabilities			
Non-current financial liabilities	35, 40, 41	526,898	5,315
Other non-current non-financial liabilities	38	398	498
Income tax liabilities	22	0	45
Deferred tax liabilities	22	8,169	3,600
		<i>535,465</i>	<i>9,457</i>
Current liabilities			
Trade payables	36, 40, 41	11,398	43,703
Other current financial liabilities	37, 40, 41	11,754	10,061
Other current non-financial liabilities	38	77,258	71,874
Income tax liabilities	22	512	12,188
		<i>100,922</i>	<i>137,827</i>
Liabilities directly associated with assets classified as held for sale	32	7,549	0
<i>Total liabilities</i>		<i>643,936</i>	<i>147,284</i>
Total equity and liabilities		4,996,044	3,919,140

Consolidated Statement of Changes in Equity

for the Period January 1 to December 31, 2015

Equity attributable to equity holders of the parent

In EUR thousand	Note	Subscribed capital	Capital reserves	Treasury shares
Jan 1, 2014		110	490,707	-43
Profit for the period				
Other comprehensive income for the period, net of tax	33			
<i>Total comprehensive income for the period, net of tax</i>				
Proceeds from the issuance of shares to the equity holders of the parent (cash contribution)		33,075	2,037,328	
Transaction costs net of tax			-28,902	
Issuance of shares to the equity holders of the parent (non-cash contribution)		1	395,511	
Increase of subscribed capital from own resources		119,946	-119,946	
Proceeds from non-controlling interests			65,901	
Transfer and redemption of treasury shares				43
Non-cash dividends to equity holders of the parent (advance dividends in kind)				
Dividends paid to equity holders of the parent (advance cash dividends)				
Changes in scope of consolidation and other changes in non-controlling interests			-87,473	
Withdrawals from capital reserves			-270,483	
Purchase of non-controlling interest without change in control				
Equity-settled share-based payments (IFRS 2)	33, 39			
Other changes				
		153,021	1,991,936	43
Dec 31, 2014		153,131	2,482,643	0
Loss for the period				
Other comprehensive income for the period, net of tax	33			
<i>Total comprehensive loss for the period, net of tax</i>				
Proceeds from the issuance of shares to the equity holders of the parent (cash contribution)		12,010	576,491	
Issuance of convertible bond	33, 35		37,659	
Transaction costs net of tax			-3,881	
Proceeds from non-controlling interests			35,395	
Dividends paid to non-controlling interests				
Changes in scope of consolidation and other changes in non-controlling interests			-22,830	
Purchase of non-controlling interest without change in control				
Equity-settled share-based payments (IFRS 2)	33, 39			
Other changes				
		12,010	622,833	0
Dec 31, 2015		165,141	3,105,477	0

Consolidated Statement of Changes in Equity

				Non-controlling interests	Total equity
	Retained earnings	Other components of equity	Total		
	604,174	8,628	1,103,576	12,750	1,116,325
	463,022		463,022	-34,215	428,806
		78,489	78,489	-247	78,241
	463,022	78,489	541,510	-34,462	507,048
			2,070,402		2,070,402
			-28,902		-28,902
			395,511		395,511
			0		0
			65,901	35,670	101,571
	-43		0		0
	-153,234		-153,234		-153,234
	-286,766		-286,766		-286,766
	80,245		-7,228	20,139	12,911
	270,483		0		0
	-242		-242	17	-225
	37,179		37,179	70	37,249
	-35	0	-35		-35
	410,608	78,489	2,634,097	21,435	2,655,531
	1,014,782	87,116	3,737,672	34,184	3,771,857
	-202,459		-202,459	4,658	-197,801
		36,728	36,728	-297	36,431
	-202,459	36,728	-165,731	4,361	-161,370
			588,501		588,501
			37,659		37,659
			-3,881		-3,881
			35,395	22,635	58,030
				-8,033	-8,033
	25,304		2,474	22,490	24,964
	-9,080		-9,080	-481	-9,560
	55,318		55,318	-1,422	53,895
	46		46		46
	-130,870	36,728	540,701	39,550	580,251
	883,912	123,844	4,278,373	73,735	4,352,108

Consolidated Statement of Cash Flow

for the Period January 1 to December 31, 2015

In EUR thousand	Note	Jan 1–Dec 31, 2015	Jan 1–Dec 31, 2014
1. Cash flow from operating activities			
Loss/profit before tax		-196,406	433,809
Adjustments to reconcile profit before tax to net cash flows			
+ Depreciation of property, plant and equipment	24	1,497	1,215
+ Amortisation of intangible assets	25	5,774	1,438
+ Impairment of goodwill	25	18,050	0
+/- Equity settled share-based payment expense	39	57,952	51,295
+/- Net foreign exchange differences		-982	-14
-/+ Gain/loss on disposal of intangible assets, property, plant and equipment		1,453	192
-/+ Gain/loss on disposal of non-current financial assets		3,685	-1,189
- Gain from distribution of non-cash assets to the equity holders of the parent	15	0	-60,594
-/+ Gain/loss from deconsolidations	16	-167,025	-452,601
+/- Other non-cash expenses/income		45	1,527
-/+ Fair value adjustments of equity instruments FVTPL	21	-33,015	-12,931
- Finance income	21	-2,309	-633
+ Finance costs	21	12,188	1,763
-/+ Share of profit or loss of associated companies and joint ventures (equity method)	10	188,629	-75,109
Working capital adjustments:			
-/+ Increase/decrease in trade and other receivables and prepayments		7,438	-17,796
-/+ Increase/decrease in inventories		10,472	113
+/- Increase/decrease in trade and other payables		-5,510	35,085
+ Dividends received		3,953	230
+ Interest received		1,499	143
- Interest paid		-1,164	-352
- Income tax paid		-11,768	-152
= <i>Cash flows from operating activities</i>		-105,543	-94,561
2. Cash flows from investing activities			
+ Proceeds from sale of property, plant and equipment		701	631
- Purchase of property, plant and equipment	24	-3,601	-3,657
- Cash paid for investments in intangible assets	25	-7,977	-4,858
+ Proceeds from disposal of non-consolidated equity investments		47,112	4,784
- Cash outflows for acquisitions of non-consolidated equity investments		-1,219,549	-116,420
+ Proceeds from sale of subsidiaries		230	47
- Acquisition of subsidiaries, net of cash acquired	9	-119,731	-1
+/- Cash inflows/outflows from changes in scope of consolidation		2,667	-37,376
+ Cash received in connection with short-term financial management of cash investments		27,478	260,712
- Cash paid in connection with short-term financial management of cash investments		-66,479	-267,363
- Cash paid in connection with the acquisition of financial assets and granting of long-term financial assets		-8,692	0
= <i>Cash flows from investing activities</i>		-1,347,841	-163,503

Consolidated Statement of Cash Flow

In EUR thousand	Note	Jan 1–Dec 31, 2015	Jan 1–Dec 31, 2014
3. Cash flows from financing activities			
+	33	588,501	2,070,402
+	35	550,000	0
+		58,030	101,571
+		1,000	4,980
–		–9,560	–225
–		–14,943	–25,081
+		4,546	284
–		–4,333	–835
–	34	0	–286,766
–	34	–8,033	0
=		1,165,208	1,864,330
4. Cash and cash equivalents at the end of the period			
		–288,176	1,606,267
		3,327	–36
		2,053,448	447,218
Cash and cash equivalents at the end of the period	31	1,768,599	2,053,448

Notes to the Consolidated Financial Statements

1. Corporate and Group Information

General Information

Rocket Internet SE (until March 18, 2015 Rocket Internet AG), hereinafter also referred to as "Rocket Internet", the "Company" or "parent Company", is registered in the commercial register Charlottenburg of the district court in Berlin (Registration No.: HRB 165662). Rocket Internet SE registered office is at Johannisstraße 20, 10117 Berlin, Germany. Rocket Internet SE is the parent company of directly and indirectly held subsidiaries and holds directly or indirectly interest in joint ventures and associates, hereinafter together also referred to as the "Rocket Internet Group" or the "Group".

The general meeting of Rocket Internet AG as of September 30, 2014 passed the resolution to convert the legal form of Rocket Internet AG to a European stock corporation (Societas Europaea, SE) named "Rocket Internet SE". With the registration in the commercial register Charlottenburg of the district court of Berlin, the change of the legal form to Rocket Internet SE became effective on March 18, 2015.

Since October 2, 2014 the shares of the Rocket Internet SE, are included in the non-regulated Entry Standard of the Frankfurt Stock Exchange. The admission to the non-regulated Entry Standard does not represent a stock listing pursuant to Sec. 3 (2) AktG.

Subsidiaries, associated companies and joint ventures herein are summarized as "network companies".

Business Activities

Rocket Internet SE is one of the leading Internet platforms outside the United States and China. Rocket Internet was founded in 2007 and has since established numerous companies with activities in more than 110 countries on six continents. Rocket Internet identifies proven Internet and mobile business models and builds these either independently in own subsidiaries or invests in already existing companies (the so-called "GFC Investments"). Rocket targets mainly new, underserved or untapped markets, in which new companies will be scaled to market leadership positions. It relies on already proven models with a lower customer acceptance risk. The Group aims to make its network companies, depending on the type of business model, profitable within six to nine years after project launch.

A standardized approach for the formation of companies enables Rocket Internet to bring a company to the market in just a few months after the project was started. The goal is that companies achieve operational independence under the leadership of the parent company.

Rocket Internet has a flexible and scalable technology platform, which enables realizing several new projects per year in its five target regions

- Europe (excluding Russia and CIS),
- Africa and Middle-East,
- Asia-Pacific (excluding China),
- Russia and CIS (Commonwealth of Independent States) and
- Latin America.

Five Industry Sectors

Rocket Internet is focused on proven Internet-based business models that satisfy basic consumer needs across the following five industry sectors¹⁾:

- Food & Groceries (individualized fresh food at home, online food delivery and takeaway),
- Fashion (emerging markets online fashion),
- General Merchandise (emerging markets online retail as well as marketplaces for online merchandise),
- Home & Living (international Home & Living eCommerce) and
- Travel (online and mobile travel bookings, package holidays with transfer).

Regional Internet Groups

Rocket Internet has created Regional Internet Groups in order to combine the knowledge of local markets with the business model expertise, to foster regional commercial, strategic and investment partnerships especially with mobile operators. Our regional Internet Groups include Asia Pacific Internet Group, Middle East Internet Group and Africa Internet Group.

New Businesses & Investments

In addition to the companies in the five industry sectors, Rocket Internet owns stakes in companies at varying maturity stages, ranging from recently launched models to companies that are in the process of establishing leadership positions or expanding their geographic reach.

Services

Furthermore, Rocket Internet Group performs a range of IT, marketing and other services, in particular commercial and technical consulting services for its subsidiaries and non-consolidated equity investments. Rocket Internet is usually intensely involved in the strategic leadership and tactical implementation of the business plans of network companies, in particular in the early years.

Rocket Internet has created the Rocket Internet platform to systematize the process of identifying, building and scaling Internet companies around the world. The goal is to identify commonalities within different business models and leverage these via a platform approach to optimize the building and scaling process.

1) Sectors do not represent reportable segments, which are shown in Note 6.

Consumer Brands of the Company Network

The following graph shows a selection of the most important consumer brands used by network companies. See Note 6 for further information on the segments.

Consumer Brands

Food & Groceries	  
Fashion	     
General Merchandise	  
Home & Living	 
Travel	 
Regional Internet Groups	  
<h4 style="text-align: center;">New Businesses & Investments</h4>	

Notes to the Consolidated Financial Statements

Information about the consolidated Group

Rocket Internet has a large number of network companies in countries that are particularly relevant for online and mobile business.

While Rocket Internet as well as some service center subsidiaries focus on providing services along the different functional areas of an Internet business, the operational business is carried out exclusively by Rocket Internet's subsidiaries, associated companies and joint ventures under the umbrella of specifically created consumer brands.

In its role as group holding, Rocket Internet fulfils central functions including operational investment management, accounting, group financial reporting, press and investor relations, risk management and internal audit as well as human resources.

Rocket Internet typically owns directly or indirectly 80% to 90% of its companies²⁾ at the time of launch, with the remainder set aside for management equity participations. In subsequent financing rounds, the companies attract the equity financing necessary to expand their business from Rocket Internet and other external investors. The external equity financing is provided by strategic partners and other strategic and financial investors, including existing Rocket Internet shareholders. These investments are either made directly into the company or indirectly into an intermediate holding company or a Regional Internet Group (Africa Internet Holding GmbH, Asia Internet Holding S.à r.l. or Middle East Internet Holding S.à r.l.). In practice, this has meant that the direct and indirect stakes of Rocket Internet in a company have decreased over time to less than 50%. Furthermore, for several companies in which Rocket Internet holds a participation of more than 50%, shareholder agreements exist that lead to ongoing restrictions of Rocket Internet's control over those network companies. As of December 31, 2015 Rocket Internet does not consolidate most of its significant network companies but accounts for them using the equity method. The most important associated companies and joint ventures in the Rocket Internet Group as of December 31, 2015 are:

Associated company / joint venture	Consumer brands
Global Fashion Group S.A.	Dafiti, Lamoda, Zalora & The Iconic, Namshi, Jabong and since September 2015 Kanui and Tricae
Lazada Group S.A.	Lazada, helloPay
New TIN Linio II GmbH	Linio
Home24 AG	Home24, Mobly
Westwing Group GmbH	Westwing
HelloFresh AG	HelloFresh
Emerging Markets Online Food Delivery Holding S.à r.l.	foodpanda, hellofood, Delivery Club
Africa Internet Holding GmbH	Carmudi, EasyTaxi, Everjobs, Hellofood, Jovago, Jumia, Kaymu, Lamudi, Vendito, Zando
Asia Internet Holding S.à r.l.	Daraz, Lamudi, Carmudi, Easy Taxi, Kaymu, Helpling, Jovago, Shopwings
Middle East Internet Holding S.à r.l.	Carmudi, Lamudi, Easy Taxi, Helpling, Wadi

2) All participation quotas for the network companies shown in the financial statements are based on the Group's ownership calculated pursuant to the respective accounting rules (e.g. reflecting the transaction closing dates, dates of change in control, considering trust shares allocated to the Group etc.) and may therefore differ from the respective information published on the Company's website which is based on the signing dates.

As of December 31, 2015, the consolidated group comprised 181 (previous year 138) fully consolidated companies in addition to Rocket Internet SE.

As a result of Rocket Internet being an operational Internet platform, the consolidated group is subject to changes in each reporting period. During the reporting period, the consolidated group has developed as follows:

	Germany	Other countries	Total
As of Jan 1, 2014	100	59	159
Acquisitions	9	1	10
Foundings	9	58	67
First-time consolidation	25	39	64
Transition to associated company/ joint venture	-64	-76	-140
thereof subsidiaries of associated companies/joint ventures transitioned	(-62)	(-68)	(-130)
Disposals	-9	-7	-16
Mergers/accretions/other	-5	0	-5
As of Dec 31, 2014	65	74	139
Acquisitions	2	2	4
Foundings	4	53	57
Spin-offs	3	0	3
First-time consolidation	14	42	56
Transition to associated company/joint venture	-4	-2	-6
thereof subsidiaries of associated companies/joint ventures transitioned	(-3)	(-1)	(-4)
Disposals	-16	-21	-37
Deconsolidation of inactive subsidiaries and liquidations	-5	-29	-34
As of Dec 31, 2015	63	119	182

See Note 8 for information on the Group's principal subsidiaries and Note 9 for business combinations and acquisitions of subsidiaries. During the financial year 2015, Rocket Internet performed two significant business combinations.

First-time consolidation relates to formerly dormant subsidiaries that were founded in previous periods and which started operations during the reporting period.

Spin-offs occur when the Group receives an equity stake in a newly spun off subsidiary as a result of the division of an existing company (combined with creation of a new entity).

Transition of subsidiaries to an associated company or joint venture occurs when a subsidiary issues shares to third parties and following this, Rocket Internet's interest is diluted, such that the Group no longer controls the subsidiary/group of subsidiaries.

Disposals relate to regular sales of interest in a consolidated subsidiary that give rise to the loss of control of a subsidiary.

Notes to the Consolidated Financial Statements

As of December 31, 2015 the Rocket Internet Group included 51 associated companies and joint ventures (previous year 53) which were accounted for using the at-equity method of accounting or accounted for at fair value through profit or loss (FVTPL). The portfolio of associated companies and joint ventures has developed as follows:

	Germany	Other countries	Total
As of Jan 1, 2014	26	2	28
Transition of formerly consolidated entities	2	8	10
Foundings	5	4	9
Acquisitions	9	6	15
Disposals and other changes	-5	-4	-9
As of Dec 31, 2014	37	16	53
Transition of formerly consolidated entities	1	1	2
Transition of former other investments	0	1	1
Transition to other investments	-3	0	-3
Acquisitions	1	3	4
Disposals and other changes	-7	1	-6
As of Dec 31, 2015	29	22	51
thereof at equity	23	12	35
thereof at FVTPL	6	10	16

See Note 10, 41 and 46 for information on the Group's investments in associates and joint ventures.

As a consequence of Rocket Internet's business model there are significant changes year over year in the scope of consolidated subsidiaries, associates and joint ventures. These changes limit to a certain extent the inter-period-comparability of the consolidated financial statements.

2. Basis of Preparation

Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and the interpretations of the IFRS Interpretation Committee (IFRS IC) approved by the IASB and in effect and adopted by the European Union (EU) at the reporting date. The requirements of Sec. 315a (1) HGB ("Handelsgesetzbuch": German Commercial Code) are also taken into account.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out in the Note 3. These policies have been consistently applied to all the periods presented. In the financial year 2015, the Group also adopted the new and amended IFRS and IFRS interpretations which have already been endorsed by the EU and which are effective for financial years beginning on January 1, 2015:

- Annual Improvements to IFRS (Cycle 2011–2013) which affect IFRS 1, IFRS 3, IFRS 13 and IAS 40 and
- IFRIC 21 Levies.

These amendments do not have any significant effect on the Group's consolidated financial statements.

Standards issued but not yet effective up to the date of issuance of the Group's financial statements are set out in the Note 5.

General Information

The consolidated financial statements have been prepared on a historical cost basis, except for investments in available-for-sale financial assets, financial assets and associates under fair value option, contingent consideration and non-cash distribution liability that have been measured at fair value.

The profit and loss statement is prepared using the nature of expense method.

Assets and liabilities are presented using the current and non-current classification.

In the Statement of Cash Flows the operating cash flows are derived using the indirect method, whereas the investing and financing cash flows are determined using the direct method.

The consolidated financial statements provide comparative information in respect of the previous period.

The consolidated statements are presented in Euro (EUR). Unless otherwise indicated, all values are rounded up or down to the nearest thousand in accordance with a commercial rounding approach, which may result in rounding differences and percentage figures presented may not exactly reflect the absolute figures they relate to.

The Company's financial year is the calendar year.

3. Summary of Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as of December 31, 2015. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the respective network company and has the ability to affect those returns through its power over the network company.

Specifically, the Group controls a network company if and only if the Group has:

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

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

- The contractual agreements with the other shareholders with voting rights of the network company,
- Rights arising from other contractual agreements, and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls a network company if facts and circumstances indicate that there are changes to one or more of the three criteria 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 a subsidiary acquired or disposed of during the year are included in the consolidated balance sheet and the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent Company and to non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated fully on consolidation.

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, the following steps apply:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary,
- derecognizes the carrying amount of any non-controlling interests,
- derecognizes the cumulative translation differences recorded in equity,
- recognizes the fair value of the consideration received,
- recognizes the fair value of any investment retained,
- recognizes any surplus or deficit in profit or loss and
- reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company.

Business combinations

The acquisition method of accounting is used to account for the acquisition of subsidiaries. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair value at the acquisition date, irrespective of the extent of any non-controlling interest.

The Group measures non-controlling interest that represents present ownership interest and entitles the holder to a proportionate share of net assets in the event of liquidation on a transaction by transaction basis, either at: (a) fair value, or (b) the non-controlling interest's proportionate share of net assets of the acquiree. Non-controlling interests that are not present ownership interests are measured at fair value.

Goodwill is measured by deducting the net assets of the acquiree from the aggregate of the consideration transferred for the acquiree, the amount of non-controlling interest in the acquiree and fair value of an interest in the acquiree held immediately before the acquisition date. Any negative amount ("negative goodwill, bargain purchase") is recognized in profit or loss, after management re-assesses whether it identified all the assets acquired and all liabilities and contingent liabilities assumed and reviews appropriateness of their measurement.

The cost of acquisition for the acquiree is measured at the fair value of the consideration transferred, equity instruments issued and liabilities incurred to former owners, including fair value of assets or liabilities from contingent consideration arrangements but excludes acquisition related costs such as advisory, legal, valuation and similar professional services. Transaction costs related to the acquisition and incurred for issuing equity instruments are deducted from equity; transaction costs incurred for issuing debt as part of the business combination are deducted from the carrying amount of the debt and all other transaction costs associated with the acquisition are expensed.

Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the network company, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associate and joint venture are accounted for

- a) using the equity method or
- b) at fair value through profit or loss (FVTPL).

Investment in associates and joint ventures – Equity method

The equity method is applied for network companies with operations that are incubated or actively developed by Rocket Internet. The network companies are often former subsidiaries of the Group, where Rocket Internet has the power to participate in the financial and operating policy decisions. In such network companies Rocket Internet is mostly intensely involved in the strategic leadership and implementation of the business plans.

An investment is accounted for using the equity method from the date it becomes an associate or joint venture. Under the equity method, the investment in an associate or joint venture is initially recognized at cost (including transaction costs and the initial fair value of any contingent

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consideration agreement). The concepts underlying the procedures used in accounting for the acquisition of a subsidiary are also adopted for the acquisition of an associate and joint venture (including situations where the equity method is to be applied following a loss of control). Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

In case the Group acquires additional interests in an associate or joint ventures and the equity method is still applied (step acquisitions) the additional interest is initially recognized at cost (including transaction costs and the initial fair value of any contingent consideration agreement). The concepts underlying the procedures used in accounting for the acquisition of a subsidiary are also adopted for the acquisition of the additional interest in the associate and joint venture. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate or joint venture since the acquisition date.

The statement of comprehensive income reflects the Group's share of the net income of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity of the associate or the joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate.

The proportionate share of expenses resulting from equity-settled share-based payments of associates and joint ventures are offset by the corresponding increase in equity of associates and joint ventures. Therefore the equity-settled share-based payments at the level of associates and joint ventures do not have an impact on both, the subsequent measurement of associates and joint ventures in the Group's balance sheet as well as on the share of profit/loss of associates and joint ventures recognized in the statement of comprehensive income.

Rocket Internet accounts for a dilution of its investment caused by a share issuance by an equity method investee to a third party as if the Group had sold a proportionate share of its investment (deemed disposal). Besides deemed disposals, the share of profit/loss of associates and joint ventures also include gains or losses from regular disposals of Rocket Internet's direct or indirect interests in associated companies and joint ventures.

The aggregate of the Group's share of profit or loss of an associate or joint venture is shown on the statement of profit or loss within operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture including adjustments made by the Group under the equity method, such as adjustments to the fair value that occurred at the time of acquisition or for adjustments to group-wide accounting policies.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss as 'Share of profit/loss of associates and joint ventures' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint venture upon

loss of joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

The shareholders' agreements for associates and joint ventures to which Rocket Internet is a party are important instruments for steering the economic rights among the various investors in these entities and are designed to protect shareholders and to facilitate corporate and transaction issues. In the event of a network company's IPO the shareholders' agreements shall, as from the commencement of trading of the network company's shares on a stock exchange, cease to have effect. The shareholders' agreements include certain waterfall provisions, which stipulate the order for distributing proceeds from a transfer of shares that result in, or is deemed to be, a change of control or in case of liquidation to the shareholders ("liquidation preferences"). Typically, if triggered, the liquidation preference entitles investors who invested in later financing rounds, which generally means at a higher valuation, to recoup their investment before other shareholders are paid out. Investors who invested in the early stage of a company are usually paid out last. As Rocket Internet is typically among the first investors in a network company, Rocket Internet will generally be able to recoup its investments if the transfer or liquidation proceeds equal or exceed the sum of the investments made by all investors in the company. Any remainder over the sum of the investments of all investors is shared among all shareholders of the company pro rata to their shareholdings or – in the case of a share transfer – to the shares transferred by them. Any amount received by an investor prior to the pro rata allocation is typically deducted from such investor's stake in the pro rata allocation. When valuing the shares in associates and joint ventures, the Group carefully assesses the accounting implications of the regulations in the shareholders' agreements. The valuations consider the preferential rights the owned shares have in case of liquidation or sale of the entire network company.

Investment in associates and joint ventures – At fair value through profit or loss

This method is applied for investees where Rocket Internet is acting as an investor within the meaning of IAS 28.18. Please, refer to the accounting policies for financial assets at fair value through profit or loss.

Revenue recognition

The Group generates revenues primarily from the sale of goods (online and mobile trade / eCommerce), from rendering intermediation services (specialized online and mobile transaction platforms for goods and services / marketplaces) and from rendering other services including consulting services provided for network companies and other customers.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the 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 duty.

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon delivery of the goods.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

In case the customer has the right to return goods, revenues are only recognized before the return period expires, if reliable estimates about the expected returns can be derived from past experience taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. The expected return of goods are presented on a gross basis in the profit and loss statement. Rocket Internet reduces revenue by the full amount of sales that it estimates will be returned. The reduction of goods that is expensed in full upon shipping is then corrected by the estimated amount of returns. Rocket Internet also shows the gross figure for the return of goods in the balance sheet. The right to recover the possession of goods from expected sales returns is recognized under other non-financial assets. The amount of the assets corresponds to the cost

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of the goods delivered for which a return is expected, taking into account the costs incurred for processing the returns and the losses resulting from disposing of these goods. Trade receivables that have not yet been paid and that have underlying transactions that are not expected to be closed due to the goods being returned are derecognized. For customer receivables already paid and for which returns are expected in the future, Rocket Internet recognizes a refund obligation vis-à-vis the customer within other current financial liabilities.

The Group evaluates whether it is appropriate to record the gross amount of product sales and related costs. When the Group is primarily obligated in a transaction, is subject to inventory risk, has latitude in establishing prices and selecting suppliers, or has several but not all of these indicators, revenue is recorded at the gross sales price. The Group records the net amounts as commissions earned if the Group is not primarily obligated and does not have latitude in establishing prices. Such amounts earned are determined using a fixed percentage, a fixed-payment schedule, or a combination of the two.

Revenue from commissions is earned and recognized at the point of order fulfilment to the customers. This is the point at which an intermediation service is successfully processed and the Group has no remaining transactional obligations.

Revenue from consulting services is recognized by reference to the stage of completion. Stage of completion is measured by reference to labor hours incurred until the reporting date as a percentage of the total estimated labor hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are eligible to be recovered.

Transactions are settled by prepayments, credit card, invoicing, PayPal and further country specific payment methods.

Dividends and Interest Income

Dividends are recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

For all financial instruments measured at amortized cost interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of profit or loss.

Sales tax (VAT and similar taxes)

Expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable, or
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Foreign currency transactions and translation

The financial statements of each of the Group entities are prepared using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group financial statements are presented in Euro (EUR), which is also the parent company's functional currency.

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the respective transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Foreign exchange gains and losses that relate to borrowings and cash and short-term deposits are presented in the income statement within finance costs, net. All other foreign exchange gains and losses are presented in the income statement within other operating income or expenses.

The balance sheets and results of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- c) all resulting exchange differences are recognized in other comprehensive income.

Equity-settled share-based payments

The Group operates a number of equity-settled share-based compensation arrangements, under which the Company and its subsidiaries receive services from eligible and selected directors or employees and others providing similar services as consideration for the following equity instruments:

- share options in the Company,
- ordinary shares in subsidiaries (“share awards”) or
- share options in subsidiaries.

The total amount to be expensed for services received is determined by reference to the grant date fair value of the share-based payment award made. For share awards, the Group analyses whether the price paid by a participant, if any, is in line with the estimated market price of the underlying shares at the grant date. If a positive difference exists between (i) the estimated market value of the shares and (ii) the purchase price; this results in a fair value to be reported and recognized as a share-based payment expense. For share options granted, the grant date fair value is determined using the Black Scholes option valuation formula.

The fair value determined at the grant date is expensed on a straight-line basis over the respective vesting period, based on the Group’s estimate of the number of shares that will eventually vest, with a corresponding credit to equity.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The vesting period usually starts with the grant date of the award.

However, the recognition of expense may start at an earlier service commencement date when awards need to be formally approved after the employee has started providing services.

The Group recognizes compensation expense from the beginning of the service period, even when the grant date is subsequent to the service commencement date. During the period between service commencement date and grant date, the share-based payment expense recognized is based on the estimated grant date fair value of the award. Once the grant date has been established, the estimated fair value is revised so that the expense is recognized prospectively based on the actual grant date fair value of the equity instruments granted.

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For awards with graded-vesting features, each instalment of the award is treated as a separate grant. This means that each instalment is separately recorded as an expense over the related vesting period. Some instalments vest only upon the occurrence of a specified exit event (e.g. IPO) of the subsidiary or upon the employee still being employed with or providing services to a group entity 12 months after such an event. These instalments are expensed over the expected time to such a vesting event. Therefore, share-based payment expenses would be reversed if no such event occurs by the time the awards elapse. Non-market performance and service conditions are included in the assumptions about the number of options and shares that are expected to vest.

No expense is recognized for awards that do not ultimately vest, except for equity-settled transactions for which vesting is conditional upon a market or non-vesting condition. These are treated as vested irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance or service conditions are satisfied.

At the end of each reporting period, the Group revises its estimates of the number of options and shares that are expected to vest based on the non-market vesting conditions. It recognizes the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

When the terms of equity-settled awards are modified, as a minimum, the expenses recognized are measured at the grant date fair value, to the extent the non-market vesting conditions attached to the awards are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

The expenses related to equity-settled share-based compensation arrangements are recognized as employee benefit expenses.

Application of the equity method of accounting – Equity-settled share-based payments at the level of associates/joint ventures

The expenses resulting from equity-settled share-based payments of associates and joint ventures are offset by the corresponding increase in equity of associates and joint ventures. As a result the total equity of the respective network company remains unchanged.

As there is no change in the Group's share in the equity of the equity method investee, the proportionate share of expenses resulting from the equity-settled share-based payments at the level of associates and joint ventures do not have an impact on either, the subsequent measurement of associates and joint ventures in the Group's balance sheet or on the share of profit/loss of associates and joint ventures recognized in the Group's statement of comprehensive income. As presently there is no clear guidance from the IASB on this topic, the accounting policy applied currently by Rocket Internet may be subject to change in the future.

Share-Based Compensation – Cash settled

The Group recognizes a liability for the services received from its employees in cash-settled share-based payment transactions. The Group re-measures the fair value of the liability at each reporting date and at the date of settlement, with any changes in fair value recognized in profit or loss for the period as employee benefit expenses. The liability is recognized over the vesting period (if applicable).

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, where required.

Costs of minor repairs and maintenance are expensed when incurred.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognized in profit or loss for the year within other operating income or expenses.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives between 1 to 15 years. Leasehold improvements are depreciated over their estimated useful lives or the shorter lease term.

The residual value of an asset is the estimated amount that the Company would currently obtain from disposal of the asset less the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Operating leases

Where the Company is a lessee in a lease which does not transfer substantially all the risks and rewards incidental to ownership from the lessor to the Company, the total lease payments are charged to profit or loss for the year on a straight-line basis over the lease term. The lease term is the non-cancellable period for which the Company has contracted to lease the asset together with any further terms for which the lessee has the option to continue to lease the asset, with or without further payment, when at the inception of the lease it is reasonably certain that the lessee will exercise the option.

Goodwill

Goodwill is initially measured at acquisition cost. Goodwill is allocated to the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the business combination. Such units or groups of units represent the lowest level at which the Company monitors goodwill and are not larger than an operating segment.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. The Company tests goodwill for impairment at least annually and whenever there are indications that goodwill may be impaired. The carrying value of goodwill is compared to the recoverable amount, which is the higher of the value in use and the fair value less costs to sell. Any impairment is recognized immediately as an expense and is not subsequently reversed.

Gains or losses on the disposal of an operation within a cash generating unit to which goodwill has been allocated, include the carrying amount of goodwill associated with the disposed operation.

Other intangible assets

The Group's intangible assets have definite useful lives and primarily include trademarks, customer bases, acquired computer software and other licenses, and internally developed software.

Acquired computer software and other licenses are capitalized on the basis of the costs incurred to acquire and bring them to use.

Costs associated with maintaining computer software programs are recognized as an expense as incurred.

Costs that are directly attributable to the design, development and testing of identifiable and unique software products controlled by the Company are recognized as internally developed software when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;

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- there are adequate technical, financial and other resources to complete the development and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software product mainly include the software development employee cost. Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in subsequent periods. Development costs which do not meet the criteria mentioned above are immediately expensed. Development costs that have been expensed cannot be capitalized as intangible assets in subsequent periods.

Intangible assets are amortized using the straight-line method over their useful lives:

	Useful lives in years
Trademarks	11–15 years
Customer base	9–13 years
Internally developed software	3–5 years
Acquired other intangible assets	1–15 years

Impairment of property, plant and equipment and intangible assets

Whenever events or changes in market or business conditions indicate a risk of impairment of property, plant and equipment or intangible assets or a cash generating unit ("CGU"), if applicable, management estimates the recoverable amount, which is determined as the higher of an asset or CGU's fair value less costs to sell and its value in use. A CGU is defined as the lowest level of identifiable cash inflows. The carrying amount is reduced to the recoverable amount and the impairment loss is recognized in profit or loss for the year.

Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventory is determined based on the weighted average cost. The cost of inventory includes the costs of purchase or production and costs incurred to bring the inventories to their present location and condition such as shipping and handling.

Write-down expenses due to obsolete and slow moving inventory are deducted from the carrying amount of the inventories.

Cash and cash equivalents

Cash and cash equivalents include cash at hand, deposits held on demand with banks, and other short-term highly liquid investments with original maturities of three months or less, for which the risk of changes in value is considered to be insignificant.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement of financial assets

A financial asset is recognized when the Group becomes a party to the contractual provisions of the instrument. The Group initially recognizes loans and receivables on the date on which they originated. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

Financial assets held by the Group are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. Transaction costs are recognized as well, except in the case of financial assets at fair value through profit or loss. The Group did not make use of the held-to-maturity category, during the years ended December 31, 2015 and 2014.

Subsequent measurement of financial assets

The subsequent measurement of financial assets depends on its category:

- Financial assets at fair value through profit or loss
- Loans and receivables
- Available-for-sale financial assets (AFS financial assets)

Financial assets at fair value through profit or loss

The fair value through profit or loss category comprises the following subcategories: financial assets that are initially designated into this category ("Fair value option"), contingent consideration of an acquirer in a business combination, and held-for-trading financial assets.

Rocket's financial assets in this category include equity investments where Rocket is acting as an investor within the meaning of IAS 28.18 and elects to measure these investments at fair value through profit or loss or which Rocket designates as financial assets at fair value through profit or loss because the investments are managed and measured on the basis of fair values in accordance with risk management and investment strategies. In addition, Rocket designated employee loans into this category, for which settlement amounts could be partly influenced in some circumstances by the performance of shares in certain associated companies and thus include embedded derivatives. Financial assets at fair value through profit or loss are recognized in the balance sheet at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the statement of profit or loss.

The group does not have any held-for-trading financial assets.

See Note 41 for information on the Group's equity investments at fair value through profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, such financial assets are measured at amortized cost using the effective interest rate (EIR) method, less impairment. 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 EIR. The EIR amortization is included in finance income in the statement of profit or loss. Trade receivables are initially recognized at fair value which primarily represents the original invoice amount. The losses arising from impairment are recognized in the statement of profit or loss in finance costs for loans and in other operating expenses for receivables.

Loans and receivables are included in current assets, except for those having maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

The Group's loans and receivables comprise loans, trade receivables and other financial assets.

When there is objective evidence that the Group may not be able to collect the trade receivables, the loss is recognized in other operating expenses and reflected in the allowances for doubtful accounts. Balances are written off when recoverability is assessed as being remote.

AFS financial assets

AFS financial assets of the Group comprise equity investments that are not designated at fair value through profit or loss.

After initial recognition, AFS financial assets are measured at fair value with unrealized gains or losses recognized in OCI until the investment is derecognized or impaired, at which time the cumulative gain or loss is recognized in finance income/costs.

Impairment of financial assets

The Group assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

If, in a subsequent year, the amount of the estimated impairment loss of financial assets recognized at amortized costs increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered due to an event after the impairment was recognized, the recovery is credited in the statement of profit or loss.

In the case of equity investments classified as AFS, objective evidence of impairment would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost. When there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the statement of profit or loss – is removed from OCI and recognized in the statement of profit or loss. Impairment losses on equity investments are not reversed through profit or loss; increases in their fair value after impairment are recognized in OCI.

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

Financial liabilities

Initial recognition and measurement of financial liabilities

Financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument and classified, at initial recognition, as financial liabilities at fair value through profit or loss or other financial liabilities.

All financial liabilities are recognized initially at fair value and, in the case of other financial liabilities, net of directly attributable transaction costs.

The Group's financial liabilities include convertible bonds, trade and other payables, loans and borrowings including bank overdrafts, refund liabilities from sales with a right of return, contingent consideration of an acquirer in a business combination, and liabilities from mandatorily redeemable preference shares issued by a consolidated subsidiary.

Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, contingent considerations of an acquirer in a business combination, and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss of the Group contain only contingent considerations in a business combination.

The Group's policy does not permit any trading with financial instruments. Equally, no financial derivatives are utilized.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IAS 39 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Other financial liabilities

This is the category of financial liabilities most relevant to the Group. It includes convertible bonds, trade and other payables, loans and borrowings including bank overdrafts, refund liabilities from sales with a right of return, and liabilities from mandatorily redeemable preference shares issued by a consolidated subsidiary.

After initial recognition, other financial liabilities are measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as the result of the revision of estimated cash flows and through the EIR amortization process.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Loans and borrowings are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Other financial liabilities also contain liabilities from mandatorily redeemable preference shares issued by one of the consolidated subsidiaries to a third party investor (minority shareholder). The mandatorily redeemable preference shares take the legal form of equity but are liabilities pursuant to IAS 32.18(a) requirements.

Convertible bonds

Convertible bonds issued by the Group are separated into liability and equity components based on the terms of the contract. On issuance of the convertible bonds, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortized cost (net of the relevant portion of the transaction costs) until it is expired on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognized and included in equity. The relevant portion of the transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option recognized in equity is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

Derecognition of financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new equity instruments are shown, net of taxes, in equity as a deduction from the proceeds.

Any excess of the fair value of consideration received over the par value of shares issued is recorded as share premium in the capital reserves.

Dividends

Cash or non-cash distributions to equity holders of the parent are recorded as a liability and deducted from equity in the period in which they are declared and approved by the shareholders and the distribution is no longer at the discretion of the Company.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value remeasurement recognized directly in equity. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognized in the statement of profit or loss.

Provisions

Provisions are non-financial liabilities of uncertain timing or amount. They are accrued when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Income taxes

Income taxes have been provided for in the financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax charge or credit comprises current tax and deferred tax and is recognized in profit or loss for the year, except if it is recognized in other comprehensive income or directly in equity because it relates to transactions that are also recognized, in the same or a different period, in other comprehensive income or directly in equity.

Current tax is the amount expected to be paid to, or recovered from, the taxation authorities in respect of taxable profits or losses for the current and prior periods. Taxable profits or losses are based on estimates if financial statements are authorized prior to filing relevant tax returns. Taxes other than on income are recorded within operating expenses.

Deferred income tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, in accordance with the initial recognition exemption, deferred taxes are not recorded for temporary differences on initial recognition of an asset or a liability in a transaction other than a business combination if the transaction, when initially recorded, affected neither book nor taxable profit.

Deferred tax balances are measured at tax rates enacted or substantively enacted at the end of the reporting period, which are expected to apply to the period when the temporary differences will reverse or the tax loss carry forwards will be utilized.

Deferred tax assets for deductible temporary differences and tax loss carry forwards are recorded only to the extent that it is probable that future taxable profit will be available against which the deductions can be utilized.

The Company controls the reversal of temporary differences relating to taxes chargeable on dividends from subsidiaries or on gains upon their disposal ("outside basis differences"). Deferred tax liabilities are not recognized on such temporary differences except to the extent that management expects the temporary differences to reverse in the foreseeable future.

Earnings per share

The Company presents basic and diluted earnings (loss) per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding to reflect the effects of all potential dilutive ordinary shares, which comprise convertible and redeemable preference shares and share options granted to employees. For more information see Note 23.

Segment reporting

In accordance with IFRS 8 – Operating Segments, segment reporting is constructed on the basis of internal management data used for performance analysis of businesses and for the allocation of resources. An operating segment is a distinct component of the group which is engaged in the supply of distinct products and services and which is exposed to risks and returns different from the risks and the returns of other operating segments. See Note 6 for further information.

4. Critical Accounting Judgments, Estimates and Assumptions in Applying Accounting Policies

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market fluctuations or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies.

Judgements that have the most significant effect on the amounts recognized in the financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year have been discussed below and are also described in the individual notes of the related financial statement line items.

Significant Accounting Judgement

Classification of shares in Delivery Hero Holding GmbH as AFS financial assets

During the 1st half of 2015, the Group successively purchased 157,679 shares in Delivery Hero Holding GmbH (DHH) which represented approximately 44% (prior to dilutive effects of convertible instruments issued by DHH) of the total outstanding share capital of DHH as of June 30, 2015. Due to the capital increases performed by DHH after June 30, 2015 Rocket Internet's share decreased to 40% as of December 31, 2015 (prior to dilutive effects of convertible instruments issued by DHH). Under the terms of the DHH Shareholders' Agreement, the Group's voting rights are limited to 30%.

The Group did not obtain representation on the DHH's supervisory board (as specified in the DHH's articles of incorporation) which precludes Rocket Internet from participating in the policy-making processes of DHH and from obtaining timely, adequate financial information required to apply the equity method of accounting.

In light of the lack of significant influence during the financial year 2015, the Group classified its equity investment in DHH as available-for-sale financial assets. This category includes investments intended to be held for the long-term. As of December 31, 2015 the carrying amount of the shares in DHH amounted to EUR 978,944 thousand. During the financial year 2015, the Group recognized an unrealized gain for its DHH investment in OCI. For more information reference is made to Note 41.

Shareholders' agreements – Assessment of control, joint control or significant influence over network companies

The shareholders' agreements to which Rocket Internet is a party are important instruments for steering the corporate governance of network companies. The shareholders' agreements typically specify that a number of important decisions need to be resolved by the shareholders. These important decisions are referred to as reserved matters. The shareholders' agreements often require a qualified majority of investors and, in certain cases, an unanimous vote of the investors for decisions regarding reserved matters. Sometimes the decision on reserved matters is conferred on an advisory board. This means that the Company typically cannot make or block decisions on reserved matters alone, but needs the support of one or more other investors. The reserved matters include fundamental decisions about the relevant entities, its operative and strategic plans and important transactions that exceed certain thresholds.

Based on the regulations in the shareholders' agreements the Company assesses whether

- it controls a network company particularly when it is exposed, or has rights, to variable returns from its involvement with the network company and has the ability to affect those returns through its power over the network company,
- it is a party of an arrangement in which two or more parties have joint control or
- it has the power to participate in the financial and operating policy decisions of the network company but is not in control or joint control of those policies (significant influence).

Whether or not the Group controls a network company depends on an evaluation of a number of factors, including, among others, representation on its board of directors, voting rights and other rights of other investors, including their participation in significant decisions made in the ordinary course of business (e.g. approval of the annual operating budget), as well as the Group's ownership level of the outstanding voting rights of the subsidiary. We refer to Note 8.

Deemed disposals of subsidiaries – Fair value measurement of interest retained

A deemed disposal occurs where the proportionate interest of a parent company in a subsidiary is reduced other than by an actual disposal, for example, by the issuance of shares to a third party investor by the subsidiary. When the Group no longer has control, the remaining interest is measured at fair value as at the date the control was lost. When establishing the fair value, the group takes into account all the facts and circumstances surrounding the transactions such as timing, transaction size, transaction frequency, and motivations of the investors. The Group considers whether such a transaction has been made at arm's length. For new share issues, the Group also considers whether, in the event of liquidation or sale, the newly issued shares have preferences to the investee's assets over earlier issued shares. We refer to Note 14.

Designation of equity instruments as financial assets at fair value through profit and loss

The Group has designated certain associated companies and other equity investments that are not incubated or actively developed by Rocket Internet as financial assets at fair value through profit or loss. Rocket Internet is acting as an investor within the meaning of IAS 28.18 and the Group is not intensely involved in the strategic leadership and tactical implementation of the business plans of such companies. Furthermore, Rocket Internet usually does not perform significant commercial and technical consulting services for these companies. In particular, this category includes the portfolio of investments in several internet companies acquired in August 2014 by a way of an exchange of shares held by United Internet and Global Founders GmbH in the Global Founders Capital Fund for shares in Rocket Internet (the so-called "GFC Investments"). In 2015 further GFC investments were made, such as Craftsvilla, Movinga, Naturebox, Dealerdirect. Other equity investments with ownership percentages below 20% are also included in this category. Moreover, the Group designated the remaining stake in Zalando SE as financial assets at fair value through profit and loss. In a series of transactions, Rocket Internet spun off nearly its entire stake in Zalando SE in 2013. Rocket Internet measures these shares on the basis of fair values. See Note 41 for information on the Group's equity investments measured at fair value through profit and loss.

Share-based compensation

The Group has analyzed all the terms and conditions of its share-based payment awards to determine the appropriate classification of the awards recognized under IFRS 2, Share-based Payment. Some of the awards in consolidated subsidiaries include put rights of employees and others providing similar services that may only be exercised at a specified date more than 10 years from the reporting date, at a price less than the market value of the interests held by employees. Other terms and conditions of these awards allow a subsidiary to settle the awards in equity or to avoid any cash payment. Based on this analysis, the Group assessed it has two settlement scenarios. One scenario would be considered cash-settled in its entirety, whereas the other scenario would be considered equity-settled in its entirety. Given the exit strategies of the Group that would allow settlement in equity, the Group concluded that it has no present obligation to settle in cash and therefore recognized those share-based payment awards as equity-settled plans. This management judgment is re-assessed at each reporting date. For more information see Note 39.

Critical Accounting Estimates and Assumptions

Measuring the fair value of financial assets

When the fair values of financial assets recognized in the balance sheet (especially of not listed equity instruments) cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets as far as possible, but where this is not feasible; a degree of judgement is required in establishing fair values. Judgements include considerations of the input used. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 41 for further disclosures.

Deferred income taxes

We consider many factors when assessing the likelihood of future realization of our deferred tax assets, including our recent earnings experience by jurisdiction, expectations of future taxable income, and the carry forward periods available to us for tax reporting purposes, as well as other relevant factors. Due to inherent complexities arising from the nature of our businesses, future changes in income tax laws or variances between our actual and anticipated operating results, we assess the likelihood of future realization of our deferred tax assets based on our judgments and estimates. Therefore, actual income taxes could materially vary from these judgments and estimates. For further information we refer to Note 22.

Share-based compensation – Equity-settled transactions at parent company level

The Group measures the costs of granting share options of the company to employees by using their fair value at the moment they were granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model (Black-Scholes-option pricing model), which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including especially the expected volatility calculated using data of peer groups and furthermore the anticipated option term, dividend yield and risk-free interest rate. The assumptions and models used for estimating fair value are disclosed in Note 39.

Share-based compensation – Equity-settled transactions at subsidiary level

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. This grant date fair value remains unchanged throughout the life of the award. As the consolidated subsidiaries of the Group are unlisted, estimating fair value for share-based payment transactions (ordinary shares and options) requires the use of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

In determining the fair values of a consolidated subsidiary's ordinary shares, as of each award grant date, three generally accepted approaches were considered: income approach, market approach and cost approach.

We have employed the "prior sale of company stock" method, a form of the market approach, to estimate the aggregate enterprise value at the level of some intermediate holding subsidiaries of the Company. The prior sale of company stock method considers any prior arm's length sales of the group subsidiary's equity securities. Considerations factored into the analysis include: the type and amount of equity sold, the estimated volatility, the estimated time to liquidity, the relationship of the parties involved, the risk-free rate, the timing compared to the ordinary shares valuation date, and the financial condition and structure of the company at the time of the sale. As such, we have benchmarked the value per share to the external transactions of subsidiary shares and external financing rounds. Throughout 2014 and 2015, the respective subsidiaries held a number of financing rounds which resulted in the issuance of new shares. The new shares were transacted with numerous existing and new investors, and therefore we consider the pricing a strong indication of fair value.

We have applied the income approach to estimate the enterprise value of subsidiaries of an intermediate holding subsidiary. The income approach is a technique by which fair value is estimated based on cash flows expected to be generated in the future. The principle behind this approach is that the value of the subsidiary is equal to its earnings potential. The future cash flows are discounted using a weighted average cost of capital that takes into consideration the stage of development of the business and the industry and geographies in which it operate. The total sum of all equity values based on discounted cash flows of the operating companies were reconciled to the total equity value of the Holding Company on the basis of financing rounds (i.e. "prior sale of company stock" method).

Given that there are multiple classes of equity at the subsidiary level, we employed the hybrid method in order to measure these different categories. The Hybrid method is a hybrid between the probability-weighted expected return method ("PWERM") and the Option Pricing Method ("OPM"), which estimates the probability weighted value across certain exit scenarios, but uses the OPM to estimate the remaining unknown potential exit scenarios.

A discount for lack of marketability ("DLOM") was applied, corresponding to the time to exit under the various scenarios, to reflect the increased risk arising from the inability to readily sell the shares. When applying the DLOM, the Finnerty option pricing model was used. Under this method, the cost of the put option, which can hedge the price change before the privately held shares can be sold, was considered as the basis to determine the DLOM.

In addition, we are required to estimate share-based compensation expense net of estimated forfeitures. In determining the estimated forfeiture rates for share-based awards, we periodically conduct an assessment of the actual number of equity awards that have been forfeited to date as well as those expected to be forfeited in the future. We consider many factors when estimating expected forfeitures, including the type of award, the employee class and historical experience. If our actual forfeiture rate is materially different from our estimate, the share-based compensation expense could be significantly different from what we have recorded in the current period.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 39.

5. New Accounting Pronouncements

New standards and amendments to existing standards issued but not yet effective up to the date of authorization for issue of the Group's financial statements which are relevant for the Group are listed below. The Group intends to adopt those standards when they become effective within the EU.

IFRS 9 Financial Instruments: Classification and Measurement (issued on July 24, 2014).

IFRS 9 will replace IAS 39 "Financial Instruments: Classification and Measurement". IFRS 9 provides new guidance on the classification and measurement of financial assets and liabilities, introduces a new impairment model for financial assets as well as new rules on hedge accounting. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. The impact of the standard is currently being analyzed. The Company intends to implement IFRS 9 starting January 1, 2018.

Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations (issued on May 6, 2014).

The amendments add new guidance on the accounting for the acquisition of an interest in a joint operation that constitutes a business. The amendments are effective for annual reporting periods beginning on or after January 1, 2016.

IFRS 14 Regulatory Deferral Accounts (issued on January 30, 2014).

This standard permits an entity which is a first-time adopter of International Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements and is therefore not relevant for Rocket Internet.

IFRS 15 Revenues from Contracts with Customers (issued on May 28, 2014) including amendments to IFRS 15 (issued on September 11, 2015).

IFRS 15 establishes a comprehensive model for determining whether, how much and when revenue is recognized. It supersedes current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. The Group has started to analyze the impacts of this new standard. The Company plans to apply this standard in periods starting January 1, 2018, insofar an endorsement from the EU will have been passed in time.

IFRS 16 Leases (published on January 13, 2016).

In this accounting standard the lease accounting is being revised. This standard obliges lessees to disclose essentially all leases in the balance sheet. No difference is made in future between an asset which is leased and one which is acquired on credit terms. The new regulation will lead to an increase in property, plant and equipment in the consolidated balance sheet (for right of use), and at the same time an increase in financial liabilities (due to the payment obligation). As a result, every leasing or rental arrangement is disclosed in the balance sheet. In the income statement, this leads to increased depreciation and interest expense. However, EBITDA will not improve proportionately to the increase in financial liabilities. As a consequence, the ratio of net financial liabilities to adjusted EBITDA (relative indebtedness) will deteriorate although there has been no economic change. Leasing or rental arrangements with terms up to twelve months and low-value contracts are exempted from the recognition obligation. In the field of operating leases, Rocket Internet is predominantly a lessee at present. The effects of IFRS 16 on the consolidated financial statements of Rocket Internet are therefore likely to be mainly in the amount of operating lease obligations and the resulting depreciation and interest effects (see Note 43). IFRS 16 is effective for annual reporting periods beginning on or after January 1, 2019.

Amendments to IAS 1: Disclosure Initiative (issued on December 18, 2014).

These narrow-focus amendments clarify IAS 1 requirements relating to materiality, order of the notes, subtotals, accounting policies and disaggregation. The amendments are effective for annual reporting periods beginning on or after January 1, 2016.

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (issued on September 11, 2014).

These narrow-scope amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. In December 2015, the IASB decided to postpone the effective date of these amendments indefinitely. As a consequence EU postponed its endorsement.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortization (issued on May 12, 2014).

These limited-scope amendments clarify the use of a revenue-based depreciation or amortization method. The amendments are effective for annual reporting periods beginning on or after January 1, 2016.

Amendments to IAS 27: Equity Method in Separate Financial Statements (issued on August 12, 2014).

These narrow-scope amendments restore the option to use the equity method of accounting in separate financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2016.

Annual Improvements to IFRSs (2012–2014 Cycle) (issued on September 25, 2014)

The IASB published amendments to IFRS 5, IFRS 7, IAS 19 and IAS 34 in the context of its annual improvements process. The amendments are effective for annual reporting periods beginning on or after January 1, 2016.

Annual Improvements to IFRSs (2010–2012 Cycle) (issued on December 12, 2013).

In the context of its annual improvements process, the IASB published amendments to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 7, IAS 16/IAS 38 and IAS 24. The amendments are effective for annual reporting periods beginning on or after February 1, 2015.

Amendments to IAS 19: Defined Benefit Plans: Employee Contributions (issued on November, 21 2013).

Rocket Internet has currently no defined benefit plans. The adjustment therefore is not relevant for Rocket Internet.

Unless otherwise described above, the new standards and interpretations issued by the IASB and to be adopted for the first time in the future are not expected to significantly affect the Group's financial statements.

6. Segment Information

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM), and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance of the segments. The function of the CODM is performed by the Board of Management of Rocket Internet SE.

An operating segment is represented by each network company. In case such network company represents an intermediate holding company for a single or multiple internet business models, each internet business model represents an operating segment.

The amounts provided to the CODM are primarily measured in a manner consistent with that of the financial statements. The CODM assesses the performance of the operating segments based on a number of financial metrics including revenue, EBITDA, and cash and cash equivalents. One-off effects from legal and capital reorganization at the level of intermediate holding companies are not reflected on the operating network company level and therefore not included in the segment information provided below.

Sales between segments are carried out at arm's length.

The following five aggregated reportable segments³⁾ could be identified: Home & Living, Fashion, General Merchandise, Food 1 and Food 2. The aggregated reportable segments reflect the most mature business activities of Rocket. Other network companies do not meet the thresholds for reportable segments. Other investments where Rocket cannot exercise significant influence neither qualify as reportable nor as operating segments.

Fashion comprises the business activities of the Global Fashion Group, which operates retail and wholesale fashion businesses and offers, among other products, clothing, shoes and accessories.

3) Effective from the segment presentation as of December 31, 2015 the reference to eCommerce or Marketplace has been omitted from the description of the five reportable segments. This is due to the fact that eCommerce business models increasingly engage in marketplace business models and vice versa. The reportable segments of the comparative segment information is accordingly adjusted.

Notes to the Consolidated Financial Statements

Compared to the previous year consolidated financial statements the reportable segments Fashion 1 (comprising Dafiti (Latin America), Lamoda (Russia/CIS), Namshi (Middle East) and Zalora (Asia Pacific) and Fashion 2 (comprising Jabong (India)) are combined to a single Fashion segment as a result of the establishment of the Global Fashion Group as a discrete operating segment in December 2014. The new segment structure is retrospectively applied to the comparative period.⁴⁾

Global Fashion revenue for the comparative information as presented in Note 10 reflects all five fashion ventures only between the establishment of Global Fashion Group in December 2014 and period end. Furthermore, 2014 EBITDA as presented in Note 10 of Global Fashion, is affected by gains from the disposition of its investments as the result of the establishment of the Global Fashion Group. Hence, Global Fashion financial information (see Note 10) is not comparable to the Fashion segment information that includes all five fashion ventures for a 12 months period.

Home & Living includes the business of Home24, a leading online retailer for home and living products operating in Europe and Latin America, and Westwing, an online retailer offering a frequently changing, curated selection of home design products in Europe, CIS and Latin America.

The segment **General Merchandise** includes Linio, Jumia and Lazada. Linio is a multi-category portal with its own delivery services in Latin America, offering a large product assortment including electronics, home & living, fashion, sports, kids' merchandise, health & beauty and media. Jumia is an online shopping portal in Africa. The focus of the company lies on fashion and electronics, which are offered through two operating models, the business-to-consumer eCommerce and the online marketplace that provides a sales platform for retailers. Lazada operates an online shopping and selling destination for assorted merchandise in Southeast Asia.

Food 1 includes HelloFresh. HelloFresh operates a subscription-based business model and delivers healthy recipes with the necessary pre-portioned ingredients to customers in Europe, North America and Asia-Pacific.

The segment **Food 2** includes the business of foodpanda, which operates the leading emerging economies online marketplace for food delivery and takeaway. Rocket Internet's available-for-sale investment in DHH is not considered as an operating segment due to Rocket Internet's restriction to exercise significant influence, i.e. to affect the resource allocation, as well as due to its inability to obtain adequate financial information (see also Significant Accounting Judgements in Note 4). Accordingly, for segment presentation purposes DHH is neither part of Food 1 nor Food 2.

The segment **Other** includes the business activities of Rocket Internet SE (headquarters), the joint ventures Asia Internet Holding and Middle East Internet Holding, as well as advanced businesses such as Lendico, Paymill, Helping, Traveloka, Travelbird, Wimdu, CupoNation, Zanui, Kanui and Tricae, which are not separately reportable. Rocket Internet SE renders a range of IT, marketing and other services, in particular commercial and technical consulting services to its network companies and holds cash and cash equivalents for new investments and funding purposes. In 2015, Rocket Internet SE generated service revenue from not consolidated companies of EUR 27,870 thousand (previous period EUR 22,968 thousand) which is included in the revenue of the segment "Other". Cash and cash equivalents held by Rocket Internet SE as of December 31, 2015 amount to EUR 1,720,010 thousand (previous period EUR 1,997,682 thousand).

Despite not having control of some of its network companies throughout 2015 and 2014, the chief operating decision maker of the group reviewed the operating results of the respective operating segments on a 100% basis (i.e. 100% of the revenues, expenses and segment results and cash and cash equivalents) to make decisions about resource allocation and to assess performance. Accordingly, in order to arrive at total consolidated revenues and expenses for

4) The Fashion segment for 2014 represents aggregated revenue and EBITDA of Dafiti, Jabong, Lamoda, Namshi and Zalora.

2015 and 2014, the "reconciliation" column reflects, besides consolidation adjustments, for inter-segment business relations, adjustments between aggregated segment revenue and expenses and consolidated revenue and expenses.

Segment information for the reportable segments for the year ended December 31, 2015 is set out below (In EUR thousand):

	Home & Living	Fashion	General Merchandise	Food 1	Food 2	Other	Reconciliation ⁵⁾	Total
2015								
Revenue	452,844	930,082	449,936	304,952	31,544	200,969	-2,241,995	128,332
EBITDA	-131,693	-318,613	-475,916	-109,506	-108,663	-229,456	1,173,046	-200,801
Cash and cash equivalents ⁶⁾	64,609	75,181	110,951	109,235	97,906	1,901,486	-600,479	1,758,889

5) The reconciliation column includes the elimination of EUR 2,272,242 thousand revenues and adjustments of EBITDA of EUR 1,304,484 thousand from non-consolidated network companies. Moreover, the effects from consolidation are included in the reconciliation column.

6) Except for cash and cash equivalents included in the assets held for sale amounting to EUR 9,710 thousand in Rocket Internet Group as well as to EUR 1,466 thousand in the Fashion segment.

Segment information for the reportable segments for the year ended December 31, 2014 is set out below (In EUR thousand):

	Home & Living	Fashion	General Merchandise	Food 1	Food 2	Other ⁷⁾	Reconciliation ⁸⁾	Total
2014								
Revenue	343,457	627,502	243,095	69,624	6,669	130,002	-1,292,166	128,182
EBITDA	-114,900	-250,342	-227,798	-15,148	-38,500	-89,442	1,160,562	424,432
Cash and cash equivalents	50,435	153,436	242,380	19,760	44,543	2,114,599	-571,705	2,053,448

7) The „Other“ segment is retrospectively adjusted for network entities that were either sold, ceased operations or that became reportable during 2015.

8) The reconciliation column includes the elimination of EUR 1,332,322 thousand revenues and adjustments of EBITDA of EUR 713,168 thousand from non-consolidated network companies. Moreover, the effects from consolidation are included in the reconciliation column.

Revenues for each region for which the revenues are material are reported separately as follows:

Revenue by region	In EUR thousand	
	2015	2014
Germany	32,913	23,431
Brazil	67,408	63,635
Africa	55	23,279
Other	27,956	17,837
Total	128,332	128,182

Revenues are attributed to countries on the basis of the customer's location.

Notes to the Consolidated Financial Statements

Non-current assets for each region for which it is material are reported separately as follows:

Non-current assets by region	In EUR thousand	
	2015	2014
Germany	12,122	8,088
Spain	79,577	0
Italy	38,915	0
Other	1,359	4,067
Total	131,953	12,155

The non-current assets reported in the table above only contain intangible assets and property, plant and equipment pursuant to IFRS 8.33(b).

The Rocket Internet Group has a diversified customer base.

7. Capital Management

The Company regards its total equity as capital. The primary objective of the Company's capital management is to support its operations, to cover the cash burn and to maximize shareholders' value while minimizing financial risk. Historically, the Company has financed its operations primarily through the issuance of equity instruments to third parties and in 2015, for the first time through the issuance of convertible bonds. To assist management in undertaking strategic activities, capital increases and servicing stock option plans, the shareholders of the Company have authorized the future issuance of ordinary shares in specific circumstances with the permission of the Supervisory Board. The Company has declared and paid dividends on its ordinary shares in the financial year 2014. However, the Company did not pay dividends in the financial year 2015 and does not expect to pay dividends in the foreseeable future.

The capital resources for the Group are also derived from cash payments from non-controlling interests, from operating activities and sales of equity investments.

Except for the decision to not declare dividends in the foreseeable future, no changes were made in the objective, policies or processes for managing capital during the years 2015 and 2014.

8. Principal Subsidiaries

As a result of Rocket Internet being an operational Internet platform, the basis of consolidation is subject to changes in each financial period. Usually, Rocket Internet has control and applies full consolidation when an enterprise is founded. In subsequent financing rounds, the enterprises attract the equity necessary to further extend operations from Rocket Internet as well as from other external investors. This means that Rocket Internet's direct and indirect share in the entities decreases over time in line with their size and maturity. Please, refer to Note 1 for further details on corporate structure, consumer brands, Group operations and to Note 6 regarding segment information.

Details of the Group's material subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Place of business and incorporation	Nature of Business	Owner-	Owner-
			ship	ship
			31/12/15	31/12/14
Bonnyprints GmbH ¹⁾	Berlin	eCommerce	77.1%	77.1%
Bus Servicos de Agendamento Ltda.	São Paulo	marketplace	100%	71.8%
Convenience Food Group S.à r.l.	Luxemburg	interim holding	62.6%	100%
Global Founders Capital GmbH & Co. Beteiligungs KG Nr. 1	Berlin	interim holding	100%	100%
Global Founders Capital S.à r.l.	Luxemburg	interim holding	100%	n/a
Global Fin Tech Holding S.à r.l.	Luxemburg	other services	100%	100%
Global Online Takeaway Group S.A.	Luxemburg	interim holding	100%	n/a
Grupo Yamm Comida a Domicilio S.L.	Madrid	marketplace	100%	n/a
International Rocket GmbH & Co. KG	Berlin	other services	100%	100%
Kanui Comercio Varejista Ltda. ²⁾	São Paulo	eCommerce	n/a	49.8%
MKC Brillant Services GmbH	Berlin	other services	65.0%	65.0%
Spotcap Global S.à r.l.	Luxemburg	interim holding	58.3%	58.3%
Tricae Comercio Varejista Ltda. ²⁾	São Paulo	eCommerce	n/a	48.6%
Webs S.r.l.	Bologna	marketplace	100%	n/a

1) Subsidiary deconsolidated in January 2016.

2) Subsidiary of MKC Brillant Services GmbH, deconsolidated in September 2015.

The proportions of voting rights in the subsidiaries are the same as the ownership interests presented in the table above. Ownership percentages are calculated on the group parent level, considering all non-controlling interests in the lower levels of the multilevel group hierarchy. In the table above, "n/a" indicates that the respective company was not a subsidiary as of the respective balance sheet date.

The total non-controlling interests as of December 31, 2015 amount to EUR 73,735 thousand (previous year EUR 34,184 thousand).

Notes to the Consolidated Financial Statements

The Management has determined that the Group does not control the following companies even though Rocket Internet holds more than 50% of the voting rights. The companies listed below were not controlled because Rocket Internet does not have the ability to direct the relevant activities due to specific regulations in the shareholder agreements:

2015	Voting rights	2014	Voting rights
Beauty Trend Holding GmbH	59.8%	Beauty Trend Holding GmbH	59.8%
Digital Services XXVIII S.à r.l.	70.0%	ECommerce Holding II S.à r.l.	55.5%
ECommerce Holding II S.à r.l.	50.6%	Emerging Markets Online Food Delivery Holding S.à r.l.	57.9%
HelloFresh AG	56.7%	Jade 1158. GmbH	68.2%
Jade 1158. GmbH	68.2%	Jade 1223. GmbH	73.9%
Jade 1223. GmbH	73.8%	Payleven Holding GmbH	55.8%
PTH Brillant Services GmbH	79.6%	Paymill Holding GmbH	50.1%
		PTH Brillant Services GmbH	79.6%
		Wimdu GmbH	52.5%

Summarized financial information on subsidiaries with material non-controlling interests

Set out below is the summarized financial information for the subsidiaries with non-controlling interests that, in the opinion of the management, are material to the Company. The amounts shown are before intercompany eliminations and the elimination of investments in the subordinated subsidiaries.

Summarized balance sheet

December 31, 2015	Assets		Liabilities		Total	
	Non-current	Current	Non-current	Current	Net Assets	Attributable to NCI
In EUR thousand						
Bonnyprints GmbH	14	176	0	1,323	-1,132	-259
Bus Servicios de Agendamento Ltda.	80	3,444	0	1,580	1,945	549
Convenience Food Group S.à r.l.	19,637	7,978	0	1,273	26,342	9,849
MKC Brillant Services GmbH	169,722	23,153	1,310	349	191,216	66,927
Spotcap Global S.à r.l.	22	13,194	0	107	13,110	5,465

December 31, 2014	Assets		Liabilities		Total	
	Non-current	Current	Non-current	Current	Net Assets	Attributable to NCI
In EUR thousand						
Bonnyprints GmbH	52	112	0	711	-546	-125
Kanui Comercio Varejista Ltda.	1,058	12,968	0	15,617	-1,591	-799
MKC Brillant Services GmbH	74,354	62,868	344	237	136,641	47,824
Tricae Comercio Varejista Ltda.	767	6,484	48	10,725	-3,522	-1,809

Summarized income statement

2015

In EUR thousand	Revenue	Profit (Loss)	Other comprehensive income	Total comprehensive income	Attributable to NCI
Bonnyprints GmbH	5,346	-592	0	-592	-136
Bus Servicios de Agendamento Ltda.	3,431	-4,703	-181	-4,884	-1,378
Convenience Food Group S.à r.l.	125	57	0	57	21
Kanui Comercio Varejista Ltda. ¹⁾	31,557	-2,776	-515	-3,291	0
MKC Brillant Services GmbH	61	130,931	2,216	133,147	46,602
New TIN Linio I GmbH ²⁾	0	-25,468	0	-25,468	-12,327
Tricae Comercio Varejista Ltda. ¹⁾	29,946	-4,540	-307	-4,848	0
Spotcap Global S.à r.l.	82	-594	0	-594	-248

1) until deconsolidation on September 26, 2015.

2) fully consolidated from March 31, 2015 until December 14, 2015.

2014

In EUR thousand	Revenue	Profit (Loss)	Other comprehensive income	Total comprehensive income	Attributable to NCI
Africa eCommerce Holding GmbH ¹⁾	20,520	-26,094	-321	-26,415	16,883
Bonnyprints GmbH	5,819	-546	0	-546	125
Kanui Comercio Varejista Ltda.	34,970	-3,532	-137	-3,669	1,617
MKC Brillant Services GmbH	207	35,204	-444	34,759	-12,166
Tricae Comercio Varejista Ltda.	22,808	-7,860	-74	-7,934	3,970

1) until deconsolidation on July 16, 2014, financial data of the Jumia Group.

There were no dividends paid to non-controlling interests during the periods presented.

Summarized cash flows

2015

In EUR thousand	Net cash from operating activities	Net cash from investing activities	Net cash from financing activities
Bonnyprints GmbH	-62	-1	68
Bus Servicios de Agendamento Ltda.	-4,161	-2	7,305
Convenience Food Group S.à r.l.	923	-16,428	15,704
Kanui Comercio Varejista Ltda. ¹⁾	754	-772	0
MKC Brilliant Services GmbH	-276	-4,952	-8,033
New TIN Linio I GmbH ²⁾	-28	-15,974	4,070
Tricae Comercio Varejista Ltda. ¹⁾	-6	-85	100
Spotcap Global S.à r.l.	121	-7,115	9

1) until deconsolidation on September 26, 2015.

2) fully consolidated from March 31, 2015 until December 14, 2015.

2014

In EUR thousand	Net cash from operating activities	Net cash from investing activities	Net cash from financing activities
Africa eCommerce Holding ¹⁾	-19,460	-996	16,368
Bonnyprints GmbH	-232	-22	94
Kanui Comercio Varejista Ltda.	-5,672	-547	6,180
MKC Brilliant Services GmbH	-481	-40,476	50,046
Tricae Comercio Varejista Ltda.	-5,868	-467	5,951

1) until deconsolidation on July 16, 2014, financial data of the Jumia Group.

Summarized effect of loss of control of subsidiaries through sale during the period

The Group lost control of certain subsidiaries through sale in 2015.

In September 2015, the consolidated subsidiary MKC Brilliant Services GmbH contributed its shares in the outdoor and sport shop Kanui (Jade 1159. GmbH and their subsidiaries VRB GmbH & Co. B-195 KG and Kanui Comercio Varejista Ltda.), as well as in the online shop for children's products Tricae (Jade 1218. GmbH and their subsidiaries VRB GmbH & Co. B-196 KG and Tricae Comercio Varejista Ltda.), both located in Brazil, in exchange for shares in the associate Global Fashion Group S.A.

In October 2015, the consolidated subsidiary Global Fin Tech Holding S.à r.l. contributed its 71.4% share in Zencap Global S.à r.l. (Zencap) to Funding Circle Holding Limited, London, (Funding Circle), in exchange for shares in this entity. The shares in Funding Circle are accounted for as other investment measured at fair value. Zencap operates a crowd lending platform focusing on small and middle-sized enterprises.

In January 2015, Rocket Internet's consolidated subsidiary MKC Brilliant Services GmbH contributed its 97% stake in LIH Subholding Nr. 3 UG (haftungsbeschränkt) & Co. KG to Carmudi Global S.à r.l. in exchange for shares in this entity. The LIH Subholding Nr. 3 UG (haftungsbeschränkt) & Co. KG (including its two subsidiaries) comprises the Mexican car classifieds services operating under the consumer brand Carmudi. The shares in Carmudi Global S.à r.l. are classified as Available-for-sale (AFS) equity investments.

In January 2015, Rocket Internet's consolidated subsidiary MKC Brillant Services GmbH contributed its 97% stake in LIH Subholding Nr. 4 UG (haftungsbeschränkt) & Co. KG to Lamudi Global S.à r.l. in exchange for shares in this entity. The LIH Subholding Nr. 4 UG (haftungsbeschränkt) & Co. KG (including its four subsidiaries) comprises the real estate classified services operating in Mexico, Colombia and Peru under the consumer brand Lamudi. The shares in Lamudi Global S.à r.l. are classified as Available-for-sale (AFS) equity investments.

The Company lost control of the following subsidiaries through sale in 2014.

On April 4, 2014, Rocket Internet's fully consolidated subsidiary Asia Internet Holding S.à r.l. (as seller) and the associated company Car Classifieds Asia S.à r.l. (as buyer) signed an agreement regarding the sale of the 100% participation in Carmudi GmbH, Berlin, (former Brillant 1253. GmbH).

On August 12, 2014, Rocket Internet SE (as seller) and Bigfoot GmbH (as buyer) agreed on the sale of 100% of the shares in Digital Services Holding X S.à r.l.

According to the agreement dated November 17, 2014, MKC Brillant Services GmbH contributed its shares in LIH Subholding Nr. 5 UG (haftungsbeschränkt) & Co. KG to the associated company Emerging Markets Online Food Delivery Holding S.à r.l. in exchange for shares in this entity. The LIH Subholding Nr. 5 UG (haftungsbeschränkt) & Co. KG (including its 13 subsidiaries) comprised the Latin American delivery services operating under the consumer brands foodpanda and hello-food. The acquisition costs of the shares in Emerging Markets Online Food Delivery Holding S.à r.l., that were received by the seller in return, were measured at fair value of the businesses contributed.

In the years 2015 and 2014 the Group deconsolidated some dormant, non-significant subsidiaries as well as some liquidated subsidiaries. The amount of the results from the deconsolidation of such entities is explained in Note 14. These deconsolidations as well as further minor divestments had no material effect on the financial statements.

The amount of consideration received:

In EUR thousand	Jan 1–Dec 31, 2015					Jan 1– Dec 31, 2014
	Kanui	Tricae	Zencap	Other	Total	Total
Cash received	0	0	0	230	230	47
Non-cash consideration	63,388	44,497	24,428	16,309	148,622	18,248
Consideration received	63,388	44,497	24,428	16,539	148,852	18,295

Notes to the Consolidated Financial Statements

Analysis of assets and liabilities from subsidiaries over which control was lost through sale during the financial period:

In EUR thousand	Jan 1 – Dec 31, 2015					Jan 1– Dec 31, 2014
	Kanui	Tricae	Zencap	Other	Total	Total
Current assets	7,950	5,383	3,520	4,980	21,833	8,002
Cash and cash equivalents	133	125	2,381	2,348	4,988	4,310
Trade receivables	1,225	685	121	190	2,221	1,020
Inventories	6,366	4,359	0	511	11,236	454
Other	225	214	1,018	1,932	3,388	2,218
Non-current assets	1,201	793	1,141	1,762	4,897	2,096
Intangible assets	289	31	578	1,334	2,232	542
Property, plant and equipment	811	527	79	209	1,626	335
Other	101	235	483	218	1,038	1,220
Current liabilities	12,962	12,629	2,553	9,742	37,886	25,719
Non-current liabilities	0	56	840	2	898	0
Net assets disposed	-3,811	-6,510	1,268	-3,002	-12,054	-15,621

Result from the sale of subsidiaries (including dormant, non-significant and liquidated subsidiaries):

In EUR thousand	Jan 1 – Dec 31, 2015					Jan 1– Dec 31, 2014
	Kanui	Tricae	Zencap	Other	Total	Total
Consideration received	63,388	44,497	24,428	16,539	148,852	18,295
Net assets disposed of	3,811	6,510	-1,268	3,002	12,054	15,621
Non-controlling interests	-3,111	757	-27	-4,050	-6,431	-21,818
Reclassification of the parent's share of components previously recognized in OCI to profit or loss	909	1,649	0	49	2,607	0
Currency translation effects	649	595	0	-209	1,036	0
Other effects	-173	-227	-138	113	-425	0
Result from deconsolidation	65,473	53,780	22,995	15,443	157,692	12,098

Deconsolidation of subsidiaries due to deemed disposals during the period

The following former subsidiaries issued shares to third parties, which reduced Rocket Internet's ownership interest in the subsidiaries so that the Group no longer has a controlling financial interest in these subsidiaries.

2015

Name of the former subsidiary	Month of deconsolidation	Transition to
Digital Services XXVIII S.à r.l. (Nestpick)	October 2015	Associate
New TIN Linio II GmbH (Linio Holding)	December 2015	Associate

2014

Name of the former subsidiary	Month of deconsolidation	Transition to
Africa Internet Holding GmbH	July 2014	Joint venture
Asia Internet Holding S.à r.l.	August 2014	Joint venture
Azmalo S.à r.l.	March 2014	Associate of Asia Internet Holding S.à r.l.
Emerging Markets Taxi Holding S.à r.l.	August 2014	Associate
Car Classifieds Asia S.à r.l.	January 2014	Associate of Asia Internet Holding S.à r.l.
Classifieds Asia S.à r.l.	January 2014	Associate of Asia Internet Holding S.à r.l.
ECommerce Holding II S.à r.l. (Lendico)	March 2014	Associate
Helping Group Holding S.à r.l.	October 2014	Associate
Middle East Internet Holding S.à r.l.	Mai 2014	Joint venture
Pricepanda Group GmbH	January 2014	Associate of Asia Internet Holding S.à r.l.

The gains and losses on deemed disposals, regular disposals and liquidation of subsidiaries resulting in a loss of control and accordingly a deconsolidation of subsidiaries are reported as a separate line item in the income statement. The portion of the gains due to measuring any investment retained in the former subsidiaries at its fair value at the date when control is lost is disclosed in the Note 14.

Notes to the Consolidated Financial Statements

Effects of changes in ownership without loss of control

The following tables show the effects on the equity attributable to owners of the parent from changes in Group ownership interest in the material subsidiaries that did not result in a loss of control:

In EUR thousand	Impact on equity attributable to owners of the parent company in 2015
Convenience Food Group S.à r.l. ¹⁾	14,870
Digital Services Holding XXII S.à r.l. (Zipjet)	3,980
Vaniday Global S.à r.l.	3,739
Digital Services Holding XLIII S.à r.l. (Carspring) ²⁾	3,496
Bus Servicos de Agendamento Ltda.	94
Bonnyprints GmbH	no change
MKC Brillant Services GmbH	no change
Spotcap Global S.à r.l.	no change

1) including subsidiaries of Convenience Food Group S.à r.l.

2) including subsidiaries of Digital Services Holding XLIII S.à r.l.

In EUR thousand	Impact on equity attributable to owners of the parent company in 2014
MKC Brillant Services GmbH	24,718
Kanui Comercio Varejista Ltda.	1,921
Tricae Comercio Varejista Ltda.	1,805

In January 2015, the Company purchased non-controlling interests in Jade 1317. GmbH for an amount of EUR 9,560 thousand, therefore reversing the corresponding previous allocation of profits to non-controlling interests of EUR 481 thousand and allocating EUR –9,080 thousand to other revenue reserves.

In January 2014, the Company purchased non-controlling interests in Bonnyprints GmbH for an amount of EUR 225 thousand, therefore reversing the corresponding previous allocation of losses to non-controlling interests of EUR 17 thousand and allocating EUR –242 thousand to other revenue reserves.

Furthermore, the investment rounds at all subsidiaries (including the abovementioned subsidiaries) as a result of which the Company's ownership has decreased resulted in the following movements in equity:

In EUR thousand	attributable to		Total
	shareholders of the parent	non-controlling interests	
2015	35,395	22,635	58,030
2014	65,901	35,670	101,571

9. Business Combinations and Similar Transactions

Business combinations during the financial years 2014 and 2015

During the financial year 2014 there were no major transactions or other events that meet the definition of a business combination.

During 2015, Rocket Internet performed a series of strategic transactions to further strengthen its market position in the global online takeaway market. Under the umbrella of the wholly owned subsidiary Global Online Takeaway Group S.A., Rocket Internet combined all its investments in the area including foodpanda, Delivery Hero, Talabat (immediately contributed to Delivery Hero), La Nevera Roja and Pizzabo.it.

Acquisition of Webs S.r.l. (Pizzabo.it)

On January 30, 2015, the Group acquired 100% of the voting shares of Webs S.r.l. (Pizzabo.it) for a cash consideration of EUR 51,272 thousand. Pizzabo.it is an unlisted company based in Bologna and a developer and operator of an online delivery platform for takeaway pizzas and other food. The Group acquired Pizzabo.it as a part of the creation of the Global Online Takeaway Group.

The fair values of the identifiable assets and liabilities of Pizzabo.it as of the date of acquisition were:

In EUR thousand	Fair value recognized on acquisition
Assets	8,843
Property, plant and equipment	80
Intangible assets	8,213
Other non-current assets	35
Cash and cash equivalents	361
Trade receivables	139
Other current assets	15
Liabilities	2,818
Provisions	15
Deferred tax liabilities	2,579
Income tax liabilities	44
Trade payables	26
Other financial liabilities	68
Other non-financial liabilities	86
Total identifiable net assets at fair value	6,025
Goodwill arising on acquisition	45,247
Purchase consideration transferred	51,272

The fair value of the trade receivables amounts to EUR 139 thousand. The gross amount of trade receivables is EUR 140 thousand. However, none of the trade receivables have been impaired and it is expected that the full contractual amounts can be collected.

Notes to the Consolidated Financial Statements

If the acquisition of Pizzabo.it had completed on January 1, 2015, they would have contributed revenues of EUR 1,163 thousand and EBITDA of EUR –2,598 thousand. Since January 30, 2015 Pizzabo.it contributed revenues of EUR 1,056 thousand and EBITDA of EUR –2,659 thousand.

The deferred tax liability comprises the tax effect of the amortization of intangible assets (trade mark, customer relationships and technology) recognized on acquisition.

The goodwill of EUR 45,247 thousand arose because the cost of the combination included a control premium. In addition, the consideration paid comprises the value of expected synergies arising from the acquisition, revenue growth, future market development and the assembled workforce of Pizzabo.it which could not be separately recognized. None of the goodwill recognized is expected to be deductible for income tax purposes.

In EUR thousand	Purchase consideration
Cash payments on acquisition	44,000
Contingent cash consideration liability (earn out payment)	7,272
Total consideration	51,272

Consideration includes all payments made to shareholders or on behalf of them that were relevant to gaining control of the company and were not related to acquisition costs.

Contingent cash consideration (earn out payment)

As part of the accounting for the acquisition of Pizzabo.it, a contingent cash consideration liability with an estimated fair value of EUR 7,272 thousand was recognized at the acquisition date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting performance targets and a discount rate. Future developments may require further revisions to the estimate. The maximum consideration to be paid is EUR 15,000 thousand, the minimum consideration amounts to EUR 8,250 thousand. The contingent consideration is classified as financial liability at fair value through profit or loss. Under the contingent consideration agreement, the Group is required to pay the sellers on the first and second anniversary after the closing date an amount equal to 10% of the market valuation of Pizzabo.it, as calculated applying the formula (combination of revenue multiple and EBITDA multiple) specified in the sale and purchase agreement.

Acquisition-related costs amounting to EUR 137 thousand have been excluded from the consideration transferred and have been recognized as an expense in profit or loss in January 2015 within the 'other operating expenses' line item.

Acquisition of Grupo Yamm Comida a Domicilio S.L. (La Nevera Roja)

On January 26, 2015, the Group acquired 100% of the voting shares of Grupo Yamm Comida a Domicilio S.L. (La Nevera Roja). La Nevera Roja is an unlisted company based in Madrid and a developer of an online delivery platform for takeaway food as well as a delivery service provider to restaurants that do not own their own delivery service. The Group acquired La Nevera Roja for a cash consideration of EUR 80,440 thousand as part of its strategy to establish the Global Online Takeaway Group.

The fair values of the identifiable assets and liabilities of La Nevera Roja as at the date of acquisition were:

In EUR thousand	Fair value recognized on acquisition
Assets	21,322
Property, plant and equipment	80
Intangible assets	13,663
Other non-current assets	236
Cash and cash equivalents	5,546
Trade receivables	68
Other current assets	1,729
Liabilities	10,969
Loans/other financial liabilities	5,451
Trade payables	3,551
Deferred tax liability	1,090
Other non-financial liabilities	877
Total identifiable net assets at fair value	10,353
Goodwill arising on acquisition	70,087
Purchase consideration transferred	80,440

The gross amount of trade receivables is equally EUR 68 thousand. None of the trade receivables have been impaired and it is expected that the full contractual amounts can be collected.

If the acquisition of La Nevera Roja had completed on January 1, 2015, they would have contributed revenues of EUR 4,962 thousand and EBITDA of EUR –11,860 thousand. Since January 26, 2015 La Nevera Roja contributed revenues of EUR 4,650 thousand and EBITDA of EUR –10,393 thousand. The deferred tax liability comprises the tax effect of the amortization of intangible assets (trade mark, customer relationships and technology) recognized on acquisition.

The goodwill of EUR 70,087 thousand arose because the cost of the combination included a control premium. In addition, the consideration paid comprises the value of expected synergies arising from the acquisition, revenue growth, future market development and the assembled workforce of La Nevera Roja, which is not separately recognized. None of the goodwill recognized is expected to be deductible for income tax purposes.

In EUR thousand	Purchase consideration
Cash payments on acquisition	80,440
Total consideration	80,440

Notes to the Consolidated Financial Statements

Acquisition-related costs amounting to EUR 181 thousand have been excluded from the consideration transferred and have been recognized as an expense in profit or loss in January 2015 within the 'other operating expenses' line item.

Other business combinations

Furthermore, during 2015 the Group acquired for a total cash consideration, net of cash acquired, amounting to EUR 1,198 thousand the following business:

Trade name of the business	Operations
Somuchmore	Berlin based beauty and wellness platform offering a subscription for yoga, meditation, pilates, dance, fitness and diet courses.
Shopkin	Kin Shopping GmbH, Berlin, develops and offers an online application for shopping.
Volo	Volo allows customers to order food online from restaurants that do not deliver it themselves. Volo was purchased by Rocket Internet in March 2015 and subsequently transferred in April 2015 to foodpanda.
Food Messenger	Malaga (Spain) based on-demand food delivery service. Food Messenger provides delivery logistics to restaurants that generally do not deliver.

The above mentioned business combinations are individually and collectively immaterial.

Acquisition and disposal of shares in Talabat General Trading & Contracting Company W.L.L. (Talabat)

Following a purchase agreement signed on February 11, 2015, Rocket Internet Group acquired 100% of the shares in Talabat as of March 11, 2015. Talabat is one of the leaders in the online food takeaway market in the Middle East, headquartered in Kuwait. The purchase price was USD 170 million. Talabat operates in Kuwait, Saudi Arabia, United Arab Emirates (UAE), Bahrain, Oman and Qatar with particularly strong market positions in Kuwait, UAE and Saudi Arabia.

On March 9, 2015, Rocket Internet Group signed a share contribution agreement to increase its stake in Delivery Hero Holding GmbH, through the contribution of its newly acquired Talabat shares. On April 30, 2015 (entry in trade register), Delivery Hero Holding GmbH increased its share capital correspondingly. The closing of the transaction occurred on May 15, 2015.

The acquisition of Talabat shares and their direct contribution into the Delivery Hero Holding GmbH are assessed as a single transaction. Therefore Talabat's operations did not contribute to the Group's revenues and net loss. The investment in Delivery Hero Holding GmbH increased by the fair value of the shares in Talabat contributed in exchange of Delivery Hero shares.

10. Investments in Associates and Joint Ventures

Investments accounted for using the equity method

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Investments in associates	1,385,961	1,067,442
Investments in joint ventures	310,460	383,320
Total investments in associates and joint ventures	1,696,421	1,450,762

Investments in associates

Details of the Group's material associates at the end of the reporting period are as follows:

Trade Name	Name of associate	Registered Office	Principal Activity	Owner-ship 31/12/15	Owner-ship 31/12/14
AEH New Africa II (holding for parts of Jumia)	AEH New Africa eCommerce II GmbH	Berlin	eCommerce/marketplace	34.6%	34.6%
foodpanda	Emerging Markets Online Food Delivery Holding S.à r.l.	Luxemburg	marketplace	49.1%	57.9%
Global Fashion	Global Fashion Group S.A	Luxemburg	eCommerce	26.9%	25.2%
HelloFresh ¹⁾	HelloFresh AG	Berlin	eCommerce	56.7%	44.2%
Home24	Home24 AG	Berlin	eCommerce	45.5%	49.6%
Lazada	Lazada Group S.A.	Luxemburg	eCommerce/marketplace	22.8%	n/a
Linio ²⁾	New Tin Linio II GmbH	Berlin	eCommerce/marketplace	31.0%	n/a
Westwing	Westwing Group GmbH	Berlin	eCommerce	32.2%	36.3%
Big Commerce (holding for Linio and Lazada)	TIN Brillant Services GmbH	Berlin	eCommerce/marketplace	n/a	51.6%

1) No control due to specific regulations in the shareholder agreement.

2) For the purposes of the equity method, the economic ownership that was used differs from the legal equity interest disclosed in Note 46.

Reorganization of Big Commerce in 2015

Prior to reorganization, the Linio and Lazada businesses were operated via the intermediate holding company TIN Brillant Services GmbH (associated company of Rocket Internet):

Associated company of Rocket Internet	Trade name of the associate	Business operated by the associate prior to reorganization
TIN Brillant Services GmbH	Big Commerce	Linio and Lazada

Notes to the Consolidated Financial Statements

During the financial year 2015, Rocket Internet together with co-investors dissolved Big Commerce and established the following holding entities, in which the two businesses are now operated separately:

Trade name of the business	New holding entity after reorganization
Lazada	Lazada Group S.A.
Linio	New TIN Linio II GmbH

In the course of the reorganization, New TIN Linio II was split off from Big Commerce in the first quarter of 2015. Big Commerce recognized the split off as a distribution in kind through profit or loss (one-time effect) in accordance with IFRIC 17. As a result of the split off, fair value changes amounting to EUR 29,452 thousand which have previously been recognized in OCI have been recycled through profit or loss.

In the second quarter of 2015, Big Commerce was contributed into the new holding company Lazada Group S.A. In the context of this contribution, no one-time effects were recognized in profit or loss.

Reorganization in conjunction with the establishment of Global Fashion Group in 2014

Prior to reorganization, the following five fashion eCommerce businesses operated via three intermediate holding companies (associated companies of Rocket Internet):

Associated company of Rocket Internet	Trade name of the associate	Business operated by the associate prior to reorganization
Bigfoot GmbH	Bigfoot I	Dafiti, Jabong and Lamoda business as well as share of Namshi business
BGN Brillant Services GmbH	Bigfoot II	Zalora business (including 'The Iconic' brand)
TIN Brillant Services GmbH	Big Commerce	Share of Namshi business

In December 2014, Rocket Internet together with co-investors established the Global Fashion Group S.A. (trade name: "Global Fashion Group"), in which Rocket Internet's five fashion eCommerce businesses were combined. All direct shareholders in the five existing eCommerce companies

- Dafiti Latam GmbH & Co. Beteiligungs KG ("Dafiti"),
- Lamoda GmbH ("Lamoda"),
- Zalora Group GmbH ("Zalora"),
- Middle East eCommerce Holding GmbH ("Namshi") and
- Jabong GmbH ("Jabong"),

as well as the shareholders of Bigfoot GmbH, BGN Brillant Services GmbH and TIN Brillant Services GmbH mutually agreed to contribute their shares in the aforementioned entities into the Global Fashion Group.

The insertion of Global Fashion Group as parent of Bigfoot I does not result in a business combination and has no impact on the consolidated statement of comprehensive income of Rocket Internet.

In addition to the formation of the Global Fashion Group, certain non-global fashion e-commerce businesses were transferred to the newly established holding entities:

Trade name of the non-global fashion business	Former holding entity	New holding entity after reorganization
FabFurnish	Bigfoot I	FabFurnish GmbH
Zanui.com	Bigfoot II	New BGN Other Assets II GmbH
Share of Jumia business	Big Commerce	AEH New Africa eCommerce II GmbH

After the reorganization, Global Fashion Group operates amongst others the brands Dafiti (Latin America), Jabong (India), Lamoda (Russia), Namshi (Middle East) and Zalora & The Iconic (South East Asia and Australia).

Summarized financial information

Summarized financial information in respect of the Group's material associates is set out below. The summarized financial information below represents amounts shown in the associate's financial statements and adjusted by the Group for equity accounting purposes. All of the material associated companies prepare consolidated financial information in accordance with IFRS. Summarized financial information is presented for both, the Groups direct investments in associates being operating network companies (e.g. Home24, HelloFresh, Westwing, foodpanda) as well as for associates being intermediate holding companies (e.g. AEH New Africa II, Bigfoot I, Bigfoot II, Big Commerce, Global Fashion). During the financial years 2014 and 2015, the intermediate holding companies did not fully consolidate all of their operating network companies for the whole period. Furthermore, the effects of legal reorganizations on the intermediate holding company level reflected in their statutory financial statements do not allow a direct reconciliation between segment information as presented in Note 6 and the summarized financial information provided below.

Summarized balance sheets (in thousands):

December 31, 2015

Company	AEH New Africa II EUR	foodpanda EUR	Global Fashion EUR	HelloFresh EUR
Current assets	104	117,346	372,777	137,494
Non-current assets	81,670	98,254	1,989,591	108,782
Current liabilities	43	29,182	257,715	60,809
Non-current liabilities	0	10,164	160,202	34,480
Net assets	81,731	176,254	1,944,451	150,987

December 31, 2015 (continued)

Company	Home24 EUR	Lazada EUR	Linio EUR	Westwing EUR
Current assets	100,403	123,945	41,138	41,142
Non-current assets	105,592	367,520	134,555	43,679
Current liabilities	73,460	107,184	25,332	52,997
Non-current liabilities	15,875	79,688	36,106	15,270
Net assets	116,660	304,593	114,255	16,554

Notes to the Consolidated Financial Statements

December 31, 2014

Company	AEH			
	New Africa II	Big Commerce	foodpanda	Global Fashion
Currency	EUR	EUR	EUR	EUR
Current assets	109	35,152	51,955	463,596
Non-current assets	102,455	525,362	74,894	1,856,006
Current liabilities	41	25,993	13,799	211,933
Non-current liabilities	0	0	10,193	155,181
Net assets	102,523	534,520	102,856	1,952,487

December 31, 2014 (continued)

Company	HelloFresh			Westwing
	Home24			
Currency	EUR	EUR	EUR	EUR
Current assets	27,283	66,709		44,891
Non-current assets	36,565	49,682		27,299
Current liabilities	13,152	71,109		51,909
Non-current liabilities	7,499	10,547		18,151
Net assets	43,197	34,735		2,131

Summarized income statements (in thousands):

December 31, 2015

Company	AEH		Global Fashion	HelloFresh
	New Africa II	foodpanda		
Currency	EUR	EUR	EUR	EUR
Revenue	0	31,544	930,082	304,952
Profit or loss	-20,753	-118,216	-379,746	-121,454
Other comprehensive income	0	-4,373	-26,815	-221
Total comprehensive income	-20,753	-122,589	-406,561	-121,675
Dividends received from the associate during the year	0	0	0	0

December 31, 2015 (continued)

Company	Home24	Lazada	Linio	Westwing
Currency	EUR	EUR	EUR	EUR
Revenue	233,650	247,845	67,122	219,194
Profit or loss	-93,866	-315,674	-69,425	-68,065
Other comprehensive income	691	3,193	178	3,167
Total comprehensive income	-93,176	-312,482	-69,247	-64,898
Dividends received from the associate during the year	0	98,037 ¹⁾	0	0

1) The amount of EUR 98,037 thousand is due to the distribution in kind of Linio in the course of the reorganization of Big Commerce.

December 31, 2014

Company	AEH	Big Commerce	foodpanda	Global Fashion¹⁾
Currency	EUR	EUR	EUR	EUR
Revenue	0	195	6,669	212,422
Profit or loss	-1,934	25,558	-39,737	185,693
Other comprehensive income	0	0	-7,828	-13,533
Total comprehensive income	-1,934	25,558	-47,565	172,160
Dividends received from the associate during the year	0	19,283 ²⁾	0	10,148 ³⁾

1) Financial information taken from the Global Fashion Group consolidated financial statements deviates from segment presentation (Note 6).

2) The amount of EUR 19,283 thousand results from the non-cash distribution of the Namshi business in the course of the reorganization in conjunction with the establishment of Global Fashion Group.

3) The amount of EUR 10,148 thousand results from non-cash distributions of three non-global fashion e-commerce businesses in the course of the reorganization in conjunction with the establishment of Global Fashion Group.

December 31, 2014 (continued)

Company	HelloFresh	Home24	Westwing
Currency	EUR	EUR	EUR
Revenue	69,624	160,126	183,332
Profit or loss	-15,244	-62,374	-72,603
Other comprehensive income	-684	358	6,412
Total comprehensive income	-15,927	-62,017	-66,191

Reconciliation of the above summarized financial information to the carrying amount of the interest in associates recognized in the consolidated financial statements is set out below.

Other adjustments reflect non-controlling interests of the associates (in thousands).

Notes to the Consolidated Financial Statements

December 31, 2015

Company	AEH New Africa II	foodpanda	Global Fashion	HelloFresh
Currency	EUR	EUR	EUR	EUR
Net assets of the associate	81,731	176,254	1,944,451	150,987
Proportion of the Group's ownership interest in the associate	34.6%	49.1%	26.9%	56.7%
Goodwill	0	16,555	42,903	111,498
Other adjustments	0	5,398	-19,066	242
Carrying amount of the Group's interest in the associate	28,260	108,421	547,048	197,287

December 31, 2015 (continued)

Company	Home24	Lazada	Linio	Westwing
Currency	EUR	EUR	EUR	EUR
Net assets of the associate	116,660	304,593	114,255	16,554
Proportion of the Group's ownership interest in the associate	45.5%	22.8%	31.0%	32.2%
Goodwill	15,151	121,302	61,403	5,337
Other adjustments	4,069	606	-1,684	10,680
Carrying amount of the Group's interest in the associate	72,324	191,360	95,117	21,348

December 31, 2014

Company	AEH New Africa II	Big Commerce	foodpanda	Global Fashion
Currency	EUR	EUR	EUR	EUR
Net assets of the associate	102,523	534,520	102,856	1,952,487
Proportion of the Group's ownership interest in the associate	34.6%	51.6%	57.9%	25.2%
Goodwill	0	0	16,447	23,685
Other adjustments	0	0	2,335	-22,893
Carrying amount of the Group's interest in the associate	35,448	275,800	78,346	492,723

December 31, 2014 (continued)

Company	HelloFresh	Home24	Westwing
Currency	EUR	EUR	EUR
Net assets of the associate	43,197	34,735	2,131
Proportion of the Group's ownership interest in the associate	44.2%	49.6%	36.3%
Goodwill	25,551	10,576	11,220
Other adjustments	790	3,734	10,027
Carrying amount of the Group's interest in the associate	45,425	31,542	22,020

Aggregate financial information for individually immaterial associates

In addition to the interests in associates disclosed above, Rocket Internet has also interests in a number of individually immaterial associates that are accounted for using the equity method.

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Aggregate carrying amount of individually immaterial associates	124,795	86,136
Aggregate amounts of group's share of:		
profit/loss from continued operations	-42,519	-16,013
total comprehensive income	-42,705	-16,013

Unrecognized share of losses of associates

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Cumulative share of loss of an associate	-6,726	-12,693
The unrecognized share of loss of an associate for the year (year ended Dec 31)	-2,840	-25

Investments in joint ventures

Details of the Group's material joint ventures at the end of the reporting period are as follows:

Trade Name	Name of joint venture	Registered Office	Principal Activity	Owner-ship 31/12/15	Owner-ship 31/12/14
Africa Internet Group ¹⁾	Africa Internet Holding GmbH	Berlin	eCommerce/ Marketplace	33.3%	33.3%
Asia Pacific Internet Group ¹⁾	Asia Internet Holding S.à r.l.	Luxemburg	eCommerce/ Marketplace	50.0%	50.0%
Middle East Internet Group ¹⁾	Middle East Internet Holding S.à r.l.	Luxemburg	eCommerce/ Marketplace	50.0%	50.0%
Wimdu ²⁾	Wimdu GmbH	Berlin	Marketplace	n/a	52.5%

1) Strategic partnership for the Company, providing access to new customers and markets in the respective regions Africa, Asia-Pacific and Middle East.

2) As of December 31, 2015 associated company.

Notes to the Consolidated Financial Statements

Summarized financial information in respect of the Group's material joint ventures is set out below and represents amounts shown in the joint venture's consolidated financial statements prepared in accordance with IFRSs and adjusted by the Group for equity accounting purposes.

Summarized balance sheets (in thousands):

Company	Africa Internet Group	Asia Pacific Internet Group	Middle East Internet Group
Reporting date	31/12/15	31/12/15	31/12/15
Currency	EUR	EUR	EUR
Current assets	127,646	146,312	24,308
Non-current assets	12,442	124,500	20,394
Current liabilities	47,134	15,193	6,298
Non-current liabilities	10,769	8,366	57
Net assets	82,185	247,253	38,346

Company	Africa Internet Group	Asia Pacific Internet Group	Middle East Internet Group	Wimdu
Reporting date	31/12/14	31/12/14	31/12/14	31/12/14
Currency	EUR	EUR	EUR	EUR
Current assets	153,605	89,429	37,294	24,621
Non-current assets	123,968	187,488	20,131	256
Current liabilities	31,237	4,825	1,548	14,705
Non-current liabilities	116	1,919	0	0
Net assets	246,220	270,173	55,878	10,172

The above amounts of assets and liabilities include the following:

Company	Africa Internet Group	Asia Pacific Internet Group	Middle East Internet Group
Reporting date	31/12/15	31/12/15	31/12/15
Currency	EUR	EUR	EUR
Cash and cash equivalents	28,102	100,839	19,777
Current financial liabilities (excluding trade and other payables and provisions)	15	4,027	2,045
Non-current financial liabilities (excluding trade and other payables and provisions)	857	8,366	57

Company	Africa Internet Group	Asia Pacific Internet Group	Middle East Internet Group	Wimdu
Reporting date	31/12/14	31/12/14	31/12/14	31/12/14
Currency	EUR	EUR	EUR	EUR
Cash and cash equivalents	33,440	44,065	36,155	19,903
Current financial liabilities (excluding trade and other payables and provisions)	610	1,985	171	9,785
Non-current financial liabilities (excluding trade and other payables and provisions)	0	1,918	0	0

Summarized income statements (in thousands):

Company	Africa Internet Group	Asia Pacific Internet Group	Middle East Internet Group
Reporting date	31/12/15	31/12/15	31/12/15
Currency	EUR	EUR	EUR
Revenue	144,626	13,666	11,967
Profit or loss from continuing operations	-178,483	-50,544	-22,035
Post-tax profit or loss from discontinued operations	0	0	0
Other comprehensive income	-407	-121	32
Total comprehensive income	-178,890	-50,665	-22,002
Dividends received from the joint venture during the year	0	0	0

Company	Africa Internet Group	Asia Pacific Internet Group	Middle East Internet Group	Wimdu
Reporting date	31/12/14	31/12/14	31/12/14	31/12/14
Currency	EUR	EUR	EUR	EUR
Revenue	63,694	1,743	110	13,528
Profit or loss from continuing operations	-80,762	1,249	-6,163	-11,190
Post-tax profit or loss from discontinued operations	0	-1,262	0	0
Other comprehensive income	-1,088	-291	0	0
Total comprehensive income	-81,850	-304	-6,163	-11,190
Dividends received from the joint venture during the year	0	0	0	0

Notes to the Consolidated Financial Statements

The above profit or loss for the year includes the following (in thousands):

Company	Africa Internet Group	Asia Pacific Internet Group	Middle East Internet Group
Reporting date	31/12/15	31/12/15	31/12/15
Currency	EUR	EUR	EUR
Depreciation and amortization	-4,598	-5,175	-212
Interest income	207	157	0
Interest expense	-808	-185	0
Income tax expense (income)	-142	918	-371

Company	Africa Internet Group	Asia Pacific Internet Group	Middle East Internet Group	Wimdu
Reporting date	31/12/14	31/12/14	31/12/14	31/12/14
Currency	EUR	EUR	EUR	EUR
Depreciation and amortization	-1,727	-366	-21	-137
Interest income	263	70	0	146
Interest expense	-352	-52	-1	-6
Income tax expense (income)	-293	61	-26	0

Reconciliation of the above summarized financial information to the carrying amount of the interest in the joint venture recognized in the consolidated financial statements (in thousands):

Company	Africa Internet Group	Asia Pacific Internet Group	Middle East Internet Group
Reporting date	31/12/15	31/12/15	31/12/15
Currency	EUR	EUR	EUR
Net assets of the joint venture	82,185	247,253	38,346
Proportion of the Group's ownership interest in the joint venture	33.3%	50.0%	50.0%
Goodwill	82,677	18,402	29,443
Other adjustments	20,487	-11,981	1,238
Carrying amount of the Group's interest in the joint venture	130,560	130,047	49,854

Company	Africa Internet Group	Asia Pacific Internet Group	Middle East Internet Group	Wimdu
Reporting date	31/12/14	31/12/14	31/12/14	31/12/14
Currency	EUR	EUR	EUR	EUR
Net assets of the joint venture	246,220	270,173	55,878	10,172
Proportion of the Group's ownership interest in the joint venture	33.3%	50.0%	50.0%	52.5%
Goodwill	84,048	18,402	29,443	0
Other adjustments	1,125	3	-140	0
Carrying amount of the Group's interest in the joint venture	167,246	153,491	57,242	5,342

Other adjustments reflect non-controlling interests of the joint ventures.

As of December 31, 2015 and 2014, the Group did not have any immaterial joint ventures.

Notes to the Income Statement

11. Revenue

Revenue for the year comprises the following:

In EUR thousand	2015	%	2014	%
Sale of goods	70,733	55	87,435	68
Rendering of services	56,762	44	40,747	32
Interest	837	1	0	0
Total	128,332	100	128,182	100

Revenue generated from the rendering of services primarily result from consulting services provided to associates and joint ventures. Furthermore, revenues from rendering of intermediation services (marketplaces) are also included therein.

12. Internally Produced and Capitalized Assets

In the reporting period the internally produced and capitalized assets amount to EUR 5,719 thousand (previous year EUR 2,878 thousand) and result from capitalized intangible assets (mainly software platforms).

13. Other Operating Income

Other operating income comprises the following:

In EUR thousand	2015	2014
Currency translation gains	2,599	511
Gain on disposal of available-for-sale investments	329	1,217
True-up of written-off receivable	0	154
Other	2,066	2,318
Other operating income	4,994	4,200

14. Result from Deconsolidation of Subsidiaries

In EUR thousand	2015	2014
Gains from deconsolidation		
sales of subsidiaries	158,375	12,163
deemed disposals (loss of control when subsidiary issues shares to third parties)	9,333	440,503
other (liquidations and deconsolidation of dormant subsidiaries)	1,277	0
Losses from deconsolidation		
sales of subsidiaries	-1,845	-45
other (liquidation and deconsolidation of dormant subsidiaries)	-115	-20
Result from deconsolidation of subsidiaries	167,025	452,601

When Rocket Internet loses control over a company, the former subsidiaries are no longer consolidated, but they usually become associated companies or joint ventures. The retained interests are measured at fair value at first time recognition. The gain or loss that results from the deconsolidation and first-time recognition as associated company or joint venture is recognized as gain / loss from deconsolidation.

The income from deconsolidation in the year 2015 mainly resulted from the sale of the subsidiaries Kanui Comercio Varejista Ltda., of Tricae Comercio Varejista Ltda. and Zencap Global S.à r.l. in exchange for shares. For further information we refer to Note 8.

The income from deconsolidation in the year 2014 mainly resulted from the deemed disposals of Africa Internet Holding GmbH (EUR 168,203 thousand), Asia Internet Holding S.à r.l. (EUR 109,795 thousand), Middle East Internet Holding S.à r.l. (EUR 61,181 thousand), Emerging Markets Taxi Holding S.à r.l. (EUR 28,801 thousand), Kaymu (Azmallo S.à r.l., EUR 16,718 thousand), Lendico (ECommerce Holding II S.à r.l., EUR 16,305 thousand), Helping Group Holding S.à r.l. (EUR 11,434 thousand) and Pricepanda Group GmbH (EUR 10,729 thousand). Gains from sales of subsidiaries mainly comprise the gain of EUR 12,129 thousand resulting from the exchange of shares in the fully consolidated LIH Subholding Nr. 5 UG (haftungsbeschränkt) & Co. KG (including its subsidiaries) for shares in Emerging Markets Online Food Delivery Holding S.à r.l. The contributed subsidiary comprised the Latin American food delivery services operating under the consumer brands hellofood and foodpanda.

15. Gain from Distribution of Non-Cash Assets to Owners

On May 30, 2014, the then existing shareholders of the Company approved a dividend in kind to certain shareholders. Consequently, the Company transferred by way of a separate share transfer agreement 4,145 and 1,892 shares in its associates Bigfoot I to Emesco and AI European Holdings S.à r.l., respectively, as well as 4,559 and 2,082 shares in its associate Bigfoot II to Emesco and AI European Holdings S.à r.l., respectively. The respective gain from distribution of non-cash assets to owners amounts to EUR 60,594 thousand.

No dividends in kind were distributed in 2015.

16. Purchased Merchandise and Purchased Services

Purchased merchandise and purchased services comprise the following:

In EUR thousand	2015	2014
Purchased goods / merchandise	44,710	57,364
Purchased services	19,401	12,424
Other	5	0
Purchased merchandise and services	64,116	69,788

17. Employee Benefit Expenses

Employee benefit expenses comprise the following:

In EUR thousand	2015	2014
Salaries, bonuses and other short-term employee benefits	74,383	57,784
Social security	11,460	8,881
Equity-settled share-based payments	57,952	51,295
Cash-settled share-based payments	14,739	16,690
Other	13,123	7,220
Employee benefit expenses	171,656	141,870

Social security costs include contributions to the statutory pension insurance of EUR 6,535 thousand (previous year EUR 4,860 thousand).

Regarding the Equity- and Cash-settled share-based payments, please refer to Note 39.

18. Other Operating Expenses

Other operating expenses comprise the following:

In EUR thousand	2015	2014
Marketing expenses	31,388	32,070
Legal and consultancy	10,739	8,445
IT costs	6,323	3,922
Rent and occupancy costs	5,381	5,432
External services	4,353	8,713
Office and infrastructure costs	4,180	4,472
Bookkeeping, year-end closing, auditing expenses	4,009	2,314
Other levies/insurance premiums	2,426	1,046
Derecognition and impairment of receivables	2,294	1,702
Travel expenses	1,660	2,561
Other personnel related expenses	1,037	4,438
Currency translation losses	378	883
Other	8,302	11,671
Other operating expenses	82,470	87,669

Marketing expenses comprise costs for advertising, customer relation and public relations. Expenses for external services comprise costs for services rendered by third parties.

19. Share of Profit/Loss of Associates and Joint Ventures

In the reporting period, the share of profit/loss of associates and joint ventures amounts to EUR –188,629 thousand (previous year EUR 75,109 thousand). It mainly results from Global Fashion Group, Africa Internet Holding GmbH, foodpanda, HelloFresh and Linio (previous year Global Fashion Group/Bigfoot and BGN Brilliant Services GmbH). For further information on associated companies and joint ventures, please refer to Note 10.

20. Depreciation and Amortization

Please see the reconciliations of assets in Notes 24 and 25 for an overview of depreciation, amortization and impairment in the periods under review.

21. Financial Result

Financial result for the period comprises the following:

In EUR thousand	2015	2014
Interest and similar income	975	568
Gain on financial instruments at FVTPL	86,172	27,665
Dividends received from associates at FVTPL	4,153	295
Other dividends	372	0
Gain from the derecognition of AFS financial assets FVTOCI	1,329	0
Gain from the revaluation of financial liabilities	5	0
Currency translation gains	2,068	0
Total finance income	95,074	28,528
Interest and similar expenses	-11,829	-1,763
Loss on financial instruments at FVTPL	-53,157	-14,734
Loss from the revaluation of financial liabilities at FVTPL	-355	0
Currency translation losses	-17	0
Total finance expense	-65,357	-16,497
Net financial result	29,717	12,031

For further information regarding the profit / loss from changes in fair value of financial instruments at FVTPL refer to Note 41.

22. Income Tax

Income tax expense recorded in profit or loss comprises the following:

In EUR thousand	2015	2014
Current tax expense/income	958	507
thereof current period	1,116	468
thereof previous years	-158	39
Deferred tax expense/income	438	4,496
thereof current period	535	4,495
thereof previous years	-97	0
Income tax expense for the year	1,395	5,003

Notes to the Consolidated Financial Statements

Reconciliation between the tax expense and profit or loss multiplied by applicable tax rate

The difference between the actual income taxes and the expected income taxes that would arise using the weighted average tax rate to profit or loss before tax relates to the following reconciling items:

In EUR thousand	2015	2014
Profit before tax	-196,406	433,809
Tax calculated at domestic tax rates applicable to profits in the respective countries	57,782	-131,551
Income not subject to tax	25,400	26,043
Expenses not deductible for tax purposes	-18,408	-5,624
Tax losses for which no deferred income tax assets was recognized	-39,485	-17,470
Utilization of tax losses from previous years	555	0
Share-based payments not deductible for tax purposes	-16,195	-14,965
Results of associates/joint ventures and deconsolidation	-6,702	140,396
Permanent differences (especially from the impairment of goodwill)	-5,585	0
Other tax effects	1,243	-1,832
Income tax expense for the year	-1,395	-5,003

The weighted average applicable tax rate was 29.42% (previous year 30.32%), which was derived from the tax rate in each tax jurisdiction weighted by the relevant pre-tax profit or loss.

Deferred Taxes

Differences between IFRS and statutory taxation regulations give rise to temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and their tax bases. The tax effect of these temporary differences and unused tax loss carry forwards is disclosed below:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Intangible assets	-5,480	-2,105
Financial assets	-3,812	-650
Cash and cash equivalents in foreign currency	-1,659	0
Accruals	10,692	11,025
Shares in associated companies and joint ventures	-16,330	-17,773
Deferred tax on tax loss carry forwards	8,398	5,771
Other	22	180
Net deferred tax assets (+) / liabilities (-)	-8,169	-3,552
Deferred tax assets and liabilities reported in balance sheet	-8,169	-3,552

Deferred income tax assets are recognized for tax loss carry forwards and deductible temporary differences to the extent that the realization of the related tax benefit through future taxable profits is probable or deferred tax liabilities are recognized. Deferred tax asset for tax loss carryforwards of EUR 8,398 thousand has therefore been recognized as of December 31, 2015 (previous year EUR 5,771 thousand) and due to deductible temporary differences deferred tax asset of EUR 10,692 thousand has therefore been recognized as of December 31, 2015 (previous year EUR 11,025 thousand). Deferred tax assets from deductible temporary differences amounting to EUR 106 thousand were not recognized.

Tax loss carry-forwards in Germany

In years of tax profits any tax loss carry-forward can be fully used up to an amount of EUR 1 million. Any excess tax profit will be reduced with remaining tax loss carry-forwards by 60%. Thus, 40% of all tax profits exceeding EUR 1 million will be subject to taxation.

As of December 31, 2015 and 2014, the parent company has corporate income tax loss carry forwards originated and generally usable in Germany in the amount of approximately EUR 86,157 thousand and EUR 40,148 thousand respectively, as well as current accumulated trade tax losses amounting to approximately EUR 88,825 thousand and EUR 41,180 thousand, respectively. As of December 31, 2015 and 2014, the parent company has unrecognized unused corporate income tax loss carry forwards originated and generally usable in Germany amounting to approximately EUR 69,936 thousand and EUR 22,855 thousand respectively, as well as current accumulated trade tax losses amounting to approximately EUR 72,603 thousand and EUR 22,886 thousand, respectively.

With regard to Germany, as of December 31, 2015 and 2014, the consolidated subsidiaries have current accumulated corporate income tax loss carry forwards originated and generally usable in Germany in the amount of approximately EUR 23,664 thousand (previous year EUR 34,546 thousand), as well as current accumulated trade tax losses amounting to approximately EUR 24,876 thousand (previous year EUR 36,352 thousand). The decrease of the tax loss carry forwards is mainly due to the deconsolidation of subsidiaries.

Tax loss carry-forwards in other countries

As of December 31, 2015 and 2014, the consolidated foreign subsidiaries have unrecognized unused accumulated corporate income tax loss carry forwards originated and generally usable in the respective jurisdictions in the amount of approximately EUR 91,507 thousand and EUR 88,421 thousand, respectively.

To a great extent the tax losses result from Luxemburgian subsidiaries amounting to EUR 25,762 thousand (previous year EUR 5,162 thousand), from Spanish subsidiaries amounting to EUR 21,706 thousand (previous year EUR 392 thousand), from British subsidiaries amounting to EUR 16,563 thousand (previous year EUR 2,106 thousand) and from Brazilian subsidiaries amounting to EUR 14,342 thousand (previous year EUR 64,583 thousand). The decrease in income tax loss carry forwards in comparison to the previous year primarily results from deconsolidation of subsidiaries. In the four mentioned countries, tax losses may be carried forward without any time limitation. Furthermore as of December 31, 2015 and 2014, the consolidated Mexican subsidiaries have unrecognized unused tax loss carry forwards of EUR 2,513 thousand and EUR 8,024 thousand, respectively. Losses incurred may be carried forward over a subsequent ten-year period.

The remaining tax losses of EUR 13,133 thousand as of December 31, 2015 include tax losses from various countries. Tax losses of EUR 4,085 thousand thereof expire within an eight-year period, EUR 1,335 thousand expire within nine years, EUR 2,686 thousand expire within 10 years and EUR 1,130 thousand expire within 20 years. The remaining EUR 3,897 thousand may be carried forward without any time limitation.

Tax loss carry forwards are subject to review and possible adjustment by the tax authorities. Furthermore, under current German tax laws, certain substantial changes in the entity ownership and business may further limit the amount of net operating loss carryforwards, which could be utilized annually to offset future taxable income. Given the number of significant mergers, exits, spin-offs and other reorganizational measures, particularly at the level of the Group, there can be no assurance that current tax losses and tax loss carry-forwards originated and generally usable in Germany or in other countries may have been partially or completely lost. As the majority of the consolidated operating subsidiaries has a loss history and continues to incur substantial tax losses, a full valuation allowance has been provided for the deferred tax assets to the extent it exceeds any tax liabilities.

Outside basis differences

Deferred tax liabilities on temporary differences related to measurement of shares in associated companies and joint ventures of EUR 14,961 thousand (previous year EUR 17,773 thousand) were offset against deferred tax assets arising from unused tax loss carry forwards of EUR 4,680 thousand (previous year EUR 5,521 thousand), and deferred tax assets from deductible temporary differences of EUR 7,161 thousand (previous year EUR 8,270 thousand).

The Group controls the reversal of temporary differences related to taxes chargeable on dividends from subsidiaries or on gains upon their disposal ("outside basis differences"). For temporary differences of EUR 32,901 thousand (previous year EUR 10,882 thousand) deferred tax liabilities are not recognized except to the extent that Management expects the temporary differences to reverse in the foreseeable future.

23. Earnings per Share

Basic earnings per share (EPS)

Basic earnings per share are calculated by dividing profit for the period attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the year.

The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period.

As of January 1, 2015, subscribed capital amounted to EUR 153,131 thousand and was fully paid-in. The registered share capital was divided into 153,130,566 no-par value bearer shares.

On February 13, 2015, the subscribed capital of Rocket Internet SE was increased from EUR 153,130,566 to EUR 165,140,790, in partial utilization of the authorized capital and in exclusion of the subscription rights of shareholders. The 12,010,224 new ordinary bearer shares with no-par value have been sold to institutional investors in a private placement transaction.

Diluted earnings per share (EPS)

Diluted earnings per share are calculated by dividing profit or loss attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares. The calculation of diluted earnings per share excludes potential ordinary shares that would have an antidilutive effect on earnings per share.

The following instruments were not taken into account when calculating diluted earnings per share as their effect would have been antidilutive. The stock options granted to the board members and certain employees in 2014 were not taken into account when calculating diluted earnings per share in 2014, since the performance targets necessary to exercise the options were not achieved at the end of the 2014 reporting period.

	Jan 1–Dec 31, 2015	Jan 1–Dec 31, 2014
Share options from SOP I/II (in thousands)	7,150	7,180
Potential ordinary shares from assumed conversion of convertible debt (in thousands) ¹⁾	11,570	0

1) On July 22, 2015, Rocket Internet SE issued 5,500 convertible bonds with a principal amount of EUR 100,000 each. The convertible bond has a term of seven years and an interest rate of 3% per year payable semi-annually.

Earnings per share are calculated as follows:

	Jan 1–Dec 31, 2015	Jan 1–Dec 31, 2014
Profit attributable to equity holders of the parent (In EUR thousand)	-202,459	463,022
Weighted average number of ordinary shares in issue (in thousands)	163,722	143,022
Earnings per share (basic and diluted) in EUR	-1.24	3.24

Basic earnings per share are identical to diluted earnings per share.

Transactions involving ordinary shares between the reporting date and the date of the authorization of these financial statements

After the reporting period end (December 31, 2015) there were no transactions involving ordinary shares of the Company.

Notes to the Balance Sheet

24. Property, Plant and Equipment

Movements in the carrying amount of property, plant and equipment were as follows:

In EUR thousand	Leasehold improvements	Other property, plant and equipment	Total
<i>Cost</i>			
As of Jan 1, 2014	433	2,638	3,070
Additions	136	3,521	3,657
Disposals	-31	-1,010	-1,041
Changes in the basis of consolidation	2	-1,252	-1,250
Reclassified to assets held for sale	0	-211	-211
Currency translation difference	1	7	8
As of Dec 31, 2014	541	3,693	4,234
Additions	439	3,161	3,601
Disposals	-138	-666	-804
Changes in the basis of consolidation	-39	-1,911	-1,949
Reclassified to assets held for sale	0	-380	-380
Currency translation difference	-3	-215	-219
As of Dec 31, 2015	800	3,683	4,483
<i>Depreciation and impairment</i>			
As of Jan 1, 2014	-5	-664	-669
Depreciation charge for the year	-168	-1,047	-1,215
Disposals	1	359	359
Changes in the basis of consolidation	6	263	269
Reclassified to assets held for sale	0	149	149
Currency translation difference	0	3	3
As of Dec 31, 2014	-166	-938	-1,104
Depreciation charge for the year	-359	-1,138	-1,497
Disposals	10	117	127
Changes in the basis of consolidation	79	523	602
Reclassified to assets held for sale	0	166	166
Currency translation difference	2	46	48
As of Dec 31, 2015	-434	-1,223	-1,657
<i>Net book value</i>			
As of Jan 1, 2014	428	1,974	2,401
As of Dec 31, 2014	375	2,755	3,131
As of Dec 31, 2015	366	2,460	2,826

On December 31, 2015 and 2014, no property and equipment was pledged to third parties as collateral.

25. Intangible Assets

Intangible assets developed as follows during the financial years 2014 and 2015:

In EUR thousand	Goodwill	Internally generated intangible assets	Purchased industrial and similar rights	Total
<i>Cost</i>				
As of Jan 1, 2014	0	5,985	1,440	7,425
Additions	0	2,569	2,295	4,864
Disposals	0	0	-36	-36
Changes in the basis of consolidation	0	0	-1,069	-1,069
Reclassified to assets held for sale	0	0	-6	-6
Currency translation difference	0	1	2	3
As of Dec 31, 2014	0	8,555	2,625	11,181
Additions	0	5,719	2,258	7,977
Disposals	0	-392	-1,813	-2,205
Changes in the basis of consolidation	117,411	-1,100	22,198	138,510
Reclassified to assets held for sale	0	-1,128	-41	-1,169
Currency translation difference	0	0	-80	-80
As of Dec 31, 2015	117,411	11,656	25,147	154,214
<i>Amortization and impairment</i>				
As of Jan 1, 2014	0	-703	-152	-855
Amortization charge for the year	0	-1,151	-287	-1,438
Disposals	0	0	-3	-3
Changes in the basis of consolidation	0	0	140	140
Reclassified to assets held for sale	0	0	0	0
Currency translation difference	0	0	0	0
As of Dec 31, 2014	0	-1,854	-302	-2,156
Amortization charge for the year	0	-3,387	-2,387	-5,774
Impairment	-18,050	0	0	-18,050
Disposals	0	117	82	199
Changes in the basis of consolidation	0	0	226	226
Reclassified to assets held for sale	0	458	4	462
Currency translation difference	0	0	6	6
As of Dec 31, 2015	-18,050	-4,666	-2,371	-25,087
<i>Net book value</i>				
As of Jan 1, 2014	0	5,282	1,288	6,570
As of Dec 31, 2014	0	6,701	2,323	9,024
As of Dec 31, 2015	99,361	6,990	22,776	129,127

As of December 31, 2015 and 2014, no intangible assets have been pledged to third parties as collateral.

Notes to the Consolidated Financial Statements

Goodwill impairment testing

For the purposes of impairment testing, goodwill is allocated to the Group's cash-generating units (CGUs) (network companies) as follows (2014: there was no goodwill recognized in the Group).

In EUR thousand	Dec 31, 2015
Pizzabo.it	30,847
La Nevera Roja	66,737
	<i>97,584</i>
Other units without significant goodwill	1,777
Total	99,361

The following impairment loss was recognized in relation to the goodwill:

In EUR thousand	2015
Pizzabo.it	14,400
La Nevera Roja	3,650
Total impairment loss recognized	18,050

The Management Board estimated the recoverable amount of these CGUs as part of the mandatory impairment testing following the acquisition of these CGUs during the current annual period.

The recoverable amounts of Pizzabo.it and La Nevera Roja were based on the fair value less costs of disposal estimated using the sales prices agreed on in the disposal transactions of these entities in February 2016. It was assumed that the transaction prices agreed on in the sale transactions were a reasonable approximation of the fair value of the respective CGUs at the impairment testing date, December 31, 2015. The fair value measurement was categorized as a Level 3 fair value (see Note 41).

The carrying amounts of Pizzabo.it and La Nevera Roja were determined to be higher than their recoverable amounts of EUR 36,375 thousand and EUR 75,625 thousand and an impairment loss was recognized.

The impairment loss was fully allocated to goodwill and included in the reportable segment "Other".

26. Non-Current Financial Assets

Non-current financial assets comprise the following:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Equity instruments at FVTPL	322,349	336,547
AFS Equity investments	999,116	0
Loan receivables	8,692	39
Other	3,027	1,944
Total non-current financial assets	1,333,184	338,530

For additional information regarding Equity instruments accounted for at fair value through profit or loss and AFS Equity investments see Note 41.

27. Inventories

Inventories are mainly comprised of merchandise.

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Gross inventories	743	11,532
Write-down	0	-294
Total inventories	743	11,238

Except for customary retention of proprietary rights, all inventories are free from rights of third parties.

28. Trade Receivables

Trade receivables comprise the following:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Trade receivables from third parties	3,170	7,981
Trade receivables from subsidiaries (outside consolidation)	941	671
Trade receivables from associated companies and joint ventures	5,974	12,096
Trade receivables	10,085	20,748
Gross trade receivables	10,810	21,460
Valuation allowance	-725	-712
Trade receivables	10,085	20,748

The aging analysis of trade receivables is as follows:

In EUR thousand	Book value	Not past due and not impaired	Past due, but not impaired				Impaired receivables (gross)	Impairment amount
			1-30 days	31-90 days	91-180 days	> 180 days		
Dec 31, 2015	10,085	7,126	1,140	1,045	427	347	725	-725
Dec 31, 2014	20,748	20,433	144	36	48	87	712	-712

Notes to the Consolidated Financial Statements

Valuation allowances on trade receivables developed as follows:

In EUR thousand	Valuation allowance
As of Jan 1, 2014	-716
Additions	-44
Reversal	34
Change in scope of consolidation	14
As of Dec 31, 2014	-712
Additions	-205
Usage	186
Reversal	6
As of Dec 31, 2015	-725

29. Other Current Financial Assets

Other current financial assets comprise the following:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Loan receivables from associated companies and joint ventures	33,307	7,857
Loan receivables from subsidiaries (outside consolidation)	1,328	1,991
Receivables from the sale of investments	2,543	1,930
Loan receivables from third parties	545	0
Security deposits	625	1,872
Other financial assets (current)	2,913	1,445
Total other current financial assets	41,260	15,095

The aging analysis of other current financial receivables is as follows:

In EUR thousand	Book value	Not past due and not impaired	Past due, but not impaired				Impaired receivables (gross)	Impairment amount
			1-30 days	31-90 days	91-180 days	> 180 days		
Dec 31, 2015	41,260	34,169	88	45	1,052	5,906	19	-19
Dec 31, 2014	15,095	14,554	188	58	38	257	19	-19

30. Non-Financial Assets

Non-financial assets comprise the following:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Prepayments on shares in associated companies	0	3,764
Other prepayments	33	20
Tax receivables	89	0
Other non-financial assets (non-current)	400	374
Other non-current non-financial assets	523	4,158
Receivables from sales tax / VAT	2,623	3,942
Prepaid expenses	1,793	3,338
Prepayments	172	385
Other non-financial assets (current)	657	310
Other current non-financial assets	5,246	7,975
Total Non-financial assets	5,768	12,133

31. Cash and Cash Equivalents / Consolidated Statement of Cash Flows

Cash and cash equivalents comprise the following:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Bank balances	1,758,870	2,053,206
Checks	1	230
Petty cash	18	12
Cash and cash equivalents	1,758,889	2,053,448

Additional information to the consolidated statement of cash flows

Non-consolidated equity investments

Non-consolidated equity investments specified in the consolidated statement of cash flows relate to investments in associates and joint ventures, prepayments on shares in associates and other investments in which Rocket Internet directly or indirectly holds less than 20% of the outstanding voting rights or in which the Group has no significant influence as well as non-material subsidiaries.

Non-cash investing and financing activities and transactions

In the financial year 2015, non-cash investing and financing activities and transactions of EUR 217,852 thousand were performed. This relates primarily to the acquisition of new shares in Global Fashion Group in exchange for shares in Kanui (Jade 1159. GmbH and its subsidiaries VRB GmbH & Co. KG B-195 and Kanui Comercio Varejista Ltda.) and in Tricae (Jade 1218. GmbH and its subsidiaries VRB GmbH & Co. B-196 KG and Trica Comercio Varejista Ltda.), as well as the exchange of shares in Yemek Sepeti for shares in Delivery Hero. Furthermore, the Group contributed shares in LIH Subholding Nr. 3 UG (haftungsbeschränkt) & Co. KG in exchange for

Notes to the Consolidated Financial Statements

new shares of the Carmudi Global S.à r.l., while the LIH Subholding Nr. 4 UG (haftungsbeschränkt) & Co. KG was contributed into Lamudi Global S.à r.l. in exchange for shares in this company. The Crowd Lending Platform Zencap Global S.à r.l. was exchanged for shares in Funding Circle Holding Limited.

Significant non-cash investing and financing activities and transactions in 2014 comprised the exchange of shares in the fully consolidated LIH Subholding Nr. 5 UG (haftungsbeschränkt) & Co. KG (including its 13 subsidiaries) against shares in Emerging Markets Online Food Delivery Holding S.à r.l. accounted for at fair value, as well as the acquisition of shares in Global Fashion Group S.A. (established in 2014) through a contribution in kind of shares in Bigfoot GmbH. In August 2014, the parent company increased its capital and used the new shares in two instances to acquire additional participations. Firstly, Rocket Internet received from Holtzbrinck Ventures shares in the following participations: Bigfoot GmbH, BGN Brillant Services GmbH, Home24 GmbH and Westwing Group Holding GmbH. Secondly, United Internet AG and Global Founders GmbH contributed an existing portfolio of more than 50 equity interests in companies into Rocket Internet SE. For further information reference is made to Note 33.

Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks shown in the consolidated balance sheet and assets held for sale. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated balance sheet as follows:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Balance sheet line item cash and cash equivalents	1,758,889	2,053,448
Cash and bank balances included in the assets held for sale	9,710	0
Cash and cash equivalents	1,768,599	2,053,448

32. Assets Classified as Held for Sale and Liabilities Associated with Assets Classified as Held for Sale

The Group's basis of consolidation as well as the shares held in subsidiaries or associated companies change each financial period. Usually, Rocket Internet has control and applies full consolidation when an enterprise is founded. In subsequent financing rounds, the enterprises attract the equity necessary to further extend operations from Rocket Internet as well as from other external investors. This means that Rocket Internet's direct and indirect share in the entities decreases over time.

In some cases, an agreement with new investors is signed before the balance sheet date, but executed after the balance sheet date. When such an agreement results in the loss of control of Rocket Internet over a subsidiary and the loss of control is highly probable, all related assets and liabilities that will leave the Group as a result of the agreement are shown as assets classified as held for sale and liabilities associated with assets classified as held for sale.

Assets classified as held for sale and liabilities associated with assets classified as held for sale comprise the following:

In EUR thousand

Dec 31, 2015	Spotcap	Other	Total
Intangible assets	395	9	404
Property, plant and equipment	54	86	140
Financial assets	13	13	26
Other non-current assets	130	0	130
Non-current assets	593	107	700
Inventories	0	23	23
Trade receivables	1	853	854
Other current financial assets	4,619	1,076	5,695
Other current non-financial assets	68	40	108
Cash and cash equivalents	5,898	3,812	9,710
Current assets	10,586	5,804	16,390
Assets classified as held for sale	11,179	5,911	17,090
Other non-current financial liabilities	50	0	50
Other non-current non-financial liabilities	53	0	53
Non-current liabilities	103	0	103
Current loans	3,989	0	3,989
Current bank liabilities	0	144	144
Trade payables	390	1,930	2,320
Other current financial liabilities	25	0	25
Other current non-financial liabilities	90	879	970
Current liabilities	4,493	2,953	7,446
Liabilities directly associated with assets classified as held for sale	4,596	2,953	7,549

An increase of capital of the online loan platform Spotcap Global S.à r.l. was conducted by external investors in December 2015, which resulted in a dilution of Rocket Internet's interest to less than 50%. Current loan liabilities from Spotcap are secured by bank accounts in the amount of EUR 1,552 thousand.

A capital increase of Bus Serviços de Agendamento Ltda. was decided upon in October 2015, as a result of which the Group will hold a share of 50%. The relevant articles of association were signed in November 2015. The transaction is expected to be concluded (closing) in the second quarter of 2016.

Notes to the Consolidated Financial Statements

In accordance with the contract dated December 16, 2015, the sale of Bonnyprints GmbH to Planet Cards SAS was agreed. The transaction was completed on January 19, 2016 (closing).

In EUR thousand

Dec 31, 2014	Total
Shares in associates	212
Non-current assets	212
Other current financial assets	3,667
Current assets	3,667
Assets classified as held for sale	3,879

In August 2014, as a part of the portfolio contribution of the Global Founders Capital funds, the Group acquired shares in Playa Games GmbH. The shares were sold in July 2014 (signing). The closing of the transaction was concluded in May 2015. In December 2014, Philippine Long Distance Telephone Company (PLDT) and Rocket Internet entered into an agreement to establish a Joint Venture for payment services with a focus on emerging markets, with each partner holding a 50% stake. The closing of the transaction was in February 2016.

Cumulative income or expense recognized in other comprehensive income relating to assets and liabilities classified as held for sale amounted to EUR 0 thousand (previous year: EUR 0 thousand).

Disposal groups that meet the criteria of IFRS 5 to be classified as held for sale after the reporting date, but before the date of authorization of the financial statements for issue

Rocket Internet SE announced the divestiture of two non-core takeaway food operations to JustEat plc on February 5, 2016. Rocket Internet sold La Nevera Roja in Spain and Pizzabo.it in Italy. The transaction in Italy was completed on the day of announcement (closing). It is anticipated that the transaction in Spain will be completed in the second or in the third quarter of 2016 (closing), as it is subject to regulatory approval from the Spanish competition authority, the Comisión Nacional de los Mercados y la Competencia. Had the criteria in paragraphs 7 and 8 of IFRS 5 been already met before reporting period end on December 31, 2015, the following assets and liabilities would have been classified as held for sale:

In EUR thousand Dec 31, 2015	Grupo Yamm		Total
	Webs S.r.l. (Pizzabo.it)	Comida a Domicilio S.L.	
Goodwill	30,847	66,737	97,584
Other intangible assets	7,625	12,668	20,293
Other non-current assets	374	476	850
Non-current assets	38,845	79,881	118,727
Other current assets	635	984	1,619
Cash and cash equivalents	449	1,460	1,909
Current assets	1,084	2,444	3,528
Assets classified as held for sale	39,930	82,326	122,255
Non-current liabilities	1,547	3,607	5,154
Current liabilities	1,177	3,122	4,299
Liabilities directly associated with assets classified as held for sale	2,724	6,729	9,453

33. Share Capital and Reserves

As of January 1, 2014, the share capital amounted to EUR 110 thousand and treasury shares amounted to EUR 43,050 in the Consolidated Financial Statements. The capital reserve amounted to EUR 490,707 thousand and included effects from payments by non-controlling interests of a total of EUR 13,312 thousand.

Based on a resolution passed at the shareholders' meeting on February 4, 2014, the Company's nominal capital was increased in exchange for non-cash contribution by EUR 546 to EUR 110,346. In conjunction with this capital increase, the shareholders agreed to convert a liability to a shareholder in equity resulting in an increase of the capital reserve by EUR 14,477 thousand.

In May 2014, the shareholders agreed on a combined distribution of cash and distribution in kind (distribution in advance). Consequently, Rocket Internet SE transferred by way of a separate share transfer agreement shares in two associates to Emesco AB and AI European Holdings S.à r.l. The carrying amount of the transferred shares amounted to EUR 92,640 thousand. The fair value of the distributed shares amounted to EUR 153,234 thousand. Global Founders GmbH received a cash dividend of EUR 286,766 thousand. The distributions were made by withdrawing EUR 270,483 thousand from the capital reserves.

In August 2014, 38,579 treasury shares were redeemed in a simplified redemption process pursuant to Sec. 237 (3) No. 3 AktG (without capital decrease).

In the course of the capital increase resolution dated August 22, 2014, (I) capital reserves amounting to EUR 33 thousand were converted into share capital.

By the capital increase resolution dated August 22, 2014, (II) the share capital was increased by EUR 16 thousand by issuance of new no-par value registered shares to PLDT Online Investments PTE.LTD. (PLDT) in exchange for a cash contribution. In the course of the capital increase resolution dated August 22, 2014 (II) allocations to the capital reserve in the amount of EUR 333,326 thousand were made by PLDT as a consequence of additional paid-in capital for the acquisition of new shares.

By the capital increase resolution dated August 22, 2014, (III) the share capital was increased by EUR 26 thousand by issuance of new no-par value registered shares to United Internet and Global Founders in exchange for cash contributions. In the course of the capital increase resolution dated August 22, 2014 (III) allocations to the capital reserve in the amount of EUR 333,326 thousand were made as a contribution in cash by United Internet and EUR 255,000 thousand as a contribution in kind by United Internet and Global Founders. In total EUR 588,326 thousand were made as a consequence of additional paid-in capital for the acquisition of new shares.

By the capital increase resolution dated August 22, 2014, (IV) the share capital was increased by EUR 5 thousand by issuance of new no-par value registered shares to Holtzbrinck in exchange for cash contributions. In the course of the capital increase resolution dated August 22, 2014, (IV) allocations to the capital reserve in the amount of EUR 126,033 thousand were made by Holtzbrinck as a consequence of additional paid-in capital for the acquisition of new shares.

By the capital increase resolution dated August 22, 2014, (V) the share capital of the Company was increased by EUR 119,913 thousand via the capital increase by conversion of a capital reserve.

In the course of the initial public offering on October 2, 2014, the Group issued 33,028,311 new shares with a notional value of EUR 1 per share.

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In the course of the initial public offering (IPO) on October 2, 2014, a share premium in the amount of EUR 1,370,675 thousand was realized and allocated to the capital reserve. In connection with the IPO, Rocket Internet SE incurred transaction costs directly attributable to the raising of capital amounting to EUR 34,423 thousand, net of the income tax benefit associated with this in the amount of EUR 5,521 thousand. This was recognized as a deduction from the capital reserve. As of December 31, 2014, EUR 25,081 thousand of the total amount of the transaction costs had been paid.

As of December 31, 2014, subscribed capital amounted to EUR 153,131 thousand and was fully paid-in. The registered share capital was divided into 153,130,566 no-par value bearer shares. As of December 31, 2014, no treasury shares were held.

On February 13, 2015, the subscribed capital of Rocket Internet SE was increased from EUR 153,130,566 to EUR 165,140,790 in partial utilization of the authorized capital and in exclusion of the subscription rights of shareholders. The 12,010,224 new ordinary bearer shares with no-par value have been sold to institutional investors in a private placement transaction. The shares have been issued at a price of EUR 49.00 per share. Rocket Internet received proceeds from this issue of shares in the amount of EUR 588,501 thousand (before transaction costs). In connection with the capital increase, Rocket Internet incurred transaction costs directly attributable to the raising of capital, amounting to EUR 2,852 thousand, before income tax benefit associated with this in the amount of EUR 846 thousand. This was recognized as a deduction from the capital reserve.

On July 22, 2015, Rocket Internet SE issued a convertible bond which increased the capital reserves by EUR 37,659 thousand. In connection with the issue, Rocket Internet SE incurred directly attributable transactions costs of EUR 188 thousand, before the income tax benefit associated with these costs in the amount of EUR 56 thousand. For more information, please, refer to Note 35.

As of December 31, 2015, the subscribed capital amounted to EUR 165,141 thousand and was fully paid-in. The registered share capital is divided into 165,140,790 no-par value bearer shares. As of December 31, 2015, no treasury shares were held.

In addition, there has been an adjustment of deferred taxes from previous years, impacting the capital reserve with EUR -1,744 thousand.

During the financial year 2015, the capital reserves increased by EUR 622,833 thousand from EUR 2,482,643 thousand to EUR 3,105,477 thousand.

The changes in the equity-settled share-based payments (IFRS 2) are explained in the table below and are driven by increases in the reserve through the income statement, the deconsolidation of entities and allocation to non-controlling interests.

Equity-settled share-based payments recognized as increase/decrease in equity comprise the following:

In EUR thousand	2015	2014
Equity-settled share-based payments recognized as employee benefit expenses of the period	57,952	51,295
Changes due to deconsolidation and allocation to non-controlling interests	-4,057	-14,046
Equity-settled share-based payments (IFRS 2) as presented in consolidated statement of changes in equity	53,895	37,249

Changes in Other components of equity, which are attributable to both, the equity holders of the parent company and to the non-controlling interest, comprise the following:

In EUR thousand	Other components of equity				Total
	Foreign currency differences	Associates and Joint Ventures	Available-for-Sale Assets	Other	
Dec 31, 2013	568	8,240	0	321	9,129
Net other comprehensive income in 2014	-455	79,017	0	-321	78,241
Dec 31, 2014	113	87,258	0	0	87,371
Net other comprehensive income in 2015	-1,144	-97,544	135,119	0	36,431
Other changes in 2015	0	630	0	0	630
Dec 31, 2015	-1,031	-9,657	135,119	0	124,431

Authorization of the Management Board to issue new shares (authorized capital)

By resolution of the General Meeting dated August 22, 2014, the Management Board is authorized to increase the registered capital of the Company until August 21, 2019, with the consent of the Supervisory Board once or repeatedly by up to a total of EUR 60,051,127 by the issuance of up to 60,051,127 new no-par value bearer shares with the value of EUR 1 against contributions in cash or in kind (Genehmigtes Kapital 2014). As of December 31, 2015 the remaining authorized capital totals EUR 15,012,592.

By resolution of the General Meeting dated June 23, 2015, the Management Board is authorized to increase the registered capital of the Company until June 22, 2020, with the consent of the Supervisory Board once or repeatedly by up to a total of EUR 67,557,803 by the issuance of up to 67,557,803 new no-par value bearer shares with the value of EUR 1 against contributions in cash or in kind (Genehmigtes Kapital 2015).

34. Distributions Made and Proposed

During the financial year 2015, no dividends were declared or paid to the shareholders of the parent Company, however a fully consolidated subsidiary paid a cash dividend of EUR 8,033 thousand to a non-controlling shareholder.

Dividends declared and paid to the shareholders of the parent during the financial year 2014 were as follows:

In EUR thousand (except per share data)	2014
Dividends payable as of Jan 1	0
Dividends declared during the year	440,000
Dividends paid during the year	-440,000
Dividends payable as of Dec 31	0
Dividends per share declared during the year (in EUR per share)¹⁾	2.87

1) Calculated based on 153,130,566 ordinary shares outstanding and issued as of December 31, 2014.

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In the second quarter of 2014, the shareholders resolved a EUR 440,000 thousand advance combined dividend in kind and in cash. Following the resolution, Rocket Internet transferred 4,145 and 1,892 shares in Bigfoot GmbH to Emesco AB and AI European Holdings S.à r.l., respectively, as well as 4,559 and 2,082 shares in BGN Brilliant Services GmbH to Emesco AB and AI European Holdings S.à r.l., respectively. The fair value of the distributed shares amounted to EUR 153,234 thousand. In addition, a cash dividend of EUR 286,766 thousand was paid in accordance with the proportional participation of shareholders to Global Founders GmbH.

Non-cash distribution of the shares in the associated companies was measured at fair value and gave rise to the following gain:

In EUR thousand	2014
Fair value of the distributed shares	153,234
Less carrying amount prior to distributions (at equity method)	92,640
Gain from distribution of non-cash assets to owners	60,594

35. Non-Current Financial Liabilities

Non-current financial liabilities comprise the following:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Liabilities from convertible bonds	511,968	0
Mandatorily redeemable preference shares issued by consolidated subsidiaries	5,950	4,950
Contingent consideration	7,622	0
Other financial liabilities	1,358	365
Total non-current financial liabilities	526,898	5,315

Convertible bonds

On July 22, 2015, Rocket Internet SE issued 5,500 convertible bonds with a principal amount of EUR 100,000 each. The convertible bond has a term of seven years and an interest rate of 3% per year payable semi-annually on January, 22 and July, 22.

The contractual cash flows from the convertible bonds are affected by the option of the bondholders of exchanging convertible bonds in the nominal amount of EUR 100,000 for 2,103.6909 shares in Rocket Internet SE. The conversion price is EUR 47.5355.

As of the issue date, the convertible bonds had an aggregate fair value of EUR 550,000 thousand. The fair value of the aggregate convertible bond portfolio is determined based on the market prices quoted on the Frankfurt Stock Exchange for the convertible bonds. The market price was 92% as of December 31, 2015.

The convertible bonds were divided into an equity component and a debt component on the issue date. The fair value of the debt component was determined by discounting the future payment flows while taking into account a market interest rate of 3.51% for a comparable debt instrument.

The bond conversion option was recognized in equity at a residual value of EUR 37,659 thousand upon issue of the bond. This was offset by transaction costs of EUR 188 thousand allocable to the equity instrument, which were charged to reserves. Furthermore, deferred tax assets of EUR 56 thousand were recognized in equity. The proportion of the equity component does not change over the term to maturity.

The debt component is reported at amortized cost using the effective interest method. As of December 31, 2015, the long-term portion of the debt component was EUR 511,968 thousand.

In the period under review, interest in the amount of EUR 9,431 thousand accrued on the convertible bonds.

Interest payable on the convertible bonds reported as other current liabilities came to EUR 7,242 thousand as of the reporting date.

36. Trade Payables

As of December 31, 2015, trade payables amount to EUR 11,398 thousand (previous year EUR 43,703 thousand).

37. Other Current Financial Liabilities

Other current financial liabilities comprise the following:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Loan liabilities	3,523	7,290
Convertible bond (current)	7,242	0
Bank liabilities	12	164
Refund liability for sales with a right of return	0	1,153
Other financial liabilities	978	1,454
Total other current financial liabilities	11,754	10,061

38. Non-Financial Liabilities

Other current non-financial liabilities comprise the following:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Personnel liabilities	2,600	2,930
Liabilities from cash-settled share-based payments and similar liabilities	67,597	60,530
Tax liabilities	3,656	4,176
Advance payments received	518	1,358
Deferred income	11	919
Other non-financial liabilities	2,876	1,961
Other current non-financial liabilities	77,258	71,874
Other non-current non-financial liabilities	398	498
Total non-financial liabilities	77,656	72,372

Liabilities from cash-settled share-based payments relate to employees as well as to others providing similar services (as defined in IFRS 2 and IAS 19).

39. Share-Based Compensation

The Group operates share-based compensation arrangements for eligible and selected directors, employees or others providing similar services to the Group ("a participant" or "participants"). These arrangements consist of four different types of awards:

- I. Share options in the Company,
- II. Ordinary shares in subsidiaries,
- III. Share options in subsidiaries or
- IV. Cash settled awards.

I. Share options in the Company (Stock Option Programs 2014)

Under the Stock Option Programs 2014 ("SOP I" and "SOP II"), one share option grants the holder the right to subscribe for one share of the Company.

All share options under the SOP I were granted to the Company's CEO after the listing of the Company's shares on the Open Market of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse or the 'Open Market') on October 2, 2014. These share options have an exercise price of EUR 42.63 per share option and will vest in monthly installments over a five-year vesting period and can be, subject to certain conditions, exercised after a waiting period of four years commencing on the date the share options were granted.

The options granted under the SOP I can only be exercised if:

- (i) the Company successfully launches an average of at least four companies per year during the four-year waiting period; and
- (ii) the stock price reflects, on at least one single trading day within the waiting period, a Company valuation of EUR 6.45 billion.

Under the SOP II, the Supervisory Board is authorized to grant up to 1,201,022 share options to each of the other two members of the Managing Board (i.e. the CFO and the General Managing Director), up to 1,201,023 share options to certain employees of the Company, up to 3,002,557 share options to members of the management of affiliated companies, and up to 600,511 share options to certain employees of affiliated companies. In 2015, a total of 80,000 options were granted under SOP II.

The SOP II provides for an overall ten-year vesting period with a certain number of share options vesting after an initial four-year vesting term and the remaining share options vesting in yearly installments thereafter. The share options can be, subject to their vesting and certain other conditions, exercised after a four-year waiting period commencing on the date the respective share options are granted.

The exercise price of the share options granted prior to listing of the Company's shares in the Open Market amounts to EUR 26.14 per share option. For share options granted subsequent to the listing of the Company's shares in the Open Market the exercise price per share option corresponds to the volume-weighted average closing price of the shares twenty consecutive trading days prior to the relevant grant date.

The exercise of share options under the SOP II requires that:

- (i) the shares of the Company are included in the Open Market until October 31, 2014; and
- (ii) the Company successfully launches an average of at least four companies per year during the four-year waiting period.

If the performance targets are not achieved by the end of the waiting period, the share options granted under the Stock Option Programs 2014 will forfeit completely without any further consideration. In addition, the share options are only exercisable within three weeks after publication of financial interim reports or financial statements, which follow the end of the waiting period.

The table below provides an overview of the movements in the share option awards, which entitle the employee to purchase shares in Rocket Internet SE if the vesting conditions are met, and their respective weighted average exercise prices:

Share options	2015		2014	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Options outstanding at January 1	EUR 36.57	7,180,488	–	–
Granted during the period	EUR 26.31	80,000	EUR 36.57	7,180,488
Forfeited during the period	EUR 26.14	110,834	–	0
Exercised during the period	–	–	–	0
Options outstanding at December 31	EUR 36.62	7,149,654	EUR 36.57	7,180,488
Exercisable at the end December 31	–	–	–	–

The weighted average remaining contractual life for the share options outstanding as of December 31, 2015, is 5.7 years (December 31, 2014: 6.7 years).

The parameters applied in the Black Scholes option valuation formula and the related estimated fair values per share option are as follows as measured on the grant dates in 2015 and 2014:

	2015 SOP II	2014 SOP II
Fair value (EUR per Option)	18.22	27.81
Share price (EUR per Share)	31.14	42.50
Exercise price (EUR per Share)	26.31	26.14
Expected volatility (%)	46.09	45.00
Dividend yield (%)	0.00	0.00
Risk-free interest rate (%)	0.50	0.90
Expected life of share options (years)	10.00	10.00

The average of the vesting period and the contractual expiration date is considered the expected life for all options granted in 2015.

II. Ordinary shares in subsidiaries

The respective share-based payment arrangements provide for equity participation via a trust relationship. The trustee entity holds a certain amount of shares in accordance with the terms and conditions of a trust agreement for the benefit of the trustor, who can be the participant or an investment entity controlled by such a participant. A separate agreement, between the trustor and the relevant company receiving services, governs certain obligations regarding, inter alia, vesting-rights and non-compete obligations that relate to the indirect shareholding of the relevant participant in the relevant company.

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The vesting scheme, which is dependent on time and subject to continued services, provides for quarterly vesting over a period of typically four years (6.25% per quarter) and typically a 6-month or 12-month cliff. If a leaver event occurs prior to the expiration of the cliff period, typically all shares can be clawed back. Thereafter, in the case of a bad leaver event, the Company can usually claw back all vested and unvested shares, while in case of a good leaver event, the Company may only claw back the unvested shares. A bad leaver event is typically triggered, if, for example, the respective service agreement between a participant and subsidiary is terminated by such company for cause, the participant demonstrably committed a criminal offence against the company, or such member breached its non-compete obligation. A good leaver event is typically triggered, if, for example, the service agreement is terminated by either party without cause.

Shares in subsidiaries of the Group have been issued to participants at the nominal value of the shares of EUR 1. If the applicable vesting conditions are not met (typically if a participant's employment is terminated), Rocket Internet SE or a subsidiary has a right to reacquire these shares at the nominal value or – if lower – at market value.

Movements in the number of shares are as follows:

	2015	2014
Number of unvested shares at January 1	3,727	7,055
Deconsolidation of subsidiaries	–2,804	–3,927
Granted during the period	5,555	5,772
Vested during the period	–1,397	–4,577
Forfeited during the period	–623	–596
Number of unvested shares at December 31	4,458	3,727
Number of vested shares at December 31	13,959	12,562

The share prices for subsidiaries were estimated using the shares prices paid by investors in past financing rounds. Given that a subsidiary has multiple classes of equity, we employed the hybrid method in order to allocate equity to the various equity classes. The Finnerty Option Pricing Model was used to calculate a liquidity discount for the shares. Based on the estimated fair market value of the relevant shares, the total price paid by the participants for the shares (EUR 1 per share) included a purchase discount. The fair value of the share awards reported as a share-based payment expense is calculated as the difference between the estimated fair value and the price paid for the shares.

The weighted average grant date fair value of the shares awarded during 2015 amounts to EUR 0 (previous year EUR 1,977).

III. Share options in subsidiaries

Call option arrangements entitle participants to acquire a pre-defined number of shares in the relevant subsidiary. The call options usually vest subject to continued services at quarterly intervals during a 3-year period (8.33% per quarter) or a 4-year period (6.25% per quarter); typically following a 12-month cliff vesting. In certain cases a 6-month cliff vesting applies and in a few cases there is no cliff vesting.

Under certain call option agreements (and if certain conditions are met), approximately one third of all call options vest upon the later of (i) the occurrence of a change of control event or (ii) 4 years after the first call options were granted. In the case of a change of control event in relation to the subsidiary, the relevant subsidiary is entitled to request that relevant participants exercise all call options outstanding at such point in time. Upon the occurrence of a bad leaver event, all call options that have not been exercised lapse. In the case of a good leaver event, all call options lapse for which the exercise period has not yet commenced.

Movements in the number of shares options and their related weighted average exercise prices are as follows:

	2015		2014	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Options outstanding at January 1	EUR 1.00	6,601	EUR 1.00	8,798
Deconsolidation of subsidiaries	EUR 1.00	-6,306	EUR 1.00	-8,284
Granted during the year	EUR 1.00	3,341	EUR 1.00	6,087
Exercised during the year	EUR 1.00	-18	EUR 1.00	0
Forfeited during the year	EUR 1.00	-162	EUR 1.00	0
Options outstanding at December 31	EUR 1.00	3,457	EUR 1.00	6,601
Exercisable at the end December 31	EUR 1.00	3,036	EUR 1.00	2,432

The contractual lives for the options are not specified in the option agreements. As a result, the weighted average remaining contractual life for the options outstanding at the reporting date is dependent on future exit events. In accordance with individual agreements, the outstanding options have an exercise price of EUR 1 per share.

As the options granted have an exercise price of EUR 1 per share, the fair values of the options are equal to their intrinsic values. Accordingly, the main parameters applied are as follows:

	2015	2014
Range of share prices (EUR per share)	0–28,759	56–26,203
Exercise price (EUR per share)	1	1

The weighted average grant date fair value of the options granted during 2015 amounts to EUR 1,890 (i.e. within the range of EUR 0 and EUR 28,759) per share. In some cases, the grant date fair values have been estimated because the option agreements have not yet been finalized.

The consolidated subsidiaries' share prices were estimated using the share price paid by investors in past financing rounds. Given that a subsidiary has multiple classes of equity, we employed the hybrid method in order to allocate equity to the various equity classes. The Finnerty Option Pricing Model was used to calculate a liquidity discount for the shares.

IV. Cash settled awards

This type of share-based payment award granted by certain group companies allows the participants to participate in exit related cash payments via call option arrangements. The notional value and the actual distribution of the relevant call options to the participants are determined by the relevant company's management and are subject to certain shareholders' approvals. The participants are entitled to a cash payment amounting to the difference between the exercise price of the call options and the exit proceeds allocated to each share underlying the call options in case of a change of control or listing of the subsidiary on a stock exchange.

The carrying amount and the total intrinsic value of the liability from cash-settled awards as of December 31, 2015 was EUR 64,141 thousand (December 31, 2014: EUR 48,144 thousand). All cash settled awards had vested as of December 31, 2015 and 2014, respectively.

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Total expense arising from share-based payment transactions

The expense recognized for employee services received during the year is shown in the following table:

In EUR thousand	2015	2014
Equity-settled share-based payments	57,952	51,295
Cash-settled share-based payments	14,739	16,690
Total share-based payment expense	72,691	67,985

40. Financial Risk Management

The risk management function within the Company is carried out in respect of financial risks, operational risks and legal risks. The Group's main risks arising from existing financial instruments relate to credit risk, liquidity risk, currency risk and share price risk.

The major financial instruments of Rocket Internet Group are cash (35% of total assets; previous year 52%), available-for-sale financial assets (20% of total assets; previous year 0%), equity instruments at fair value through profit and loss (FVTPL) (6% of total assets; previous year 9%) other non-current financial assets (<1% of total assets; previous year <1%), as well as liabilities from convertible bonds (10% of total assets; previous year 0%). The Group also records trade receivables and liabilities as well as loan receivables and liabilities mainly from associated companies and joint ventures, which arise in the ordinary course of business.

The Group places available funds in current accounts seeking to ensure both liquidity and security of principal. The Group's policy does not permit any trading with financial instruments. No financial derivatives are utilized.

The risk associated with financial assets is controlled through a sophisticated system of operational monitoring. This applies, in particular, to the equity holdings of Rocket Internet Group, which are accounted for either as available-for-sale financial assets (AFS) or at fair value through profit or loss (FVTPL).

Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk, liquidity risk and share price risk. The primary objectives of the financial risk management function are to establish risk limits, and ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures, in order to minimize operational and legal risks.

Risk management is carried out by a central treasury department under control of managing directors. The Management Board establishes the principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk and investment of excess liquidity.

Credit Risk

Credit risk is defined as the risk that our business partners do not meet their contractual payment obligations and this leads to a loss for Rocket Internet Group. The credit risk comprises the direct risk of a default and the decrease in the credit worthiness as well as the concentration of credit risks.

The credit risk exists for all financial assets in particular for deposits, receivables from associates and trade receivables. The Group's receivables are unsecured. The maximum credit risk corresponds to the book value of the financial assets that are subject to this risk.

The investment of liquidity that is not needed for operational purposes is carried out according to criteria defined by Group policy. Rocket Internet Group, in general, only maintains business relationships with banks of outstanding credit rating. Diversification is another means to minimize risk. The credit worthiness is constantly monitored and evaluated by the Group. The investment of term deposits takes place with banks that are members of the respective bank deposit protection funds and/or that are rated with minimum investment grade rating BBB- (S&P) and Baa3 (Moody's), respectively. Interest rate management focuses on optimized distribution of cash between different banks in order to avoid negative deposit rates.

The control and mitigation of credit risk of receivables from associates is carried out by the investment control function. Trade receivables mainly relate to the Group's eCommerce activities. In the eCommerce sector, credit risk is mitigated through a careful review of customer credit ratings in the course of the online order process. In the event of deterioration in the payment habits or in case of other factors that indicate a requirement for impairment, the receivables management function either initiates measures aimed at the collection of the outstanding customer payments or at the return of the delivered merchandise. Customers' credit rating is monitored on a continuous basis. The concentration of credit risks is limited because of the broad and heterogeneous structure of the customer base.

Any customer credit risks that are identified, e.g. in the case of discontinued payments, are taken into account through appropriate value adjustments.

The Company's maximum exposure to credit risk by class of financial assets is as follows:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Trade and other financial receivables	61,091	36,010
Cash and cash equivalents	1,758,889	2,053,448
Maximum exposure to credit risk	1,819,980	2,089,458

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to daily calls on its available cash resources. Liquidity risk is managed by the management of the Company. The Management Board monitors monthly rolling forecasts of the Company's cash flows.

The liquidity balance and compliance with cash budgets are controlled at regular intervals. In the process, the development of liquidity balances and important movement factors are communicated and discussed internally.

The Group's capital requirements relate, inter alia, to the financing of new and existing companies and the current capital requirements of the Group's operating business. Rocket Internet Group monitors the risk of liquidity shortages (liquidity risk) on a continuous basis through cash budgets and reforecasts taking into consideration the maturities of financial investments and financial assets (e.g. receivables and other financial assets), as well as expected cash flows from operating activities. In addition to cash and cash equivalents as well as income from the sale of financial assets, future cash flows from operating activities represent another source of liquidity.

As of December 31, 2015, the Company's current assets, including assets classified as held for sale in the amount of EUR 1,833,796 thousand (previous year EUR 2,113,376 thousand) exceeded current liabilities in the amount of EUR 108,471 thousand (previous year EUR 137,827 thousand)

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by an amount of EUR 1,725,325 thousand (previous year EUR 1,975,549 thousand). The Company invests the funds almost entirely in demand deposits, in order to be able to respond quickly and smoothly to unforeseen liquidity requirements. The Company's liquidity portfolio comprises cash and cash equivalents.

The maturity analysis of financial liabilities is as follows:

Dec 31, 2015	Carrying amount	Cash flows < 1 year		Cash flows 1–5 years		Cash flows > 5 years	
		Principal	Interest	Principal	Interest	Principal	Interest
In EUR thousand							
Convertible bond	519,210	0	-16,500	0	-66,000	-550,000	-33,000
Interest-bearing loans and borrowings	4,746	-3,585	-10	-1,161	-8	-7	0
Other non-current financial liabilities	13,719	0	0	-13,719	0	0	0
Other current financial liabilities	978	-978	0	0	0	0	0
Trade payables	11,398	-11,369	0	-29	0	0	0

Dec 31, 2014	Carrying amount	Cash flows < 1 year		Cash flows 1–5 years		Cash flows > 5 years	
		Principal	Interest	Principal	Interest	Principal	Interest
In EUR thousand							
Interest-bearing loans and borrowings	7,453	-7,453	-5	0	0	0	0
Other non-current financial liabilities	5,315	0	-5	-5,315	0	0	0
Other current financial liabilities	2,608	-2,608	0	0	0	0	0
Trade payables	43,703	-43,696	0	-7	0	0	0

The amounts disclosed in the tables are the contractual undiscounted cash flows.

Market risks

Currency risk

The Group is exposed to currency risks due to its international business activities outside of the Eurozone. Changes in exchange rates can therefore have an impact on the consolidated financial statements. The individual foreign currency transactions are not hedged since they are generally of a short-term nature. To the extent possible and feasible, hedging is not performed by way of financial engineering measures, but rather through the structuring of existing economic conditions ("natural hedging"). Effects of exchange rate fluctuations resulting from the translation of the financial statements of subsidiaries having a different functional currency into the reporting currency are recognized in equity in the consolidated financial statements. Foreign exchange differences that result from exchange rate changes when translating monetary balance sheet items in foreign currency are recognized in the income statement under other operating expenses or income.

The individual Group companies mainly operate in their functional currency. Therefore, there are no material foreign currency risks for the companies themselves.

In accordance with IFRS 7, currency risks are depicted using sensitivity analyses. These analyses portray the impact of upward/downward revaluations of the euro in relation to all foreign currencies on earnings before income taxes and, if applicable, on equity. These analyses are based on financial instruments that are denominated in a currency different from the local functional currency and are of a monetary nature. In accordance with the requirements of IFRS 7, exchange rate-related differences from the translation of financial statements into the Group currency euro are not stated. There was no separate impact on equity.

Rocket Internet SE and European Founders Fund GmbH & Co. Beteiligungs KG No. 3 have bank accounts in US Dollar (USD) with a credit of USD 137,708 thousand and other financial assets in the amount of USD 2,280 thousand.

The following table demonstrates the sensitivity to a reasonably possible change in US Dollar (USD) exchange rates, with all other variables remaining unchanged. The Group's exposure to foreign currency changes for all other currencies is not material.

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Effect on the balance sheet and profit before tax		
Change in USD rate + 10%	12,858	0
Change in USD rate - 10%	-12,858	0

In financial year 2015, a net foreign exchange gain of EUR 4,272 thousand (previous year net loss of EUR 372 thousand) was recognized.

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Net Foreign Exchange Gain - Operational	2,599	511
Net Foreign Exchange Gain - Financial	2,068	0
Net Foreign Exchange Losses - Operational	-378	-883
Net Foreign Exchange Losses - Financial	-17	0
Net Foreign Exchange Gain/Losses	4,272	-372

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate due to changes in market interest rates.

The Group enters in principal only into fixed-rate instruments. The Group does not account for fixed-rate financial instruments at fair value through profit or loss except for employee loans that are designated at fair value through profit or loss. A reasonably possible change in the interest rates does not have a material effect on profit or loss from fair value changes of these instruments.

Share price risk

The Group is exposed to share price risks which are described in Note 41.

41. Financial Instruments

The following table shows the carrying amounts and fair values of all financial instruments recognized in the consolidated financial statements as well as their measurement category of IAS 39 and the hierarchy for the determination of fair value according to IFRS 13.

In EUR thousand	IAS 39 Measure- ment category	Measured at	Level	Carrying amount		Fair Value	
				Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Non-current financial assets							
Equity instruments – listed companies	fafvo	FVTPL	1	40,923	55,585	40,923	55,585
Equity instruments – not listed companies	fafvo	FVTPL	3	281,425	280,962	281,425	280,962
AFS equity investments ⁹⁾	afs	FVTOCI	3	999,116	0	999,116	0
Subsidiaries outside consolidation	afs	C	3	1,975	1,818	1,975	1,818
Other non-current financial assets measured at fair value	fafvo	FVTPL	3	8,692	0	8,692	0
Other non-current financial assets	lar	AC	3	1,053	166	1,053	166
Current financial assets							
Loan receivables from associated companies and Joint Ventures	lar	AC	n/a	33,307	7,857	33,307	7,857
Loan receivables from subsidiaries (outside consolidation)	lar	AC	n/a	1,328	1,991	1,328	1,991
Receivables from the sale of investments	lar	AC	n/a	2,543	1,930	2,543	1,930
Security deposits (current)	lar	AC	n/a	625	1,872	625	1,872
Other financial assets (current)	lar	AC	n/a	3,457	1,445	3,457	1,445
Cash and cash equivalents	lar	AC	n/a	1,758,889	2,053,448	1,758,889	2,053,448
Trade receivables	lar	AC	n/a	10,085	20,748	10,085	20,748
Financial assets classified as held for sale							
Loan receivables	lar	AC	n/a	5,663	0	5,663	0
Other financial assets	lar	AC	n/a	32	3,668	32	3,668
Trade receivables	lar	AC	n/a	854	0	854	0
Cash and cash equivalents	lar	AC	n/a	9,710	0	9,710	0

9) As of December 31, 2015 mainly non-consolidated shares in Delivery Hero of EUR 978,944 thousand.

In EUR thousand	IAS 39 Measurement category	Measured at	Level	Carrying amount		Fair Value	
				Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Other non-current financial liabilities							
Convertible bond liabilities ¹⁰⁾	ofl	AC	3	511,968	0	505,725	0
Contingent consideration (non-current)	flfv	FVTPL	3	7,622	0	7,622	0
Mandatorily redeemable preference shares and other derivatives (warrant) issued by a consolidated subsidiary	ofl	AC	3	5,950	4,950	5,950	4,950
Loan liabilities	ofl	AC	3	1,211	0	1,211	0
Other non-current financial liabilities	ofl	AC	3	147	364	147	364
Interest-bearing loans and borrowings (current)							
Liabilities from convertible bonds	ofl	AC	n/a	7,242	0	7,242	0
Loan liabilities	ofl	AC	n/a	3,523	7,290	3,523	7,290
Bank liabilities	ofl	AC	n/a	12	164	12	164
Other current financial liabilities							
Refund liabilities for sales with a right of return	ofl	AC	n/a	0	1,153	0	1,153
Other current financial liabilities	ofl	AC	n/a	978	1,455	978	1,455
Trade payables	ofl	AC	n/a	11,398	43,703	11,398	43,703
Financial liabilities directly associated with assets classified as held for sale							
Loan liabilities	ofl	AC	n/a	3,989	0	3,989	0
Bank liabilities	ofl	AC	n/a	144	0	144	0
Other current financial liabilities	ofl	AC	n/a	75	0	75	0
Trade payables	ofl	AC	n/a	2,320	0	2,320	0
Thereof aggregated according to the measurement categories of IAS 39							
Available-for-sale (afs)				1,001,091	1,818	1,001,091	1,818
Financial assets under fair value option (fafvo)				331,041	336,547	331,041	336,547
Loans and receivables (lar)				1,827,546	2,093,126	1,827,546	2,093,126
Financial liabilities at fair value (ffv)				7,622	0	7,622	0
Other financial liabilities (ofl)				548,955	59,079	542,712	59,079

10) Fair value measurement based on the price of the convertible bond as of December 31, 2015 of 91.95% (Level 3).

Notes to the Consolidated Financial Statements

The following **measurement methods** were used:

AC – Amortized cost,
 C – Cost
 FVTOCI – Fair value through other comprehensive income,
 FVTPL – Fair value through profit or loss

In accordance with IFRS 13, the following hierarchy is used to determine and disclose the fair value of financial instruments:

Level 1: Fair values based on quoted prices in active markets.

Level 2: Fair values that are determined on the basis of valuation techniques which use inputs that are observable market data.

Level 3: Fair values that are determined on the basis of valuation techniques which use inputs that are not based on observable market data.

Except for the shares in Zalando SE and in Care.com Inc., which became publicly listed companies during the calendar year 2014, there were no other reclassifications between fair value measurement at Level 1, Level 2 and Level 3 in 2015 and 2014.

Change in financial assets accounted to fair value through profit and loss

In EUR thousand	2015		2014	
	all	Level 3 only	all	Level 3 only
Opening balance as of Jan 1	336,547	280,962	66,078	66,078
Additions (including contributions in kind)	83,199	83,199	266,945	266,804
Reclassifications ¹⁾	-15,557	-15,557	-7,339	-62,552
Changes in fair value recognized in profit or loss	33,015	19,944	12,931	10,632
Disposals	-106,163	-78,431	-2,068	0
Closing balance as of Dec 31	331,041	290,117	336,547	280,962

1) Reclassifications of EUR 15,557 thousand during 2015 mainly relate to TravelBird which is as of December 31, 2015 accounted for as an associated company measured at equity. Reclassifications during 2014 of EUR 55,213 thousand relate to the initial public offerings in care.com and Zalando, which as a result have been reclassified from Level 3 to Level 1.

Change in AFS financial assets

In EUR thousand	2015		2014	
	all	Level 3 only	all	Level 3 only
Opening balance as of Jan 1	0	0	0	0
Additions	863,804	863,804	0	0
Changes in fair value recognized in OCI	136,657	136,657	0	0
Reclassification to profit or loss	-1,329	-1,329	0	0
Disposals	-15	-15	0	0
Closing balance as of Dec 31	999,116	999,116	0	0

The changes in fair value recognized in other comprehensive income (OCI) mainly relate to gain from valuation of shares in Delivery Hero.

Change in financial liabilities accounted at fair value through profit and loss (see note 9)

In EUR thousand	2015		2014	
	all	Level 3 only	all	Level 3 only
Opening balance as of Jan 1	0	0	0	0
Addition	7,272	7,272	0	0
Changes in fair value	350	350	0	0
Closing balance as of Dec 31	7,622	7,622	0	0

The profit and loss from changes in fair value is shown in the financial result.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The majority of trade receivables, other financial assets, cash and cash equivalents, trade payables and other financial liabilities have short maturities. Thus, the carrying amounts of these instruments approximated their fair values as of the balance sheet date.

The book values of other financial assets and liabilities measured at amortized cost approximate their fair values, as there were no significant changes in the applicable valuation parameters since these instruments were recognized initially.

The fair value of equity instruments traded on an active market is based on the market prices listed on the closing date. The listed market price used for the Group's financial assets is the current bid price.

When determining the fair value of other financial instruments, the method which allows the best estimation of fair value is selected for each individual case. For assets and liabilities maturing within one year, a nominal value adjusted for interest payments and premiums is assumed to provide a good approximation to fair value.

Fair value measurement of not listed equity instruments

Rocket Internet's unlisted equity instruments are valued in accordance with IFRS 13 by using the valuation method that is deemed to be most suitable for each individual company.

Firstly, it is considered whether any significant, recent transactions were made at arm's length in the companies (e.g. transaction where shares were issued to a new investor). For new share issues, it is taken into account whether the newly issued shares have better preference to the company's assets than earlier issued shares in the event of sale or liquidation of the company. If preferential rights have a significant impact on the assessment of the respective equity classes, the fair value is determined by using an option pricing model based on the last financing rounds and under consideration of liquidation preferences attached to the respective equity classes as stipulated in the entities' shareholder agreements. The value of such liquidation preferences is dependent on the probability of future exit scenarios. Given that there are multiple classes of equity at the network company level, we employ the hybrid method in order to allocate values to the various equity classes. The hybrid method is a hybrid between the probability-weighted expected return method and the option pricing method, which estimates the probability-weighted value across future exit scenarios, but uses the option-pricing-model to estimate the remaining unknown potential exit scenarios. Relevant valuation inputs include assumptions on the allocation of exit proceeds to share classes in future exit scenarios (liquidation preferences), but also consist of peer group assumptions (stock price volatility), dividend yield (estimated at zero) and the risk free interest rate at the end of the reporting period. Furthermore, exit scenarios in which liquidation preferences were considered relevant to the fair value were estimated with probability percentages that lie between 0 and 50%.

For companies where no or few recent arm's length transactions have been carried out, a valuation is conducted based on future cash flows which are discounted to receive their present value. Inputs used for discounted cash flow (DCF) valuations are business plans, cost of capital plus a risk premium and assumptions used to determine a sales proceed at the end of the detailed planning phase. Costs of capital are derived based on the capital asset pricing model, where capital market data for peer groups and risk free rates are used. In addition, a risk premium is added to the cost of capital. The risk premium reflects the uncertainty that results from the fact that the companies are still in the start up or early development phase. The risk free rate is calculated using the Svensson's method and amounts to 1.5%. Country risk premiums between 0 and 14.9% and a small cap premium of 3.8% are also applied. Long term inflation rates between 0 and 20.3% (with the exception of Venezuela at 155%) are also used in the calculation, as forecasted by the International Monetary Fund. For additional risk premiums, surcharges of between 10 and 33.5% are applied, depending on the age and planning risk of each company. To determine the sales proceeds at the end of the detailed planning phase, sales multiples in the range of 1.4x to 13.3x and/or EBITDA multiples in the range of 10.7x to 24.8x are applied. The multiples are derived from comparable transactions or comparable listed companies in the capital market. Other parameters include an estimate of working capital assumptions, tax rates and assumptions for investment activity and depreciation.

Share price risk

The Group is exposed to financial risks in respect of share prices, meaning the risk of changes in the value of the shareholdings. Rocket Internet's operations include management of shareholdings (equity instruments) measured at fair value comprising considerable investments in a small number of unlisted companies. Accordingly, Rocket Internet's financial position and results are dependent on how well these companies develop. The concentration of the shareholdings leads to a risk that it is more difficult for Rocket Internet to make major changes in the composition of the shareholdings in a limited time. Rocket Internet's strategy is also to be a long-term shareholder. Therefore, there is no strategy for managing short-term fluctuations in share prices.

Equity instruments measured at fair value through profit or loss – impact of valuation parameters

On December 31, 2015, 1% (previous year 1%) of Rocket Internet's total assets were listed equity instruments and 6% (previous year 7%) were unlisted equity instruments measured at fair value. The fair value was determined based on market prices or the discounted cash flow method.

On December 31, 2015, 3% (previous year 7%) of the total assets were not listed equity instruments based on transaction prices, as well as 3% (previous year 0%) of the total assets were not listed equity instruments measured using the DCF method.

The effect of changing critical input factors of the valuation technique on the fair value of Goodgame Studios, Rocket's most significant non-listed investment measured at fair value through profit or loss in 2015, is shown below.

Simulation of the fair value as of 31 December, 2015, in EUR thousands:

		Exit multiple		
		-20%	0%	+20%
Goodgame Studios				
	-20%	78,040	93,942	109,845
Cost of Capital				
	0%	70,977	85,276	99,574
	+20%	64,913	77,839	90,764

Equity instruments measured at fair value through other comprehensive income (OCI) – impact of valuation parameters

As of December 31, 2015, 20% (previous year: 0%) of the total assets of Rocket Internet's balance sheet comprise unlisted equity instruments that are measured at fair value through OCI.

As of December 31, 2015, 20% (previous year: 0%) of the total assets were not listed equity instruments measured using the DCF method, as well as 0% (previous year: 0%) of the total assets were not listed equity instruments based on transaction prices.

The effect of changing critical input factors in the valuation technique on the fair value of the in 2015 acquired Delivery Hero, which was the most significant not listed investment that was measured at fair value through OCI, is shown below.

Simulation of the fair value as of 31 December, 2015, in EUR thousands:

		Exit multiple		
		-20%	0%	+20%
Delivery Hero				
	-20%	1,223,403	1,433,429	1,643,454
Cost of Capital				
	0%	843,079	978,938	1,114,798
	+20%	595,678	685,032	774,387

Fair value measurement of subsidiaries outside consolidation

The unquoted dormant subsidiaries outside consolidation are classified into the available-for-sale category. As for those there are no recent transactions with other investors and their fair value cannot be reliably measured, the Group measures them at cost. In the case of permanent impairment, a write-down to the present value of future cash flows is performed.

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Book value of financial assets accounted at fair value through profit or loss

Trade name	Company name	Type of holding	Registered office	Capital/ votes Dec 31, 2015	Capital/ votes Dec 31, 2014	Fair Value Dec 31, 2015	Fair Value Dec 31, 2014
Non-current securities at FVTPL – listed							
Zalando	Zalando SE	Other investment	Germany	0.5%	0.8%	40,478	50,884
Other companies				n/a	n/a	445	4,700
Associated companies at FVTPL – not listed							
MarleySpoon	MarleySpoon GmbH	Associated company	Germany	28.6%	40.7%	15,012	6,268
Trusted Shops	Trusted Shops GmbH	Associated company	Germany	25.0%	25.0%	10,203	10,000
Jimdo	Jimdo GmbH	Associated company	Germany	n/a	25.9%	n/a	20,903
Other companies				n/a	n/a	19,934	25,184
Other investments at FVTPL – not listed							
Goodgame Studios	Altigi GmbH	Other investment	Germany	15.0%	15.0%	85,276	101,739
Funding Circle	Funding Circle Holdings Ltd.	Other investment	Great Britain	1.7%	n/a	24,428	n/a
Jimdo	Jimdo GmbH	Other investment	Germany	18.9%	n/a	17,464	n/a
Craftsvilla	Supera Investment Pte. Ltd.	Other investment	Singapore	7.0%	n/a	10,848	n/a
Media Math	Media Math LLC	Other investment	USA	1.9%	1.9%	9,830	7,713
Borro Limited	Borro Limited	Other investment	Great Britain	11.0%	5.5%	9,602	7,000
Naturebox	Naturebox Inc	Other investment	USA	10.1%	n/a	9,152	n/a
Kreditech	Kreditech Holding SSL GmbH	Other investment	Germany	3.2%	6.9%	6,069	5,415
DaWanda	DaWanda GmbH	Other investment	Germany	8.4%	8.4%	6,062	3,800
Movinga	Movinga GmbH	Other investment	Germany	9.4%	n/a	5,574	n/a
Iwoca	Iwoca Limited	Other investment	Great Britain	7.2%	9.1%	5,351	1,156
SocietyOne	SocietyOne Holdings Pty Ltd.	Other investment	Australia	10.7%	10.7%	5,214	6,048
Dealerdirect	Dealerdirect Global BV	Other investment	Netherlands	12.5%	n/a	5,000	n/a
Yemek Sepeti	Yemek Sepeti A.S.	Other investment	Turkey	n/a	11.4%	n/a	40,259
TravelBird ¹⁾	Travelbird Nederland B.V.	Other investment	Netherlands	n/a	16.4%	n/a	15,555
Other companies				n/a	n/a	36,407	29,923
Other financial assets at FVTPL							
Other non-current financial assets				n/a	n/a	8,692	0
Total						331,041	336,547

1) as of December 31, 2015, an associated company accounted for using the equity method.

Details of material associated companies measured at fair value

The following material investments in associated companies are measured at fair value. There are no significant restrictions on the ability of the associated companies to transfer funds to Rocket Internet in the form of cash dividends or to repay loans or advances made by Rocket Internet. For information on dividends from associated companies, refer to Note 19. The following table summarizes the financial information of material associated companies as included in the companies' own financial statements. All of the material associated companies prepare financial information in accordance with local GAAP:

Summarized balance sheets (in thousands) for financial year 2015:

Company	Trusted Shops	Marley Spoon
Reporting date	31/12/15	31/12/15
Currency	EUR	EUR
Current assets	13,305	11,343
Non-current assets	728	3,353
Current liabilities	6,070	705
Non-current liabilities	808	0
Net assets	7,155	13,991

Summarized income statements (in thousands) for financial year 2015:

Company	Trusted Shops	Marley Spoon
Reporting date	31/12/15	31/12/15
Currency	EUR	EUR
Revenue	19,789	611
Profit or loss	1,303	-3,887
Total comprehensive income	1,303	-3,887

Summarized balance sheets (in thousands) for financial year 2014:

Company	Jimdo	Trusted Shops	Marley Spoon
Reporting date	31/12/14	31/12/14	31/12/14
Currency	EUR	EUR	EUR
Current assets	4,188	12,776	4,141
Non-current assets	4,234	989	114
Current liabilities	7,306	7,513	154
Non-current liabilities	233	0	0
Net assets	883	6,252	4,101

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Summarized income statements (in thousands) for financial year 2014:

Company	Jimdo	Trusted Shops	Marley Spoon
Reporting date	31/12/14	31/12/14	31/12/14
Currency	EUR	EUR	EUR
Revenue	17,629	16,952	18
Profit or loss	694	648	-1,424
Total comprehensive income	694	648	-1,424

42. Balances and Transactions with Related Parties

Related parties are shareholders with significant influence on the Rocket Internet Group, joint ventures, associated companies, non-consolidated subsidiaries and individuals that exercise significant influence on the Group's financial and business policy. Persons who exercise significant influence on the Group's financial and business policy comprise all individuals in key positions and their close family members. Within Rocket Internet Group, this relates to the parent company's members of the Management Board and the Supervisory Board as well as the managing directors prior to the change in legal form into an AG.

Shareholders with significant influence

Trade Names	Company Names	Significant influence period
Global Founders	Global Founders GmbH, Munich ¹⁾	Jan 1, 2014–Dec 31, 2015
Kinnevik	Investment AB Kinnevik, Stockholm	Jan 1, 2014–Sep 1, 2014

1) 33.3% of the shares in Global Founders GmbH are indirectly held by the CEO of the Rocket Internet SE.

Transactions with shareholders with significant influence

Dividend payment in 2014

On May 30, 2014, the shareholders approved an advance dividend in kind to certain shareholders. Consequently, Rocket Internet transferred by way of a separate share transfer agreement 4,145 and 1,892 shares in Bigfoot GmbH to Emesco AB (subsidiary of Investment AB Kinnevik) and AI European Holdings S.à r.l. (shareholder with no significant influence over Rocket Internet SE), respectively, as well as 4,559 and 2,082 shares in BGN Brilliant Services GmbH to Emesco AB and AI European Holdings S.à r.l., respectively, as a dividend in kind. The fair value of the distributed shares amounted to EUR 153,234 thousand. In addition, a cash dividend of EUR 286,766 thousand was paid to Global Founders GmbH.

No dividends were paid to the shareholders of the parent in 2015.

Portfolio contribution of the Global Founders Capital funds

In August 2014, United Internet Ventures AG, Montabaur, (United Internet) agreed to invest a total of EUR 435 million for a 10.7% stake in Rocket Internet. United Internet's EUR 435 million investment consists of EUR 333 million in cash and a contribution in kind valued at EUR 102 million, which comprised United Internet's equity participation in the Global Founders Capital Fund portfolio (GFC portfolio). As part of this transaction, the equity participation of Global Founders GmbH in the GFC portfolio, valued at EUR 153 million, was also contributed into Rocket Internet in exchange for new shares. In this context the extraordinary shareholders' meeting of Rocket

Internet held on August 22, 2014 resolved to increase Rocket Internet's share capital by EUR 25,527, from EUR 159,442 to EUR 184,969, while admitting (i) United Internet to subscribe for 16,193 newly issued shares, (ii) Global Founders GmbH and Global Founders Capital Fund to subscribe for an aggregate of 8,132 newly issued shares, (iii) European Founders Fund GmbH & Co. Beteiligungs KG Nr. 2 and European Founders Fund GmbH & Co. Beteiligungs KG Nr. 3, both located in Munich, Germany, to subscribe for 637 and 365 newly issued shares, respectively, and (iv) MOAS GmbH & Co. KG, MOAS Nr. 2 GmbH & Co. KG and MOAS Nr. 3 GmbH & Co. KG, all located in Munich, Germany, to subscribe for an aggregate of 200 newly issued shares. The GFC portfolio consisted of 53 investments in Internet companies held jointly by United Internet and of Global Founders GmbH. The portfolio includes minority stakes in companies such as games maker Goodgame Studios; online travel sites such as Traveloka and Travelbird; online marketplaces Yemek Sepeti and DaWanda; and financial technology companies Kreditech, Borro and SocietyOne. Rocket Internet gains stakes in certain businesses that are well aligned with its focus sectors and geographies, such as Yemek Sepeti – a leading Turkish online food delivery marketplace, and Traveloka – a leading Indonesian travel metasearch provider.

The Group has designated those investments as financial assets at fair value through profit or loss. Those equity investments are managed and measured on the basis of fair values in accordance with risk management and investment strategies. Rocket Internet is acting as an investor within the meaning of IAS 28.18 and the Group is not intensely involved in the strategic leadership and tactical implementation of the business plans of such companies. Furthermore, Rocket Internet usually does not perform significant commercial and technical consulting services for these companies.

Consulting Agreement with Global Founders GmbH

In 2014, Rocket Internet purchased services from Global Founders GmbH of EUR 70 thousands. These transactions were based on a consulting agreement between Global Founders GmbH and Rocket Internet. Some of the payments under this agreement relate to reimbursements for consulting services and travel costs charged to Global Founders GmbH by Marc and Alexander Samwer under separate agreements between Global Founders GmbH and Marc Samwer and Alexander Samwer, respectively. These agreements were terminated in 2014. The charges are included in other operating expenses. As of December 31, 2015 and 2014, the outstanding balances payable were EUR 0 thousand and EUR 0 thousand respectively.

Transactions with joint ventures, associated companies and non-consolidated subsidiaries

Parties are considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

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The transactions in 2015 and 2014 and outstanding balances for services with joint ventures of the Group are as follows:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Sales to joint ventures	10,047	12,743
Purchases from joint ventures	-905	-4,678
Interest income from joint ventures	13	79
Interest expense from joint ventures	-10	-61
Amounts owed by joint ventures:		
Trade receivables	2,203	4,275
Other financial receivables (current)	4,143	2,633
Amounts owed to joint ventures		
Trade payables	256	828
Other financial liabilities (current)	2,573	3,842

The transactions in 2015 and 2014 and outstanding balances for services with associates under significant influence of the Group are as follows:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Sales to associates	20,529	19,124
Contribution of subsidiaries to associates	107,890	18,248
Purchases from associates	-751	-3,682
Interest income from associates	335	96
Interest expense from associates	-12	-164
Amounts owed by associates:		
Trade receivables	3,771	7,821
Other financial receivables (current)	29,164	5,224
Amounts owed to associates		
Trade payables	958	822
Other financial liabilities (current)	328	2,467

The transactions in 2015 and 2014 and outstanding balances for services with non-consolidated subsidiaries controlled by Rocket Internet are as follows:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Sales to non-consolidated subsidiaries	503	486
Purchases from non-consolidated subsidiaries	-872	-747
Amounts owed by non-consolidated subsidiaries:		
Trade receivables	941	671
Other financial receivables (current)	1,328	1,991
Amounts owed to non-consolidated subsidiaries:		
Trade payables	208	142
Other financial liabilities (current)	144	517

Receivables and payables are unsecured and payable in cash. Other financial receivables and liabilities relate to short-term loans.

Key management compensation

Remuneration of the Management Board

After the conversion into a stock corporation in July 2014, the following members were elected into the Management Board:

Name	Position held
Oliver Samwer	Chief Executive Officer (CEO)
Peter Kimpel	Chief Financial Officer (CFO)
Alexander Kudlich	Group Managing Director

Until the conversion into a stock corporation in July 2014, the Company's management comprised of the following members:

Name	Position held
Arnt Jeschke	Managing Director Finance
Alexander Kudlich	Managing Director Business Development
Dr. Johannes Bruder	Managing Director Marketing and Products

As part of their remuneration, managing directors were granted options of Rocket Internet SE and shares in subsidiaries at the nominal amount of EUR 1 under equity-settled share-based payment plans described in more detail in Note 39. The compensation paid or payable to key management for employee services is shown below:

In EUR thousand	2015	2014
Short-term benefits (cash and non-cash compensation)	5,173	1,134
Share-based payments (expense the reporting period)	37,155	16,370
Total share-based payment expense	42,328	17,504

Additional disclosures on total remuneration pursuant to Sec. 314 (1) No 6 HGB

In 2015, 614 shares in subsidiaries with a grant date fair value of EUR 2,202 thousand and 332 options in subsidiaries with a grant date fair value of EUR 324 thousand have been issued to members of the Management Board. The total remuneration granted to the members of the Management Board in return for the fulfilment of their duties in the parent company and its subsidiaries was EUR 7,699 thousand.

The members of the Management Board have not been granted any advances or loans. At the balance sheet date, there are no contingencies in favor of members of the Management Board.

Notes to the Consolidated Financial Statements

Supervisory Board, Remuneration of the Supervisory Board

As of December 31, 2015, the Supervisory Board of Rocket Internet SE is composed of the following members:

Name	Function	Position	Member since
Prof. Dr. Marcus Englert	Chairman	Management Consultant and Associate Partner of Solon Management Consulting GmbH & Co. KG	August 22, 2014
Norbert Lang	Vice-chairman	Management Consultant	June 23, 2015
Prof. Dr. Roland Berger		Founder and former CEO of Roland Berger Strategy Consultants	August 22, 2014
Dr. Martin Enderle		Management Consultant	June 23, 2015
Lorenzo Grabau		CEO of Investment AB Kinnevik	June 23, 2014
Erik Mitteregger		Non-executive Member of the Board of Investment AB Kinnevik	June 23, 2014
Napoleon L. Nazareno		CEO of Philippine Long Distance Telephone Company	August 22, 2014
Prof. Dr. Joachim Schindler		Chartered Accountant, Tax Adviser	June 23, 2015
Daniel Shinar		CEO of ClalTech	August 22, 2014

The former members of the Supervisory Board during the financial years 2015 and 2014:

Name	Function	Position	Member since
Ralph Dommermuth		CEO of United Internet AG	August 22, 2014 / June 23, 2015
Dr. Erhard Schipporeit		Management Consultant, former CFO of E.ON AG	August 22, 2014 / June 23, 2015
Philip Yea		Supervisory Board member of bwin.party digital entertainment plc, former CEO of 3i Group plc	August 22, 2014 / June 23, 2015
Jörg Mohaupt	Vice-chairman	Director Technology, Media and Telecommunication (TMT) at Access Industries	June 23, 2014 / August 22, 2014
Uwe Gleitz		Senior Vice President Investments at Rocket Internet SE	June 23, 2014 / August 22, 2014
Christian von Hardenberg		Technical Director at Rocket Internet SE	June 23, 2014 / August 22, 2014
Dr. Franziska Leonhardt		Director Legal Affairs at Rocket Internet SE	June 23, 2014 / August 22, 2014

Remuneration (short-term benefits only) of the Supervisory Board of the parent company for performing its functions at the parent company and the subsidiaries amounted to EUR 305 thousand (previous year EUR 95 thousand). No loans or advances were granted to the members of the Supervisory Board.

43. Contingent Liabilities and other Contractual Obligations

As of the reporting date, as in the previous year, there are no contingent liabilities.

The Company reports other contractual obligations for the following items:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Capital contribution and investment obligations	61,000	41,140
Rental and lease agreements	89,457	3,070
Loans granted to associated companies	4,000	0
Purchase commitments and other	0	19
Total contractual obligations	154,457	44,229

Capital contribution and investment obligations result from participation agreements concluded prior to the balance sheet date. As of December 31, 2015, they mainly result from capital increases of Africa Internet Holding GmbH and CupoNation Group GmbH (previous year Lazada Group GmbH, Home24 GmbH, Helping Group Holding S.à r.l., Jade 1317. GmbH).

The future minimum lease payments under non-cancellable operating lease agreements are as follows:

In EUR thousand	Dec 31, 2015	Dec 31, 2014
Not later than 1 year	3,112	2,018
Later than 1 year and not later than 5 years	27,408	1,052
Later than 5 years	58,937	0
Total operating lease commitments	89,457	3,070
Lease payments during the period	5,381	5,432

The leasing arrangements include warehouse and office rent as well as rental of IT equipment.

The increase in contractual obligations from rental and lease agreements results from the rental agreement for the new headquarters in Berlin.

As of December 31, 2015, total future sublease payments receivable under the Company's operating subleases amount to EUR 3,808 thousand (previous year EUR 896 thousand).

Order commitments (except for leasing) were all payable within one year.

44. Auditor's Fees

Total fees charged for the financial year by the Group's auditor (Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft) amount to EUR 1.6 million (previous year EUR 2.7 million) and comprise EUR 1.2 million (previous year EUR 0.7 million) for audit services, EUR 0.4 million (previous year EUR 1.9 million) for other audit-related services and EUR 0.0 million (previous year EUR 0.1 million) for other services.

45. Events after the Reporting Period

On January 19, 2016, Rocket Internet announced the first closing of Rocket Internet Capital Partners Fund, with total commitments of USD 420 million of which Rocket Internet contributed USD 50 million. The Fund will invest alongside Rocket Internet unless investments are deemed strategic for Rocket Internet.

Rocket Internet announced the divestiture of two takeaway food operations in cash on February 5, 2016. The transaction is in line with Rocket Internet's strategy to divest non-core operations that are not market-leading. The companies sold were La Nevera Roja in Spain and Pizzabo.it in Italy. The transaction in Italy was completed on the date of announcement (closing). It is anticipated that the transaction in Spain will be completed in the second or third quarter of 2016 (closing), as it is subject to regulatory approval from the Spanish competition authority, the Comisión Nacional de los Mercados y la Competencia.

Rocket Internet decided a partial buyback of convertible bonds on February 15, 2016. The Management Board of Rocket Internet SE decided to spend up to EUR 150 million on a program to repurchase senior unsecured convertible bonds due 2022 issued by the Company during 2016. Repurchases of Bonds under the program may commence immediately.

The online lending platform Spotcap Global S.à r.l. raised EUR 31.5 million in new funding on February 2, 2016, led by international private equity firm, Finstar Financial Group, with participation from previous investor Holtzbrinck Ventures.

No other events of special significance occurred after the end of the financial year.

46. List of Group shareholdings pursuant to Sec. 313 (2) HGB

No.	Company	Registered Head office	Equity interest in %	Via no.
1	Rocket Internet SE	Berlin		
Fully consolidated subsidiaries				
Germany				
2	Bambino 106. VV UG (haftungsbeschränkt)	Berlin	100%	1
3	Bambino 53. VV UG (haftungsbeschränkt)	Berlin	100%	1
4	Blanko 7. GmbH & Co. KG	Berlin	98.5%	22, 3
5	Bonativo GmbH	Berlin	100%	101
6	Bonnyprints GmbH	Berlin	77.1%	1
7	Brillant 1390. GmbH & Co. Verwaltungs KG	Berlin	89.5%	32, 3, 251
8	CarSpring Services GmbH	Berlin	100%	88
9	Caterwings Services GmbH	Berlin	100%	90
10	EatFirst Germany GmbH	Berlin	100%	113
11	European Founders Fund GmbH & Co. Beteiligungs KG Nr. 2	Berlin	100%	1
12	European Founders Fund GmbH & Co. Beteiligungs KG Nr. 3	Berlin	100%	1
13	European Founders Fund Investment GmbH	Berlin	100%	1
14	European Founders Fund Nr. 3 Beteiligungs GmbH	Berlin	100%	12
15	Express Quality Food Global Services GmbH	Berlin	100%	115
16	Global Founders Capital GmbH & Co. Beteiligungs KG Nr. 1	Berlin	100%	1
17	Global Founders Capital Management GmbH	Berlin	100%	1
18	GSS Global Shopping Services GmbH	Berlin	100%	96
19	International Rocket GmbH & Co. KG	Berlin	100%	1
20	Jade 1085. GmbH	Berlin	100%	1
21	Jade 1217. GmbH	Berlin	89.0%	1, 3
22	Jade 1221. GmbH	Berlin	71.1%	44, 3, 1
23	Jade 1234. GmbH	Berlin	100%	1
24	Jade 1235. GmbH	Berlin	100%	23
25	Jade 1265. GmbH	Berlin	91.3%	1, 3
26	Jade 1317. GmbH	Berlin	100%	1
27	Jade 1318. GmbH	Berlin	63.0%	1, 3
28	Jade 1344. GmbH & Co. Verwaltungs KG	Berlin	89.1%	31, 3, 254
29	Jade 1347. GmbH	Berlin	100%	122
30	Jade 1348. GmbH & Co. Verwaltungs KG	Berlin	100%	33, 3
31	Jade 1353. GmbH	Berlin	86.4%	44, 3
32	Jade 1366. GmbH	Berlin	86.7%	44, 3, 1
33	Jade 1371. GmbH	Berlin	100%	1
34	Jade 1372. GmbH	Berlin	100%	1

Notes to the Consolidated Financial Statements

No.	Company	Registered Head office	Equity interest in %	Via no.
35	Jade 1375. GmbH	Berlin	100%	108
36	Juwel 131. UG (haftungsbeschränkt) & Co. Erste Verwaltungs KG	Berlin	100%	2, 3
37	Juwel 190. V V UG (haftungsbeschränkt) & Co. 15. Verwaltungs KG	Berlin	100%	43, 3
38	Juwel 190. V V UG (haftungsbeschränkt) & Co. 32. Verwaltungs KG	Berlin	100%	43, 3
39	Juwel 190. V V UG (haftungsbeschränkt) & Co. 41. Verwaltungs KG	Berlin	100%	43, 3
40	Juwel 190. V V UG (haftungsbeschränkt) & Co. Verwaltungs KG	Berlin	100%	44
41	Juwel 200. V V UG (haftungsbeschränkt) & Co. Vierte Verwaltungs KG	Berlin	100%	25
42	Kin Shopping GmbH	Berlin	82.0%	1
43	LIH Subholding Nr. 2 UG (haftungsbeschränkt) & Co. KG	Berlin	100%	44, 3
44	MKC Brillant Services GmbH	Berlin	65.0%	1
45	OCM Online Car Marketplace Global Services GmbH	Berlin	100%	82
46	Online Marketplace Global Services GmbH	Berlin	100%	103
47	R2 International Internet GmbH	Berlin	59.2%	1
48	RCKT Rocket Communications GmbH & Co. KG	Berlin	100%	1
49	Rocket Asia GmbH & Co. KG	Berlin	100%	19
50	Rocket Internet Munich GmbH	Munich	100%	1
51	Rocket Labs GmbH & Co. KG	Berlin	100%	1
52	SOG Shopping Operations Germany GmbH	Berlin	100%	95
53	Somuchmore GmbH	Berlin	100%	124
54	Somuchmore Marketplace UG (haftungsbeschränkt)	Berlin	100%	154
55	SpaceWays Global Services GmbH	Berlin	100%	94
56	sparks42 GmbH	Berlin	79.0%	1
57	Spotcap Global Services GmbH	Berlin	100%	164
58	Tripda Brazil Holding UG (haftungsbeschränkt) & Co. Verwaltungs KG	Berlin	100%	166, 3
59	Vaniday Global Services GmbH	Berlin	100%	112
60	Vendomo Deutschland GmbH	Berlin	100%	117
61	Vendomo Global Services GmbH	Berlin	100%	119
62	ZipJet Global Services GmbH	Berlin	100%	98
63	ZipJet GmbH	Berlin	100%	97
Other countries				
64	Airu Produtos Criativos Ltda.	São Paulo	100%	4, 3
65	Argentum Spain S.L.U.	Madrid	100%	163
66	Beauty Brasil Agendamento de Serviços de Beleza Ltda.	São Paulo	100%	107, 112

No.	Company	Registered Head office	Equity interest in %	Via no.
67	Blue Circle Servicos de Fidelidade Ltda.	São Paulo	100%	30, 236
68	Bonativo B.V.	Amsterdam	100%	102
69	Bonativo Limited	London	100%	100
70	Bus Servicos de Agendamento Ltda.	São Paulo	100%	37, 248
71	Carspring Limited	London	75.0%	86
72	Caterwings Limited	London	100%	91
73	Clickbus Servicios S.A.S.	Bogota	100%	39
74	Clickbus Servicos S. de R.L. de C.V.	Mexico City	83.9%	38, 248
75	Convenience Food Group S.à r.l. (vormals: Bonativo Global S.à r.l.)	Luxemburg	62.6%	1
76	Digital Services Holding I S.à r.l.	Luxemburg	90.0%	1, 3
77	Digital Services Holding XXII S.à r.l.	Luxemburg	78.3%	1, 3
78	Digital Services LI S.à r.l.	Luxemburg	100%	1
79	Digital Services XL 1 S.C.Sp.	Luxemburg	100%	82, 3
80	Digital Services XL 4 S.C.Sp.	Luxemburg	100%	82, 3
81	Digital Services XL S.à r.l.	Luxemburg	85.7%	1, 3
82	Digital Services XL Top-Holding S.C.Sp.	Luxemburg	100%	81, 3
83	Digital Services XLII 1 S.C.Sp.	Luxemburg	100%	112, 3
84	Digital Services XLII 3 S.C.Sp.	Luxemburg	100%	112, 3
85	Digital Services XLII Top-Holding S.C.Sp.	Luxemburg	99.6%	150, 3
86	Digital Services XLIII 1 S.C.Sp.	Luxemburg	100%	88, 3
87	Digital Services XLIII S.à r.l.	Luxemburg	83.3%	1, 3
88	Digital Services XLIII Top-Holding S.C.Sp.	Luxemburg	100%	87, 3, 201
89	Digital Services XLVIII S.à r.l.	Luxemburg	100%	75
90	Digital Services XLVIII Top-Holding S.C.Sp.	Luxemburg	100%	89, 3
91	Digital Services XLVIII UK S.C.Sp.	Luxemburg	100%	90, 3
92	Digital Services XVI S.à r.l.	Luxemburg	80.0%	1, 3
93	Digital Services XVII S.à r.l.	Luxemburg	90.9%	1, 3
94	Digital Services XVII Top-Holding S.C.Sp.	Luxemburg	97.4%	93, 3
95	Digital Services XXI Germany Holding S.C.Sp.	Luxemburg	100%	96, 3
96	Digital Services XXI Top-Holding S.C.Sp.	Luxemburg	97.9%	151, 3
97	Digital Services XXII Germany Holding S.C.Sp.	Luxemburg	100%	98, 3
98	Digital Services XXII Top-Holding S.C.Sp.	Luxemburg	99.7%	77, 3
99	Digital Services XXII UK Holding S.C.Sp.	Luxemburg	100%	98, 3
100	Digital Services XXIII 1 S.C.Sp.	Luxemburg	100%	103, 3
101	Digital Services XXIII 2 S.C.Sp.	Luxemburg	100%	103, 3
102	Digital Services XXIII 3 S.C.Sp.	Luxemburg	100%	103, 3
103	Digital Services XXIII Top-Holding S.C.Sp.	Luxemburg	95.6%	75, 3
104	Digital Services XXIV 2 S.C.Sp.	Luxemburg	100%	171, 3
105	Digital Services XXIV 3 S.C.Sp.	Luxemburg	100%	171, 3
106	Digital Services XXIV S.à r.l.	Luxemburg	100%	1, 3
107	Digital Services XXIX 1 S.C.Sp.	Luxemburg	100%	112, 3

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No.	Company	Registered Head office	Equity interest in %	Via no.
108	Digital Services XXIX 2 S.C.Sp.	Luxemburg	100%	112, 3
109	Digital Services XXIX 3 S.C.Sp.	Luxemburg	100%	112, 3
110	Digital Services XXIX 4 S.C.Sp.	Luxemburg	100%	112, 3
111	Digital Services XXIX S.à r.l.	Luxemburg	100%	178
112	Digital Services XXIX Top-Holding S.C.Sp.	Luxemburg	100%	111, 3
113	Digital Services XXX Germany Holding S.C.Sp.	Luxemburg	100%	115, 3
114	Digital Services XXX S.à r.l.	Luxemburg	100%	75
115	Digital Services XXX Top-Holding S.C.Sp.	Luxemburg	99.3%	114, 3
116	Digital Services XXX UK Holding S.C.Sp.	Luxemburg	100%	115, 3
117	Digital Services XXXIII 2 S.C.Sp.	Luxemburg	100%	119, 3
118	Digital Services XXXIII S.à r.l.	Luxemburg	100%	1
119	Digital Services XXXIII Top-Holding S.C.Sp.	Luxemburg	100%	118, 3
120	Digital Services XXXVII 1 S.C.Sp.	Luxemburg	100%	122, 3
121	Digital Services XXXVII S.à r.l.	Luxemburg	100%	75
122	Digital Services XXXVII Top-Holding S.C.Sp.	Luxemburg	100%	121, 3
123	Digital Services XXXVIII 1 S.C.Sp.	Luxemburg	100%	154, 3
124	Digital Services XXXVIII 2 S.C.Sp.	Luxemburg	100%	154, 3
125	Digital Services XXXVIII 3 S.C.Sp.	Luxemburg	100%	154, 3
126	DS XL UK Limited	London	100%	79
127	DS XXIX France SAS	Paris	100%	110
128	DS XXXVIII UK Limited	London	100%	123
129	EatFirst UK Ltd.	London	75.0%	116
130	ECommerce Business 11 S.à r.l.	Luxemburg	100%	137, 3
131	ECommerce Pay Emerging Markets S.à r.l.	Luxemburg	90.9%	132, 3
132	ECommerce Pay Holding S.à r.l.	Luxemburg	50.0%	2
133	Emerging Markets Internet Fund SCS	Luxemburg	66.7%	1
134	Food Delivery Holding 13 S.à r.l.	Luxemburg	100%	137, 3
135	GFC Global Founders Capital S.à r.l.	Luxemburg	100%	1
136	Global Fin Tech Holding S.à r.l.	Luxemburg	100%	1
137	Global Online Takeaway Group S.A.	Luxemburg	100%	1
138	Goldstar eServices Private Limited	Gurgaon (IN)	100%	173
139	Grupo Yamm Comida a Domicilio S.L.	Madrid	100%	134
140	Internet Services Polen Sp.o.o.	Warsaw	100%	19
141	MKC Brazil Servicos de Adminstracao Ltda.	São Paulo	100%	40
142	Moonshine eServices Private Limited	Gurgaon (IN)	100%	36, 243
143	Rocket Brasil Novos Negocios e Participacoes Ltda.	São Paulo	100%	19
144	Rocket eServices Ltd.	London	100%	19
145	Rocket eServices Private Limited	Delhi	100%	19
146	Rocket Internet Capital Partners Lux S.à r.l.	Luxemburg	100%	1
147	Rocket Internet Capital Partners SCS	Luxemburg	100%	146
148	R-SC Internet Services Egypt LLC	Cairo	100%	19, 20

No.	Company	Registered Head office	Equity interest in %	Via no.
149	R-SC Internet Services Luxembourg S.à r.l.	Luxemburg	100%	19
150	R-SC Liquidation Services Luxembourg S.à r.l. (vormals: Digital Services XLII S.à r.l.)	Luxemburg	100%	178
151	ShopWings Global S.à r.l.	Luxemburg	100%	75
152	Somuchmore France SAS	Paris	100%	125
153	Somuchmore Global S.à r.l.	Luxemburg	73.3%	1
154	Somuchmore Holding S.à r.l.	Luxemburg	90.5%	153, 3
155	SpaceWays Germany Holding S.C.Sp.	Luxemburg	100%	94, 3
156	SpaceWays Storage Services UK Ltd.	London	75.0%	157
157	SpaceWays UK Holding S.C.Sp.	Luxemburg	100%	94, 3
158	Spotcap Australia PTY Ltd.	Sydney	100%	159
159	Spotcap Australia S.C.Sp.	Luxemburg	100%	164, 3
160	Spotcap Global S.à r.l.	Luxemburg	58.3%	136, 3
161	Spotcap Netherlands B.V.	Amsterdam	100%	162
162	Spotcap Netherlands S.C.Sp.	Luxemburg	100%	164, 3
163	Spotcap Spain S.C.Sp.	Luxemburg	100%	164, 3
164	Spotcap Top Holding S.C.Sp.	Luxemburg	100%	160, 3
165	TAC Special Opportunities I LLC	Wilmington (US)	97.5%	16
166	Tripda Brazil Holding S.C.Sp.	Luxemburg	100%	171, 3
167	Tripda Chile Holding S.C.Sp.	Luxemburg	100%	171, 3
168	Tripda Chile SAS	Santiago	100%	167
169	Tripda Colombia Holding S.C.Sp.	Luxemburg	99.8%	171, 3
170	Tripda Colombia SAS	Bogota	100%	169
171	Tripda Group Holding S.C.Sp.	Luxemburg	100%	106, 3
172	Tripda Inc.	Albany (US)	100%	177
173	Tripda India Holding S.C.Sp.	Luxemburg	100%	171, 3
174	Tripda Mexico Holding S.C.Sp.	Luxemburg	100%	171, 3
175	Tripda Mexico S. de R.L. de C.V.	Mexico City	100%	174
176	Tripda Transportes Colaborativos Ltda.	São Paulo	100%	166
177	Tripda USA Holding S.C.Sp.	Luxemburg	100%	171, 3
178	Vaniday Global S.à r.l.	Luxemburg	78.4%	1
179	Vaniday Italy Srl	Milan	100%	83
180	Vaniday Russia OOO	Moscow	100%	84
181	Webs S.r.l.	Bologna	100%	130
182	ZipJet Ltd.	London	75.0%	99
	Other subsidiaries¹⁾			
	Germany			
183	Bambino 107. V V UG (haftungsbeschränkt)	Berlin	100%	1
184	Bambino 110. V V UG (haftungsbeschränkt)	Berlin	100%	1
185	Bambino 52. V V UG (haftungsbeschränkt)	Berlin	100%	1
186	Bambino 54. V V UG (haftungsbeschränkt)	Berlin	100%	1

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No.	Company	Registered Head office	Equity interest in %	Via no.
187	Bambino 55. VV UG (haftungsbeschränkt)	Berlin	100%	1
188	Bambino 61. VV UG (haftungsbeschränkt)	Berlin	100%	19
189	Bambino 79. VV UG (haftungsbeschränkt)	Berlin	100%	19
190	Bambino 80. VV UG (haftungsbeschränkt)	Berlin	100%	19
191	Bambino 81. VV UG (haftungsbeschränkt)	Berlin	100%	19
192	Bambino 82. VV UG (haftungsbeschränkt)	Berlin	100%	19
193	Bambino 84. VV UG (haftungsbeschränkt)	Berlin	100%	19
194	Bambino 91. VV UG (haftungsbeschränkt)	Berlin	100%	19
195	Blanko 12. UG (haftungsbeschränkt) & Co. KG	Berlin	100%	247, 3
196	Brillant 1259. GmbH	Berlin	100%	1
197	Brillant 1390. GmbH	Berlin	100%	32
198	Brillant 1418. GmbH	Berlin	100%	237
199	Brillant 1423. GmbH	Berlin	100%	1
200	Brillant 2055. GmbH	Berlin	100%	301
201	Carspring Beteiligungs UG (haftungsbeschränkt)	Berlin	100%	87
202	CD-Rocket Holding UG (haftungsbeschränkt)	Berlin	100%	1
203	CityDeal Management II UG (haftungsbeschränkt)	Berlin	100%	1
204	CityDeal Management UG (haftungsbeschränkt)	Berlin	100%	1
205	CityDeal Management UG (haftungsbeschränkt) & Co. Beteiligungs KG	Berlin	100%	203
206	EFF Nr. 2 Portfolio Management UG (haftungsbeschränkt)	Berlin	100%	1
207	EFF Nr. 2 Portfolio Verwaltungs GmbH	Munich	100%	1
208	EFF Nr. 3 Portfolio Management UG (haftungsbeschränkt)	Berlin	100%	1
209	EFF Nr. 3 Portfolio Verwaltungs GmbH	Munich	100%	1
210	European Founders Fund Nr. 2 Geschäftsführungs GmbH	Berlin	100%	1
211	European Founders Fund Nr. 2 Verwaltungs GmbH	Berlin	100%	1
212	European Founders Fund Nr. 3 Management GmbH	Berlin	100%	1
213	European Founders Fund Nr. 3 Verwaltungs GmbH	Berlin	100%	1
214	GFC Nr. 1 Portfolio Management UG (haftungsbeschränkt)	Berlin	100%	1
215	GFC Nr. 1 Portfolio Verwaltungs GmbH	Munich	100%	1
216	Global Founders Capital Verwaltungs GmbH	Berlin	100%	1
217	Jade 1085. GmbH & Co. Achtzehnte Verwaltungs KG	Berlin	100%	19, 3
218	Jade 1085. GmbH & Co. Dreiundzwanzigste Verwaltungs KG	Berlin	100%	19, 3

No.	Company	Registered Head office	Equity interest in %	Via no.
219	Jade 1085. GmbH & Co. Vierundzwanzigste Verwaltungs KG	Berlin	100%	19, 3
220	Jade 1085. GmbH & Co. Zweiundvierzigste Verwaltungs KG	Berlin	100%	19, 3
221	Jade 1154. GmbH	Berlin	100%	229
222	Jade 1207. GmbH	Berlin	100%	224
223	Jade 1207. GmbH & Co. Verwaltungs KG	Berlin	100%	224, 3
224	Jade 1231. GmbH	Berlin	100%	1
225	Jade 1232. GmbH	Berlin	100%	1
226	Jade 1233. GmbH	Berlin	100%	225
227	Jade 1236. GmbH	Berlin	100%	1
228	Jade 1238. GmbH	Berlin	73.8%	1, 3
229	Jade 1240. GmbH	Berlin	100%	1
230	Jade 1241. GmbH	Berlin	100%	1
231	Jade 1246. GmbH	Berlin	100%	1, 3
232	Jade 1247. GmbH	Berlin	100%	1
233	Jade 1279. GmbH	Berlin	100%	1
234	Jade 1319. GmbH	Berlin	100%	1, 3
235	Jade 1344. GmbH	Berlin	100%	31
236	Jade 1348. GmbH	Berlin	100%	33
237	Jade 1356. GmbH	Berlin	100%	1
238	Jade 1361. GmbH	Berlin	100%	237
239	Jade 1368. GmbH	Berlin	100%	1, 3
240	Jade 1370. GmbH	Berlin	100%	34
241	Jade 1413. GmbH	Berlin	100%	22
242	Jade 940. GmbH	Berlin	100%	1
243	Juwel 131. VV UG (haftungsbeschränkt)	Berlin	100%	2
244	Juwel 133. VV UG (haftungsbeschränkt)	Berlin	100%	183
245	Juwel 154. VV UG (haftungsbeschränkt)	Berlin	100%	247
246	Juwel 155. VV UG (haftungsbeschränkt)	Berlin	100%	1
247	Juwel 156. VV UG (haftungsbeschränkt)	Berlin	100%	1
248	Juwel 190. VV UG (haftungsbeschränkt)	Berlin	100%	44
249	Juwel 190. VV UG (haftungsbeschränkt) & Co. 23. Verwaltungs KG	Berlin	100%	43, 3
250	Juwel 190. VV UG (haftungsbeschränkt) & Co. 42. Verwaltungs KG	Berlin	100%	43, 3
251	Juwel 197. VV UG (haftungsbeschränkt)	Berlin	100%	32
252	Juwel 200. VV UG (haftungsbeschränkt)	Berlin	100%	25
253	Juwel 200. VV UG (haftungsbeschränkt) & Co. Dritte Verwaltungs KG	Berlin	100%	25, 3
254	Juwel 202. VV UG (haftungsbeschränkt)	Berlin	100%	31
255	Juwel 219. VV UG (haftungsbeschränkt)	Berlin	100%	44
256	Kristall 146. GmbH	Berlin	100%	228

Notes to the Consolidated Financial Statements

No.	Company	Registered Head office	Equity interest in %	Via no.
257	Motors Myanmar UG (haftungsbeschränkt) & Co. KG	Berlin	100%	19
258	Rocket Communications GmbH	Berlin	100%	1
259	Rocket Internet Marketplace Solutions GmbH	Berlin	100%	1
260	Rocket Middle East GmbH	Berlin	100%	1
261	Tekcor 2. VV UG (haftungsbeschränkt)	Berlin	100%	19
262	Tripda (GP) GmbH	Berlin	100%	34
263	Tripda Beteiligungs UG (haftungsbeschränkt)	Berlin	100%	106
264	Tripda Global (GP) UG (haftungsbeschränkt)	Berlin	100%	106
265	VRB GmbH & Co. B-101 (Einhunderteins) KG	Berlin	100%	1
266	VRB GmbH & Co. B-118 (Einhundertachtzehn) KG	Berlin	100%	19, 3
267	VRB GmbH & Co. B-122 (Einhundertzweiundzwanzig) KG	Berlin	100%	225, 3
268	VRB GmbH & Co. B-125 (Einhundertfünfundzwanzig) KG	Berlin	100%	228, 3
269	VRB GmbH & Co. B-133 KG	Berlin	100%	231, 3
270	VRB GmbH & Co. B-147 KG	Berlin	100%	19
271	VRB GmbH & Co. B-153 KG	Berlin	100%	19
272	VRB GmbH & Co. B-154 KG	Berlin	100%	19
273	VRB GmbH & Co. B-155 KG	Berlin	100%	19
Other countries				
274	9387102 Canada Limited	Toronto	100%	303
275	Argentum Poland S.C.Sp.	Luxemburg	100%	164
276	Argentum Poland sp. z.o.o.	Warsaw	100%	275
277	Beijing Ying Nai Le Qi Information Consultancy Co. Ltd.	Beijing	100%	19
278	Classifieds Albania S.C.Sp.	Luxemburg	100%	328, 3
279	Classifieds Armenia S.C.Sp.	Luxemburg	100%	328, 3
280	Classifieds Azerbaijan S.C.Sp.	Luxemburg	100%	328, 3
281	Classifieds Georgia S.C.Sp.	Luxemburg	100%	328, 3
282	Classifieds Kyrgyzstan S.C.Sp.	Luxemburg	100%	328, 3
283	Classifieds Tajikistan S.C.Sp.	Luxemburg	100%	328, 3
284	Classifieds Turkmenistan S.C.Sp.	Luxemburg	100%	328, 3
285	Classifieds Uzbekistan S.C.Sp.	Luxemburg	100%	328, 3
286	Clickbus Peru S.A.C.	Lima	100%	250, 248
287	Digital Services Australia S.C.Sp.	Luxemburg	100%	76, 3
288	Digital Services Holding III S.à r.l.	Luxemburg	100%	136
289	Digital Services Holding IV S.à r.l.	Luxemburg	100%	1
290	Digital Services Holding XXI (GP) S.à r.l.	Luxemburg	100%	151
291	Digital Services Holding XXII (GP) S.à r.l.	Luxemburg	100%	77
292	Digital Services Holding XXIII (GP) S.à r.l.	Luxemburg	100%	75
293	Digital Services I (GP) S.à r.l.	Luxemburg	100%	76
294	Digital Services L S.à r.l.	Luxemburg	100%	1

No.	Company	Registered Head office	Equity interest in %	Via no.
295	Digital Services LI (GP) S.à r.l.	Luxemburg	100%	78
296	Digital Services LI Pakistan S.C.Sp.	Luxemburg	100%	297, 3
297	Digital Services LI Top-Holding S.C.Sp.	Luxemburg	100%	78, 3
298	Digital Services LII (GP) S.à r.l.	Luxemburg	100%	134
299	Digital Services LII S.à r.l.	Luxemburg	100%	1
300	Digital Services XL (GP) S.à r.l.	Luxemburg	100%	81
301	Digital Services XL 2 S.C.Sp.	Luxemburg	100%	82, 3
302	Digital Services XL 3 S.C.Sp.	Luxemburg	100%	82, 3
303	Digital Services XL 5 S.C.Sp.	Luxemburg	100%	82, 3
304	Digital Services XL 6 S.C.Sp.	Luxemburg	100%	82, 3
305	Digital Services XLII 2 S.C.Sp.	Luxemburg	100%	85, 3
306	Digital Services XLIII (GP) S.à r.l.	Luxemburg	100%	87
307	Digital Services XLIX (GP) S.à r.l.	Luxemburg	100%	308
308	Digital Services XLIX S.à r.l.	Luxemburg	100%	1
309	Digital Services XLV S.à r.l.	Luxemburg	100%	1
310	Digital Services XLVII (GP) S.à r.l.	Luxemburg	100%	311
311	Digital Services XLVII S.à r.l.	Luxemburg	100%	1
312	Digital Services XLVIII (GP) S.à r.l.	Luxemburg	100%	89
313	Digital Services XVI (GP) S.à r.l.	Luxemburg	100%	92
314	Digital Services XVII (GP) S.à r.l.	Luxemburg	100%	93
315	Digital Services XVIII (GP) S.à r.l.	Luxemburg	100%	316
316	Digital Services XVIII S.à r.l.	Luxemburg	100%	1
317	Digital Services XXI France Holding S.C.Sp.	Luxemburg	100%	96, 3
318	Digital Services XXI UK Holding S.C.Sp.	Luxemburg	100%	96, 3
319	Digital Services XXII France Holding S.C.Sp.	Luxemburg	100%	98, 3
320	Digital Services XXIII 4 S.C.Sp.	Luxemburg	100%	103, 3
321	Digital Services XXIV (GP) S.à r.l.	Luxemburg	100%	106
322	Digital Services XXIV 1 S.C.Sp.	Luxemburg	100%	106, 3
323	Digital Services XXIV 4 S.C.Sp.	Luxemburg	100%	106, 3
324	Digital Services XXIV 5 S.C.Sp.	Luxemburg	100%	106, 3
325	Digital Services XXIX (GP) S.à r.l.	Luxemburg	100%	111
326	Digital Services XXVII (GP) S.à r.l.	Luxemburg	100%	327
327	Digital Services XXVII S.à r.l.	Luxemburg	100%	1
328	Digital Services XXVII Top S.C.Sp.	Luxemburg	100%	327, 3
329	Digital Services XXX (GP) S.à r.l.	Luxemburg	100%	114
330	Digital Services XXX France S.C.Sp.	Luxemburg	100%	115, 3
331	Digital Services XXXIII (GP) S.à r.l.	Luxemburg	100%	118
332	Digital Services XXXIII 1 S.C.Sp.	Luxemburg	100%	119, 3
333	Digital Services XXXVII (GP) S.à r.l.	Luxemburg	100%	121
334	Digital Services XXXVIII 4 S.C.Sp.	Luxemburg	100%	154, 3
335	Digital Services XXXVIII Top-Holding S.C.Sp.	Luxemburg	100%	153, 3

Notes to the Consolidated Financial Statements

No.	Company	Registered Head office	Equity interest in %	Via no.
336	DS XL Italy S.r.l.	Bolzano (IT)	100%	302
337	DS XL Netherlands B.V.	Amsterdam	100%	304
338	DS XXXIII UK Limited	London	100%	332
339	DS XXXVII UK Ltd.	London	100%	120
340	ECommerce Pay Middle East S.à r.l.	Luxemburg	100%	132, 3
341	Emeraldone Internet Services Portugal, Unipessoal Lda.	Lissabon	100%	194
342	Emerging Markets Capital S.à r.l.	Luxemburg	100%	1
343	Fastcash Servicos de Administracao e Correspondente Bancario Ltda.	São Paulo	100%	384, 383
344	Food Delivery Holding 31 S.à r.l.	Luxemburg	100%	130
345	Furniture E-Services Holding USA Inc.	Wilmington (US)	100%	25
346	Furniture E-Services Taiwan Co., Ltd.	Taipei	100%	253
347	GG Fun Limited	Birkirkara (MT)	100%	348, 1
348	GP Management Limited	Birkirkara (MT)	99.9%	1
349	International Rocket Company Limited	Road Town (VG)	100%	19
350	International Rocket Corporate Limited	Road Town (VG)	100%	19
351	International Rocket Group Limited	Road Town (VG)	100%	19
352	International Rocket Hellas EPE	Athens	100%	19, 20
353	International Rocket Holding Limited	Road Town (VG)	100%	19
354	International Rocket Ventures Limited	Road Town (VG)	100%	19
355	Internet Alti Hizmet Teknolojileri Limited Sirketi	Istanbul	100%	267, 226
356	Internet Bes Hizmet Teknolojileri Limited Sirketi	Istanbul	100%	223, 222
357	Internet Services Netherlands B.V.	Amsterdam	100%	19
358	Inversiones Bazaya C.A.	Caracas	100%	19
359	Jade E-Services Azerbaijan LLC	Baku	100%	195
360	Kaymu Albania S.C.Sp.	Luxemburg	100%	380, 3
361	Kaymu Albania Sh.p.k.	Tirana	100%	360
362	Kaymu Armenia S.C.Sp.	Luxemburg	100%	380, 3
363	Kaymu Azerbaijan LLC	Baku	100%	364
364	Kaymu Azerbaijan S.C.Sp.	Luxemburg	100%	380, 3
365	Kaymu Belarus S.C.Sp.	Luxemburg	100%	380, 3
366	Kaymu BH d.o.o.	Sarajevo	100%	367
367	Kaymu Bosnia S.C.Sp.	Luxemburg	100%	380, 3
368	Kaymu Bulgaria EOOD	Sofia	100%	369
369	Kaymu Bulgaria S.C.Sp.	Luxemburg	100%	380, 3

No.	Company	Registered Head office	Equity interest in %	Via no.
370	Kaymu Croatia d.o.o.	Zagreb	100%	371
371	Kaymu Croatia S.C.Sp.	Luxemburg	100%	380, 3
372	Kaymu Georgia LLC	Tbilisi	100%	373
373	Kaymu Georgia S.C.Sp.	Luxemburg	100%	380, 3
374	Kaymu Macedonia S.C.Sp.	Luxemburg	100%	380, 3
375	Kaymu Montenegro S.C.Sp.	Luxemburg	100%	380, 3
376	Kaymu Slovakia S.C.Sp.	Luxemburg	100%	380, 3
377	Kaymu Slovenia d.o.o.	Ljubljana	100%	378
378	Kaymu Slovenia S.C.Sp.	Luxemburg	100%	380, 3
379	Kaymu Slovensko s.r.o.	Bratislava	100%	376
380	Kaymu Top-Holding S.C.Sp.	Luxemburg	100%	92, 3
381	Kaymu Uzbekistan S.C.Sp.	Luxemburg	100%	380, 3
382	KaymuBy (Unitary Enterprise)	Minsk	100%	365
383	Moneda (GP) S.à r.l.	Luxemburg	100%	388
384	Moneda Brazil S.C.Sp.	Luxemburg	100%	386, 3
385	Moneda Colombia S.C.Sp.	Luxemburg	100%	386, 3
386	Moneda Holding S.C.Sp.	Luxemburg	100%	388
387	Moneda Mexico S.C.Sp.	Luxemburg	100%	386, 3
388	Moneda Top-Holding S.à r.l.	Luxemburg	100%	1
389	Online Car Marketplace España SL	Madrid	100%	80
390	Online Platform LLC	Tashkent	100%	381
391	Place Mniej Sp. z o.o.	Warsaw	87.5%	47
392	R1 E-Services Hungary Kft.	Budapest	100%	19
393	RI Capital Advisors Limited	London	100%	1
394	Rocket Bulgaria EOOD	Sofia	100%	19
395	Rocket Denmark ApS.	Copenhagen	100%	19
396	Rocket Internet Chile Limitada	Santiago	100%	19, 20
397	Rocket Internet Italy S.r.l.	Milan	100%	19
398	Rocket Internet Japan K.K.	Tokyo	100%	19
399	Rocket Internet S.R.L.	Bucharest	100%	19, 20
400	Rocket Internet Scandinavia AB	Stockholm	100%	19
401	Rocket Internet South Africa (Proprietary)	Gauteng	100%	19
402	Rocket Korea Ltd.	Seoul	100%	19
403	Rocket Serbia d.o.o.	Belgrade	100%	19
404	Rocket Slovakia s.r.o.	Bratislava	100%	19
405	Rocket US Inc.	Wilmington (US)	100%	19
406	R-SC Egypt for Import and Export	Cairo	100%	148
407	R-SC Internet Services Chile Limitada	Santiago	100%	19, 20
408	R-SC Internet Services Colombia SAS	Bogotá	100%	19
409	RSC Internet Services Finland 2 Oy	Helsinki	100%	191
410	R-SC Internet Services France SAS	Paris	100%	19

Notes to the Consolidated Financial Statements

No.	Company	Registered Head office	Equity interest in %	Via no.
411	R-SC Internet Services II Norway AS	Oslo	100%	192
412	R-SC Internet Services Japan K.K.	Tokyo	100%	217
413	R-SC Internet Services Malaysia Sdn. Bhd	Kuala Lumpur	100%	104
414	R-SC Internet Services Nigeria Limited	Lagos	100%	19, 20
415	R-SC Internet Services Slovakia s.r.o.	Bratislava	100%	188, 3
416	R-SC Internet Services South Africa (PTY) Ltd.	Cape Town	100%	19
417	R-SC Internet Services Spain S.L.	Madrid	100%	19
418	RSC Internet Services Switzerland GmbH	Zürich	100%	19
419	RSC Internet Services Switzerland II GmbH	Zürich	100%	189
420	R-SC Liquidation Services Luxembourg (GP) S.à r.l. (vormals: Digital Services XLII (GP) S.à r.l.)	Luxemburg	100%	150
421	RSC Rocket Internet Services Ltd.	Tel Aviv	100%	19
422	R-SC Vietnam Company Limited	Ho Chi Minh City	100%	19
423	RTE Finland Oy	Helsinki	100%	19
424	RTE Internet Ireland Ltd.	Dublin	100%	19
425	RTE Internet Services Switzerland GmbH	Zürich	100%	19
426	RTE Italy S.r.l.	Rome	100%	19
427	RTE Netherlands B.V.	Amsterdam	100%	19
428	Shopwings UK Limited	London	100%	318
429	Solar eServices Private Limited	Gurgaon	100%	219, 20
430	Somuchmore Spain, S.L.	Alella (ES)	100%	334
431	SpaceWays Canada Holding S.C.Sp.	Luxemburg	100%	94, 3
432	SpaceWays France Holding S.C.Sp.	Luxemburg	100%	94, 3
433	SpaceWays France SAS	Paris	100%	432
434	SpaceWays USA Holding S.C.Sp.	Luxemburg	100%	94, 3
435	Spotcap (GP) S.à r.l.	Luxemburg	100%	160
436	Spotcap Canada S.C.Sp.	Luxemburg	100%	164, 3
437	Spotcap Loans Ltd.	Vancouver	100%	436
438	Spotcap UK Ltd.	London	100%	439
439	Spotcap UK S.C.Sp.	Luxemburg	100%	164, 3
440	Trimly Brasil Agendamento de Servicos de Beleza Ltda.	São Paulo	100%	305, 85
441	Tripda Argentina Holding S.C.Sp.	Luxemburg	100%	171, 3
442	Tripda South Korea Holding S.C.Sp.	Luxemburg	100%	171, 3
443	Tripda Taiwan Holding S.C.Sp.	Luxemburg	100%	171, 3
444	Tripda Taiwan Ltd.	Taipei	100%	443
445	Tripda Uruguay Holding S.C.Sp.	Luxemburg	99.7%	171, 3
446	VRB B-154 Group Limited	Road Town (VG)	100%	272
447	VRB B-155 Corporate Limited	Road Town (VG)	100%	273
448	Wimdu Australia PTY Limited	Sydney	100%	19

No.	Company	Registered Head office	Equity interest in %	Via no.
449	Wimdu Israel Ltd.	Tel Aviv	100%	19
Associated companies and joint ventures				
Germany				
450	AEH New Africa eCommerce II GmbH	Berlin	34.6%	1, 3
451	Affinitas GmbH	Berlin	21.9%	1
452	Affinitas Phantom Share GmbH	Berlin	34.4%	1
453	Africa Internet Holding GmbH	Berlin	33.3%	1
454	Anschlussstor Vermarktungs GmbH	Munich	49.0%	16
455	Beauty Trend Holding GmbH ²⁾	Berlin	59.8%	1
456	CupoNation Group GmbH ⁴⁾	Munich	40.8%	1, 3
457	FabFurnish GmbH	Berlin	29.2%	1
458	HelloFresh AG ²⁾	Berlin	56.7%	1, 3
459	Home24 AG	Berlin	45.5%	1, 3
460	Jade 1158. GmbH ²⁾	Berlin	68.2%	1
461	Jade 1223. GmbH ²⁾	Berlin	73.8%	1, 3
462	MarleySpoon GmbH	Berlin	28.6%	16
463	Netzoptiker GmbH ³⁾	Limburg a.d.L.	42.8%	1
464	New BGN Other Assets II GmbH	Berlin	34.6%	1
465	New Bigfoot Other Assets GmbH	Berlin	29.2%	1
466	New Middle East Other Assets GmbH	Berlin	32.7%	1, 260
467	New TIN Linio II GmbH	Berlin	46.0%	1
468	Payleven Holding GmbH	Berlin	38.6%	132, 3
469	Paymill Holding GmbH	Berlin	48.6%	132, 3
470	Plinga GmbH	Berlin	39.3%	1
471	PTH Brillant Services GmbH ²⁾	Berlin	79.6%	1, 3
472	Rumble Media GmbH	Karlsruhe	38.3%	16
473	TravelTrex GmbH	Cologne	25.0%	11
474	Trusted Shops GmbH	Cologne	25.0%	16
475	Veliberg GmbH	Cologne	22.0%	1
476	Webpotentials GmbH ³⁾	Berlin	45.2%	1
477	Westwing Group GmbH	Berlin	32.2%	1, 26, 3
478	Wimdu GmbH	Berlin	49.4%	1
Other countries				
479	Asia Internet Holding S.à r.l.	Luxemburg	50.0%	1
480	Clariness AG	Stans (CH)	25.0%	16
481	Digital Services XXVIII S.à r.l. ²⁾	Luxemburg	70.0%	1
482	ECommerce Holding II S.à r.l. ²⁾	Luxemburg	50.6%	136, 184
483	Emerging Markets Online Food Delivery Holding S.à r.l.	Luxemburg	49.1%	137, 3
484	Emerging Markets Taxi Holding S.à r.l.	Luxemburg	38.6%	44
485	Enuygun Com Internet Bilgi Hizmetleri Teknoloji ve Ticaret AS	Istanbul	48.8%	47

Notes to the Consolidated Financial Statements

No.	Company	Registered Head office	Equity interest in %	Via no.
486	getAbstract AG	Lucerne	22.0%	11
487	Girl Meets Dress Ltd.	St. Albans (UK)	23.7%	16
488	Global Fashion Group S.A.	Luxemburg	26.9%	1, 44, 3
489	Helpling Group Holding S.à r.l.	Luxemburg	25.9%	1
490	InstaRem PTE Limited	Newtown (SG)	25.0%	135
491	Lazada Group S.A.	Luxemburg	22.8%	1
492	LeadX Holdings Limited	Altrincham (UK)	30.0%	16
493	Middle East Internet Holding S.à r.l.	Luxemburg	50.0%	1
494	PT Traveloka Indonesia ⁵⁾	Jakarta	52.7%	2
495	RTV Holding Inc.	Road Town (VG)	20.0%	133
496	TravelBird Nederland B.V.	Amsterdam	25.2%	16
497	Ulmon GmbH	Vienna	22.8%	16, 135
498	Voopter Internet do Brasil SA ⁶⁾	Rio de Janeiro	55.2%	16
499	XS Software AD	Sofia	40.0%	16
500	Yamsafer Inc.	Wilmington (US)	25.2%	135

- 1) Not consolidated due to immateriality.
2) No control due to contractual arrangements or legal circumstances.
3) In liquidation or in bankruptcy.
4) CupoNation Group GmbH: voting rights of 42.0% differ from equity interest.
5) PT Traveloka Indonesia: voting rights of 35.7% differ from equity interest.
6) Voopter Internet do Brasil SA: voting rights of 48.0% differ from equity interest.

No.	Company, registered office	Equity interest in %	Votes in %	Via no.	Net result in EUR thousand	Equity in EUR thousand
Other investments						
Germany						
501	Delivery Hero Holding GmbH, Berlin ^{7),8)}	40.0%	30.0%	137, 165	-88,906	268,843

- 7) Values according to the last available consolidated financial statements (IFRS) as of December 31, 2014.
8) No significant influence due to legal circumstances.

47. Number of Employees pursuant to Sec. 314 No. 4 HGB

The average number of staff employed was as follows:

	2015
Germany	872
Other countries	630
Total	1,502

As of December 31, 2015, the group employed a total of 1,496 employees (previous year 1,586), thereof 639 abroad (previous year 1,078).

48. Authorization of the Financial Statements for Issue

The Management Board authorized the issue of the consolidated financial statements on March 31, 2016.

Berlin, March 31, 2016

The Management Board

Oliver Samwer

Peter Kimpel

Alexander Kudlich

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Combined Management Report

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1. Fundamentals of the Company and the Group

1.1 Business Model

1.1.1 General Information

Rocket Internet SE (until March 18, 2015 Rocket Internet AG), hereinafter also referred to as “Rocket Internet”, the “Company” or “parent Company”, is registered in the commercial register Charlottenburg of the district court in Berlin (Registration No.: HRB 165662). The registered office of Rocket Internet SE is at Johannisstrasse 20, 10117 Berlin, Germany.

Rocket Internet SE is the parent company of directly and indirectly held subsidiaries and holds directly or indirectly interest in joint ventures and associates (hereinafter together also referred to as the “Rocket Internet Group” or the “Group”).

Since October 2, 2014 the shares of Rocket Internet SE, are included in the non-regulated Entry Standard of the Frankfurt Stock Exchange. The admission to the non-regulated Entry Standard does not represent a stock listing pursuant to Sec. 3 (2) AktG (German Stock Corporation Act).

Subsidiaries, associated companies and joint ventures herein are summarized as “network companies”.

This report combines the Group Management Report of the Rocket Internet Group and the Management Report of Rocket Internet SE. It should be read in conjunction with the Consolidated Financial Statements and Annual Financial Statements, including the notes to the Financial Statements. The Consolidated Financial Statements and the Annual Financial Statements have been prepared on the basis of a number of assumptions and accounting policies explained in greater detail in the respective notes. The Combined Management Report contains forward-looking statements about the business, financial condition and earnings performance. These statements are based on assumptions and projections based on currently available information and present estimates. They are subject to a multitude of uncertainties and risks. Actual business development may therefore differ materially from what has been expected. Beyond disclosure requirements stipulated by law, Rocket Internet SE does not undertake any obligation to update forward-looking statements.

The Combined Management Report for the financial year 2015 is presented in million euros except where otherwise indicated. Unless otherwise indicated, all values are rounded up or down in accordance with a commercial rounding approach, which may result in rounding differences and percentage figures presented may not exactly reflect the absolute figures they relate to. The reporting period is January 1 to December 31, 2015. If not otherwise stated comparative figures for the balance sheet are as of December 31, 2014 and comparative figures for statement of comprehensive income and cash flow statement are for the period January 1 to December 31, 2014.

1.1.2 Business Activities

Rocket Internet SE is one of the leading Internet platforms outside the United States and China.

Rocket Internet was founded in 2007 and has since established numerous companies with activities in more than 110 countries on six continents. Rocket Internet identifies proven Internet and mobile business models and builds these either independently in own subsidiaries or invests in already existing companies (the so-called “GFC Investments”, see also Section 1.1.3). Rocket targets mainly new, underserved or untapped fast-growing markets with limited competition, in which new companies will be scaled to market leadership positions. It relies on already proven models with a lower customer acceptance risk. The Group aims to make its network companies, depending on the type of business model, profitable within six to nine years after project launch.

A standardized approach for the formation of companies enables Rocket Internet to bring a company to market in just a few months after it is decided to implement an identified business model in a country or region (project). The goal is that companies achieve operational independence under the leadership of the parent company.

Rocket Internet has a flexible and scalable technology platform, which enables starting several new projects per year in its five target regions

- Europe (excluding Russia and CIS),
- Africa and Middle-East,
- Asia and Pacific (excluding China),
- Russia and CIS (Commonwealth of Independent States), and
- Latin America.

Five Industry Sectors

Rocket Internet is focused on proven Internet-based business models that satisfy basic consumer needs across the following five industry sectors¹⁾:

- Food & Groceries (individualized fresh food at home and online food delivery and takeaway),
- Fashion (emerging markets online fashion),
- General Merchandise (emerging markets online retail as well as marketplaces for online merchandise),
- Home & Living (international home & living eCommerce) and
- Travel (online and mobile travel bookings, package holidays with transfer).

Regional Internet Groups

Rocket Internet has created Regional Internet Groups in order to combine the knowledge of local markets with the business model expertise, to foster regional commercial, strategic and investment partnerships especially with mobile operators. Our Regional Internet Groups include Asia Pacific Internet Group, Middle East Internet Group and Africa Internet Group.

New Businesses & Investments

In addition to the companies in the five industry sectors, Rocket Internet owns stakes in companies at varying maturity stages, ranging from recently launched models to companies that are in the process of establishing leadership positions or still expanding their geographic reach.

Services

Furthermore, Rocket Internet Group performs a range of IT, marketing and other services, particularly commercial and technical consulting services for its subsidiaries and non-consolidated equity investments. Rocket Internet is usually intensely involved in the strategic leadership and tactical implementation of the business plans of its subsidiaries, associates and joint ventures, in particular in the early years.

Rocket Internet has created the Rocket Internet platform to systematize the process of identifying, building and scaling Internet companies around the world. The goal is to identify commonalities within different business models and leverage these via a platform approach to optimize the building and scaling process.

1.1.3. Legal Structure of the Group / Locations

Rocket Internet has a large number of network companies in countries that are particularly relevant for online and mobile business.

While Rocket Internet as well as some of its subsidiaries focus on providing services along the different functional areas of an Internet business, the operational business is carried out

1) Sectors do not represent reportable segments.

exclusively by Rocket Internet's subsidiaries, associates and joint ventures under the umbrella of specifically created consumer brands.

In its role as group holding, Rocket Internet fulfils central functions including operational investment management, accounting, group financial reporting, press and investor relations, risk management and internal audit as well as human resources.

Rocket Internet typically owns directly or indirectly 80% to 90% of its companies²⁾ at the time of launch, with the remainder set aside for management equity participations. In subsequent financing rounds, the companies attract the equity financing necessary to expand their business from Rocket Internet and other external investors. The external equity financing is provided by strategic partners and other strategic and financial investors, including existing Rocket Internet shareholders. These investments are either made directly into the company or indirectly into an intermediate holding company or a Regional Internet Group (Africa Internet Holding GmbH, Asia Internet Holding S.à r.l. or Middle East Internet Holding S.à r.l.). In practice, this has meant that the direct and indirect stakes of Rocket Internet in a company have decreased over time to less than 50%. Furthermore, for several companies in which Rocket Internet holds a participation of more than 50%, shareholder agreements exist that lead to ongoing restrictions of Rocket Internet's control over those network companies. Therefore as of December 31, 2015 Rocket Internet does not consolidate most of its significant network companies, but accounts for them as associated companies and joint ventures. The most important associated companies and joint ventures in the Rocket Internet Group as of December 31, 2015 are:

Associated company / joint venture	Consumer brands
Global Fashion Group S.A.	Dafiti, Lamoda, Zalora & The Iconic, Namshi, Jabong and since September 2015 Kanui and Tricac
Lazada Group S.A.	Lazada, helloPay
New TIN Linio II GmbH	Linio
Home24 AG	Home24, Mobly
Westwing Group GmbH	Westwing
HelloFresh AG	HelloFresh
Emerging Markets Online Food Delivery Holding S.à r.l.	foodpanda, hellofood, Delivery Club
Africa Internet Holding GmbH	Carmudi, EasyTaxi, Everjobs, Hellofood, Jovago, Jumia, Kaymu, Lamudi, Vendito, Zando
Asia Internet Holding S.à r.l.	Daraz, Lamudi, Carmudi, Easy Taxi, Kaymu, Helpling, Jovago, Shopwings
Middle East Internet Holding S.à r.l.	Carmudi, Lamudi, Easy Taxi, Helpling, Wadi

As of December 31, 2015 Rocket Internet Group included 182 (previous year 139) fully consolidated companies (including intermediary holdings), of which 119 (previous year 74) companies were located outside of Germany. In addition, Rocket Internet Group held investments in 51 (previous year 53) associated companies and joint ventures. The list of group shareholdings is presented in the notes to the consolidated financial statements.

Group's investments in other companies

During the 1st half of 2015 the Group successively purchased approximately 44% of the total outstanding share capital of Delivery Hero Holding GmbH (DHH). Due to subsequent capital

2) All participation quotas for the network companies shown in the financial statements are based on the Group's ownership calculated pursuant to the respective accounting rules (e.g. reflecting the transaction closing dates, dates of change in control, considering trust shares allocated to the Group etc.) and may therefore differ from the respective information published on the Company's website which is based on the signing dates.

increases performed by DHH Rocket's share decreased until December 31, 2015 to approximately 40% (prior to dilutive effects of convertible instruments issued by DHH). Under the terms of the DHH Shareholders' Agreement, the Group's voting rights are limited to 30%. The Group did not obtain representation on the DHH's advisory board (as specified in the DHH's articles of incorporation), which precludes Rocket from the participation in policy-making processes of DHH and from obtaining timely adequate financial information required to apply the equity method of accounting. In light of the lack of significant influence, the Group classified its equity investment in DHH as available-for-sale financial assets.

The Group has designated certain associated companies and other equity investments with ownership percentages below 20% that are not closely related to Rocket's operations as financial assets at fair value through profit or loss. Those equity investments are managed and measured on the basis of fair values in accordance with the risk management and investment strategies. Rocket is acting as an investor within the meaning of IAS 28.18 and the Group is not intensely involved in the strategic leadership and tactical implementation of the business plans of such companies. Furthermore, Rocket usually does not perform significant commercial and technical consulting services for these companies. Particularly this category includes the portfolio of investments into several internet companies (e.g. YemekSepeti, Goodgame Studios, Jimdo, Trusted Shops, Motortalk, Kreditech) acquired in August 2014 by a way of an exchange of shares held by United Internet and Global Founders GmbH in the Global Founders Capital Funds for shares in Rocket Internet. In financial year 2015, additional GFC investments were made in companies such as Craftsvilla, Movinga, Naturebox and Dealerdirect.

1.1.4 Consumer Brands of the Company Network

The following illustration shows a selection of the most important consumer brands used by network companies:

Consumer Brands

Food & Groceries						
Fashion						
General Merchandise						
Home & Living						
Travel						
Regional Internet Groups						

New Businesses & Investments

1.1.5 Strategy

Rocket Internet builds and invests in Internet companies that take proven online and mobile business models to new, fast-growing markets. Our companies are “first movers” that quickly capture sizeable market share, the foundation for strong and lasting profitability. We further honed and deepened our approach and made it more efficient in 2015, identifying opportunities in new regions and markets, and consistently expanding the Rocket Internet network of companies.

Rocket Internet has developed a platform which is able to provide its network of companies with a competitive advantage. Our operational excellence and access to international expertise and funding enable us to identify, build and scale proven online and mobile business models anywhere in the world. We have become experts in entering markets that are more difficult to develop due to the lack of basic infrastructure than markets in the industrialized world.

Rocket Internet focuses on five industry sectors of online retail and services that make up a significant share of consumer spending: Food & Groceries, Fashion, General Merchandise, Home & Living and Travel.

Our strategy is influenced by five key trends that drive growth in our key markets:

- Internet penetration in emerging markets is low but growing quickly, which means demand for online services that meet basic needs is surging exponentially.
- The smartphone revolution is giving ever more people Internet access, a big opportunity for online retailers to exploit new demand in all corners of the world.
- The population in many of our markets is younger and thus potentially more tech-savvy than that in the US, which increases the scope for online business models.
- The middle class in many emerging market economies is expected to grow strongly, which we expect to raise discretionary consumer spending significantly.
- Bricks-and-mortar retailing in many target markets is underdeveloped, which will allow online retailers to capture more consumers as they leapfrog to Internet shopping.

By monitoring these developments and keeping a close eye on consumer habits in individual markets, Rocket Internet was able to grow its network of companies still further in 2015.

Our operational platform and our expanding network of companies have put Rocket Internet in a unique position to capitalize on the growth of Internet commerce in and outside Europe. Technological innovation and rapidly changing consumer habits offer online retailers and service providers significant opportunities as Internet-based business models scale quickly. Rocket Internet invests in select business models and sectors, with the aim of owning significant stakes in companies that have the potential to become leading players in their markets.

One of Rocket Internet’s major focus areas currently is Food & Groceries, a fast-growing market. Rocket Internet views the sector as the next frontier of eCommerce. In order to expand our global position in this sector, we increased our stake in HelloFresh AG in 2015, a globally active player in the fresh food at home market, to presently 56.7% from 37.5% at the time of the Rocket Internet IPO. HelloFresh AG has operations in Germany, Austria, the Netherlands, Belgium, the United Kingdom, Australia and the United States. Rocket Internet also invested in the food takeaway company Delivery Hero, resulting in an ownership of 40.0% (prior to dilutive effects of convertible instruments issued by DHH) in this highly promising business model. Furthermore, we invested in foodpanda and increased the stake to 49%. Taking a larger stake in these companies gives us a competitive edge in this attractive sector, while providing the companies with capital to expand their operations and pave the way to become market leaders. Moreover, we further strengthened our market position in the Fashion sector by investing in Global Fashion Group S.A. (La Moda, Dafiti, Namshi, Zalora, Jabong), an online fashion group operating in several emerging markets.

Our aim is to achieve long-term leadership in the markets and sectors we enter. To gain a strong market position, we are willing to invest in the early development stages, leading to start up losses. Long-term value creation is therefore our key focus when starting new businesses. To support this goal, we continue to invest in our product portfolio technology, the customer experience, infrastructure and logistics capabilities. Targeting profitability in the mid-term, our focus for these companies shifts over time to creating equilibrium between growth and market share on the one hand and unit economics and profitability on the other. It's our objective that these companies reach break-even within six to nine years after launch.

We provide companies launched on the Rocket Internet platform with the financial means to start up and develop their operations. Since we are the initiator of the respective company we own a significant majority and hence we benefit from the so-called "founder economics". Company growth is typically funded through a mix of own and third party capital, underscoring the attractiveness of and value creation in our network of companies. When we see an investment opportunity in a promising business model, we invest with conviction and provide significant amounts of capital. Since capital is a key component in building market leaders, we undertook several measures to raise additional capital in 2015.

Rocket Internet's network comprises are at different stages of development. At the time of launch, we typically own directly or indirectly an 80% to 90% stake, with the remainder set aside for management equity participation. In subsequent financing rounds, we invest and attract external equity financing, which is provided by our local strategic partners as well as other strategic and financial investors. As we firmly believe in the business models we launch, we seek to retain a large share of the absolute value creation and therefore intend to maintain relatively high ownership stakes and control in many of our companies. We continue to participate in financing rounds for our companies and also selectively purchase additional stakes through secondary transactions.

In January 2016, the Rocket Internet Capital Partners Fund was launched, providing an additional source of funding for the network of companies.

Detailed, up to date information on the strategy and the major network companies of Rocket can be found on the website of the parent company – www.rocket-internet.com.

1.2 Research & Development

Rocket Internet has developed proprietary technologies that are able to provide a competitive advantage for Rocket Internet companies. The internally developed technology platforms are flexible and scalable as they provide network companies with advantages in cost and speed, especially during the start up and market introduction phase. Rocket Internet has created core technology platforms for the network companies, which allow a "plug and play" setup, and which are used as the starting point in the process of establishing a new company. The technology platform is scalable, which enables the processing of high traffic volumes and the integration of a large number of different countries and languages. The companies adapt those platforms to their individual requirements, while their improvements often benefit the whole network.

All units of the company, supported by a central strategic product development function, optimize the existing offerings and establish innovative products in the market. Most importantly, this means that the offering spectrum is expanded continuously through innovations.

Development expenses are capitalized as internally-generated intangible assets, whereas research expenses are recognized in the income statement.

In its core business, the Group constantly develops new products for the needs of its customers. New developments are subject to user tests on a timely basis. Their experience flows, in turn, into the product optimization.

The entire industry is transitioning from classic desktop-internet companies to mobile-first and even mobile-only, which requires the development of new products. Mobile people increasingly do their research and make choices on their way from one place to another. Smartphones and tablets are more and more replacing the home desktop PC. Further, new device classes are being added, such as internet-capable TV sets and smart watches. The Group is committed to support its network companies in delivering products and rendering services to all relevant digital devices.

The major software developments of the financial year 2015 are:

Software Name	Function / Purpose
SkyRocket	Next generation company-building framework that minimizes the company setup costs and reduces the time to launch new companies
RAP: Rocket Advertising Platform	Highly automated online advertising management application with self-learning algorithms that enables efficient growth of customer base at scale
DataJet.io	Data driven merchandizing. Real-time stream processing engine for search, recommendations and product feeds
SellerCenter	Global vendor integration. Vendor integration with web & mobile apps and public APIs (application program interface)

Furthermore, Rocket Internet has developed instruments to analyze essential key performance indicators that allow us to compare the performance of our companies, identify best practices, and share this knowledge within our network of companies.

2. Economic Report

2.1 General Economic Conditions

According to the International Monetary Fund's (IMF) "World Economic Outlook" published in January 2016, global economic activity remained subdued in 2015. Global growth is currently estimated at 3.1% in 2015. Growth in emerging markets and developing economies, which still accounts for over 70% of global growth, declined for the fifth consecutive year, while a modest recovery continued in advanced economies.

The global outlook continues to be influenced by the gradual slowdown and rebalancing of economic activity in China away from investment and manufacturing toward consumption and services, lower prices for energy and other commodities, and a gradual tightening in monetary policy in the United States. Oil prices have declined significantly since September 2015. Lower oil prices strain the fiscal positions of fuel exporters and weigh on their growth prospects, while supporting household demand and lowering business energy costs for importers, especially in advanced economies. In the Euro area, stronger private consumption supported by lower oil prices and favorable financing conditions is outweighing a weakening in net exports. Growth in emerging market and developing economies is projected to increase from 4 % in 2015 – the lowest since the 2008-09 financial crisis, – to 4.3 % and 4.7% in 2016 and 2017 respectively. Higher growth is projected for the Middle East, but lower oil prices, and in some cases geopolitical tensions and domestic strife, continue to weigh on the outlook. Emerging Europe is projected to continue growing at a broadly steady pace, albeit with some slowing in 2016. Russia, which continues to adjust to low oil prices and Western sanctions, is expected to remain in recession in 2016. Most countries in sub-Saharan Africa will see a gradual pickup in growth, but with lower

commodity prices, at rates that are lower than those seen over the past decade. In Europe, where the tide of refugees is challenging the absorptive capacity of European Union labor markets and testing political systems, policy actions to support the integration of migrants into the labor force are critical to alleviate concerns about social exclusion and long-term fiscal costs, and unlock the potential long-term economic benefits of the refugee inflow.

The development of Gross Domestic Product (GDP) and exchange rates in selected countries is as follows:

Country / Currency	Change of GDP in %		Exchange rates (1 EUR = local currency)		
	2015	2014	Dec 31, 2015	Dec 31, 2014	Change
Russia RUB	-3.8%	0.6%	80.674	72.337	+11.5%
Brazil BRL	-3.0%	0.1%	4.312	3.221	+33.9%
India INR	7.3%	7.3%	72.022	76.719	-6.1%
Indonesia IDR	4.7%	5.0%	15,039.990	15,076.100	-0.2%
Australia AUD	2.4%	2.7%	1.490	1.483	+0.5%
Singapore SGD	2.2%	2.9%	1.542	1.606	-4.0%
Nigeria NGN	4.0%	6.3%	215.545	219.980	-2.0%
United Arab Emirates AED	3.0%	4.6%	4.012	4.464	-10.1%
Saudi Arabia SAR	3.4%	3.5%	4.097	4.560	-10.2%

2.2 Industry-Specific Conditions

Venture Capital Market in Germany

An active market for venture capital plays a vital role in the financing of start ups and innovations. In light of this, politicians are asked to improve the venture capital environment in Germany with well targeted measures. In September 2015, the Federal Government adopted a key issues paper on the promotion of venture capital in Germany, which includes several measures to strengthen the venture capital scene in Germany and to improve the financing situation. In the broader perspective, the Federal Government wants to develop Germany into a competitive location for venture capital funds.

In Germany, there is a lack of exit opportunities for venture capitalists, which is partly due to the generally poorly developed capital market. The sale of shares of young companies, that still do not generate profits, on secondary markets or the stock exchange often proves to be difficult. This problem could be addressed through the creation of a pan-European stock market segment for growth-oriented companies. This is a core component of the European Capital Markets Union (CMU). European CMU is intended as a long-term project, whose cornerstones are to be placed by the year of 2019. The European Commission assumes that the underdeveloped market conditions are the result of structural problems in the European financial system. The propositions of the European Commission involve not only an expanding financial integration, but also promoting capital market-based corporate financing and specific market segments. The Action Plan of the European Commission includes some of the following measures: improving access to public capital markets, promotion of venture capital and private equity financing, the promotion of innovative forms of financing and strengthening pan-European approaches to SME financing.

Despite this difficult framework, Germany was a dynamic IPO location in 2015. Fifteen companies made an IPO in the Prime Standard in 2015 (previous year: 11) and thereby attracted EUR 7.1 billion, – more than twice as much as in the previous year (EUR 3.4 billion). In 2015, 24 companies were newly listed on the Frankfurt Stock Exchange, the highest number since 2007 (19 in 2014). Overall, the newcomers had a market capitalization of EUR 38.5 billion at initial listing (EUR 21.4 billion in 2014). For the coming year 2016, up to 15 German IPOs are expected, provided that market conditions remain supportive.

General Industry Trends³

Following A.T. Kearny's "The 2015 Global Retail E-Commerce Index™", the eCommerce industry still shows strong growth. This steady growth is supported by the increasing internationalization in the industry as well as a continuously increasing Internet penetration, especially in emerging markets. Another strong sign for the positive development is the rise of IPOs in the eCommerce industry.

One trend is the increasing Big Data business, as more and more companies want to digitize their processes. This includes the management and storage of data, advanced cloud computing solutions, personalized data analyzing tools and data security.

Internet of Things (IoT), network connectivity of every physical objects (such as cars and houses), could revolutionize the targeted marketing of products and services by moving away from the traditional approach of using newspapers or television and instead reach targeted consumers at optimal times in optimal locations.

The mobile telephone is now also a wallet. With the development of smartphones, the mobile Internet and Near Field Communication (NFC) technology, numerous functions and applications can now be integrated, such as vouchers, tickets, loyalty points and payment services. People are now experiencing a new form of convenience with their mobile phones, such as travelling on public transport using mobile tickets rather than coins or physical tickets, using their smartphones to pay contactlessly while at the same time redeeming coupons and collecting loyalty points or making secure bank payments.

A current trend is the creation and development of "Service" start ups, for example, companies whose purpose is to simplify ordering lunch, help finding cleaners or booking beauty treatments. Examples of Rocket Internet network companies Eatfirst, Helping and Vaniday.

Another area of expansion in the Internet industry has been "mobile and urban on-demand-services". Companies in this area want to make life in cities easier. Business models in this area have only recently become possible with the wide-spread market penetration of GPS smartphones and push messages. These business models work best in densely populated areas, as the services are often time and location-specific. They exhibit elements of vertical integration of logistics and at times an aggregation of the supply side. Because consumers can now make secure purchases using their smartphones, mobile devices are becoming the most used platform for seeking information on goods and services resulting in the rise of retail spending.

Private transport, which in recent decades has shaped the lives of people and the infrastructure of the cities, requires change in order to reduce emissions and relieve urban congestion. The entire technology industry has recognized the mobility sector as a lucrative market. In metropolitan areas, the private car is no longer the sole means of transport and will be displaced increasingly in the future. Short distance trips are going to be dominated by public transport, car sharing and taxi-type services. It will be more convenient to order a car via mobile app than to even look for a parking space. The car of the future will be like an Internet browser the main interface for the digital life. With the launch of DriveJoy Rocket Internet has entered this market.

3) Sources: internal industry analysis by Rocket Internet SE.

According to the “(N)ONLINER Atlas” by the “Initiative D21”, a total of almost 78% (previous year 77%) of all Germans (about 54 million people above 14 years old) used the Internet in 2015. The share of smartphone owners increased from 53% in 2014 to 60% in 2015. The ownership of tablets increased to 35% (previous year 28%) which corresponds to a growth rate of 25%. While nearly every user searches the Internet for content and information via search engines (94%), more specific applications are far less frequently used, i.e. by only about two thirds of online users. The information search, especially for consulting purposes, on forums, blogs and other websites takes second place with 68%, while online shopping and social networks (64%) are the third most used applications.

According to the “Measuring the Information Society Report 2015” by the International Telecommunication Union (ITU), the global internet user rate was 43% in 2015. The rate in developed countries amounted to 82.2%, while emerging markets (which are especially important for Rocket Internet Group) had a rate of 35.3%. The 2015 growth rate of the global internet user rate was nearly 7%. The number of internet users in the particularly important for Rocket emerging markets has more than doubled in the last five years. The ITU estimates that the Internet user rate will increase to 45% in emerging markets by 2020, providing significant opportunities for Rocket Internet’s network of companies.

Situation in the Specific Regions

For the consolidated subsidiaries of Rocket Internet Group as well as several important associated companies, the regions **Latin America and Europe (excluding Russia)** are of particular importance. In the other regions, Rocket Internet Group is mainly represented by its associated companies. The situation differs by region:

Europe (excluding Russia and CIS) with approximately 607 million inhabitants at the end of 2015 and an expected population growth of 1.1% in the period between 2015 and 2020 (source: IMF, WEO database October 2015), has around 455 million Internet users (source: IDC database December 2015, Internet Live Stats July 2014) and an Internet user rate of 74.9%. There are 434 million smartphone users living in Europe (source: WCIS database November 2015), which corresponds to a smartphone user rate of 71.5%. Europe’s B2C eCommerce market volume is estimated at 351 billion USD (source: eMarketer December 2015).

At the end of 2015, approximately 603 million people lived in Latin America (source: IMF, WEO database October 2015). For the period from 2015 to 2020, population growth of 5.7% is expected (source: IMF, WEO database October 2015). With 313 million Internet users (source: IDC database December 2015, Internet Live Stats July 2014), this region has an Internet user rate of 52%. There are 288 million smartphone users living in Latin America (source: WCIS database November 2015), which corresponds to a smartphone user rate of 47.8%. Latin America’s Business-to-Consumer (B2C) eCommerce is estimated to have a volume of 41 billion USD (source: eMarketer December 2015).

At the end of 2015, approximately 287 million inhabitants lived in Russia and CIS (source: IMF, WEO database October 2015). The population growth expectation for the period 2015 to 2020 for this region lies at 1.7% (source: IMF, WEA database October 2015). With 163 million Internet users (source: IDC database December 2015, Internet Live Stats July 2014), this region has an Internet user rate of 56.7%, and 199 million smartphone users (source: WCIS database November 2015), which corresponds to a smartphone user rate of 69.3%. The B2C eCommerce market volume is estimated at 19 billion USD (source: eMarketer December 2015).

At the end of 2015, 2,534 million inhabitants lived in the Asia-Pacific (excluding China) area (source: IMF, WEO database October 2015). For the period 2015 to 2020, a population growth of 6.2% is expected (source: IMF, WEO database October 2015). With 670 million Internet users (source: IDC database December 2015, Internet Live Stats July 2014), the region has an Internet user rate of 26.4%. Furthermore, there are 702 million smartphone users in the Asia-Pacific region (source: WCIS database March 2015), which amounts to a smartphone user rate of 27.7%.

Asia-Pacific's B2C eCommerce market volume is estimated at 206 billion USD (source: Marketer November 2015).

Africa and the Middle East with approximately 1,367 million inhabitants at the end of 2015 and an expected population growth in the period 2015 to 2020 of 11.8% (source: IMF, WEO database October 2015), are home to about 361 million Internet users (source: IDC database December 2015, Internet Live Stats July 2014), which corresponds to an Internet user rate of 26.4%. The region hosts 286 million smartphone users (source: WCIS database November 2015), which correspond to a smartphone user rate of 20.9%. The B2C eCommerce market volume in Africa and the Middle-East is estimated at USD 15 billion (source: eMarketer December 2015).

2.3 Course of Business

The 2015 financial year was characterized by the acquisition of stakes in various companies as well as by the continued, primarily international expansion of existing companies and the development of various new business models, such as Bonativo, CarSpring, Caterwings, Drivejoy, Nestpick, Sparklist, Somuchmore and Vaniday. This development is reflected in both the increased number of network companies as well as in the extended consolidation scope.

During the 1st half of 2015, the Group performed a series of transactions to strengthen its market position in the global online takeaway market. Under the umbrella of the wholly owned subsidiary Global Online Takeaway Group S.A. Rocket Internet combined all its investments in the online takeaway services (including foodpanda, Delivery Hero, Talabat, La Nevera Roja and Pizzabo.it.). Rocket Internet made several cash investments in the amount of EUR 767.9 million in Delivery Hero and contributed its stake in Yemek Sepeti in exchange for Delivery Hero shares. In addition, Rocket Internet participated in financing rounds of foodpanda in the amount of EUR 68.8 million and acquired foodpanda shares from co-investors for a total price of EUR 6.4 million. It purchased 100% of the shares in La Nevera Roja for EUR 80.4 million and Pizzabo.it for EUR 51.3 million.

Rocket Internet participated in a financing round of HelloFresh and additionally acquired shares from one co-investor. As a result of these transactions (having a total volume of EUR 178.2 million) Rocket obtained, in combination with the previous acquisition of shares from a co-investor in December 2014, a majority share in HelloFresh that does not provide control over HelloFresh AG.

Rocket Internet also participated in financing rounds of Global Fashion Group in the amount of EUR 49.4 million, of Home24 in the amount of EUR 34.0 million, of TravelBird in the amount of EUR 16.5 million, of Lazada in the amount of EUR 15.3 million, of Linio in the amount of EUR 10.0 million and of Helping in the amount of EUR 5.0 million.

Consolidated revenues remain stable with EUR 128.3 million compared to EUR 128.2 million in the previous year period. The number of fully consolidated companies rose from 139 as of December 31, 2014 up to 182 as of December 31, 2015.

In February 2015, the subscribed capital of Rocket Internet was increased from EUR 153,130,566 to EUR 165,140,790. The 12,010,224 new shares have been placed with institutional investors in a private placement transaction. The shares have been issued at a price of EUR 49.00 per share. Rocket Internet received proceeds from this issue of shares in the amount of EUR 588.5 million (before transactions cost).

In March 2015, Rocket Internet signed a long-term lease agreement for a new headquarters location in Berlin. The office space will be partially used by Rocket Internet itself and also sub-leased to network companies and other parties.

On March 18, 2015 the conversion of Rocket Internet AG into a European Company (SE) was completed.

In July 2015, Rocket Internet issued a convertible bond with a maturity of seven years with a total nominal value of EUR 550 million.

In September 2015, shares of fully-consolidated subsidiaries Kanui and Tricac were exchanged against shares of Global Fashion Group.

In October 2015, the Group exchanged the fully-consolidated subsidiary Zencap Global S.à r.l. against shares of Funding Circle Holdings Ltd.

At the end of 2015 an impairment loss in relation to goodwill at La Nevera Roja and Pizzabo.it totaling EUR 18.1 million were recognized. In February 2016, these two henceforth non-core companies were sold to JustEat plc.

In total, Rocket Internet Group generated in the financial year 2015 a loss for the period of EUR -197.8 million (previous year period profit for the period of EUR 428.8 million). The Group's total comprehensive income for the period, net of tax amounted to EUR -161.4 million (previous year period EUR 507.1 million). In 2015, other comprehensive income for the period net of tax mainly includes unrealized valuation gains for Delivery Hero.

The previous year's report forecast of a significant increase in consolidated revenue from online and mobile trading (eCommerce) and from rendering online and mobile services (marketplaces) for those companies that were fully consolidated as of December 31, 2014 has been realized. The consolidated revenues (New Businesses & Investments) increased from EUR 71.2 million in financial year 2014 by 19% to EUR 84.6 million in 2015. As forecast in the previous year, the consolidated subsidiaries (New Businesses & Investments), operating in the areas of eCommerce and marketplaces, have generated negative operating results in 2015 due to their expansion.

In the 2014 Combined Management Report the increase of revenues from rendering services was forecast in the low to mid double-digit percentage range for the parent company. Due to the expansion of the service spectrum along with the enlargement of the workforce, the forecast increase has been achieved and revenues from services increased by 19% in 2015. As reflected in the parent company's annual 2015 financial statements, revenues for services rendered by Rocket Internet increased from EUR 28.8 million to EUR 34.2 million.

In the annual financial statements of the parent company in 2015, a net loss of EUR 73.5 million (previous year period loss of EUR 45.9 million) was recognized, which resulted primarily from the first-time accounting for share-based payment plans as well as for compensation of obligations through profit or loss.

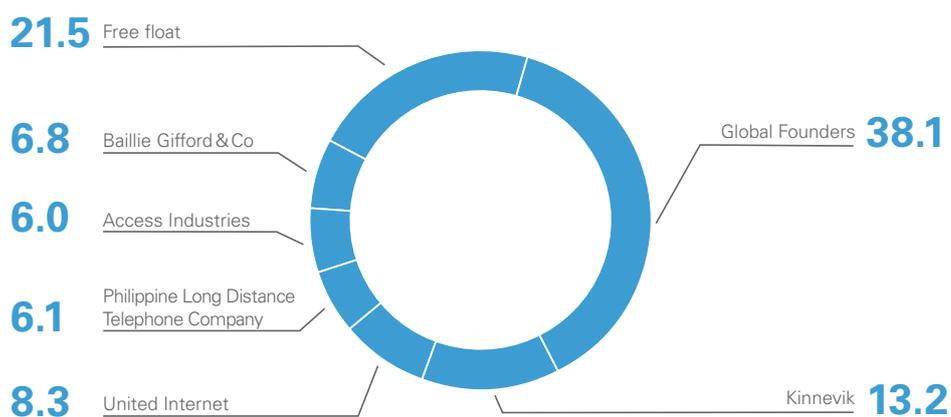
2.4 Rocket Internet Share and Capital Structure

Since its IPO on October 2, 2014 the Rocket Internet share price decreased from EUR 42.50 by EUR 14.21 to EUR 28.29 as of December 31, 2015 (EUR 51.39 as of December 31, 2014). The market capitalization changed from EUR 6.5 billion on October 2, 2014 to EUR 4.7 billion on December 31, 2015 (EUR 7.9 billion on December 31, 2014). In the financial year 2015, average daily trading via the electronic computer trading system XETRA recognized on average 213,000 shares (previous year period 456,000 shares) with an average value of EUR 6.99 million (previous year period EUR 18.57 million) traded daily. The ISIN code for the shares is DE000A12UKK6.

The subscribed capital of Rocket Internet SE amounted to EUR 165,140,790 on December 31, 2015 (previous year period EUR 153,130,566), and was split into 165,140,790 (previous year period 153,130,566) ordinary bearer shares with no-par value (Stückaktien ohne Nennbetrag). Every share grants one vote, other share classes do not exist.

Shareholder structure

In percent



Shareholding percentages are generally based on the shareholdings as last notified to Rocket Internet by its shareholders pursuant to Section 20 AktG (German Stock Corporation Act) or the shareholdings as of the time of the IPO in October 2014. The shareholdings have, however, been adjusted for dilution and consider any allocations to shareholders in connection with the share capital increase in February 2015. Please note that these shareholding percentages could have changed within the respective thresholds of Section 20 AktG (German Stock Corporation Act) (25%/50%) without triggering an obligation of the shareholders to notify Rocket Internet. The shareholding of Global Founders also includes shares that are held by affiliates of Global Founders GmbH. The percentages for Kinnevik, United Internet and Philippine Long Distance Telephone Company were taken from their respective published consolidated financial statements.

Rocket Internet convertible bond

In July 2015, Rocket Internet issued convertible bond amounting to EUR 550 million, maturing in seven years with a nominal interest rate of 3.0%. The bond has been listed on the Open Market on the Frankfurt Stock Exchange and is also traded on German stock markets. The ISIN code for the bond is DE000A161KH4.

2.5 Position of the Group

The consolidated financial statements of Rocket Internet were prepared in accordance with IFRS as adopted by the European Union.

2.5.1 Earnings Position of the Group

In EUR million	Jan 1–Dec 31, 2015	Jan 1–Dec 31, 2014
Revenue	128.3	128.2
Changes in work in progress/internally produced and capitalized assets	5.7	3.1
Other operating income	5.0	4.2
Result from deconsolidation of subsidiaries	167.0	452.6
Gain from distribution of non-cash assets to owners	0.0	60.6
Purchased merchandise and purchased services	–64.1	–69.8
Employee benefits expenses	–171.7	–141.9
Other operating expenses	–82.5	–87.7
Share of profit/loss of associates and joint ventures	–188.6	75.1
Impairment of non-current assets, depreciation and amortization	–25.3	–2.7
EBIT	–226.1	421.8
Financial result	29.7	12.0
Income taxes	–1.4	–5.0
Loss / profit for the period	–197.8	428.8
<i>Other comprehensive income for the period, net of tax</i>	<i>36.4</i>	<i>78.2</i>
Total comprehensive income for the period, net of tax	–161.4	507.1

Revenue was structured as follows:

In EUR million	Jan 1–Dec 31, 2015		Jan 1–Dec 31, 2014	
New Businesses & Investments	84.6	66%	71.2	56%
General Merchandise	0.0	0%	19.8	15%
Other Services	43.7	34%	37.2	29%
Total	128.3	100%	128.2	100%

As in the previous year period, the revenues of the New Businesses & Investments were generated mainly in Brazil by the subsidiaries Kanui and Tricae as well as by the German entity Bonnyprints GmbH. Until their deconsolidation (inclusion into the Global Fashion Group at the end of September 2015), Kanui's (EUR 31.6 million) and Tricae's (EUR 29.9 million) revenues were included in the company revenues.

Furthermore, the main revenue contributors were Clickbus Brazil, La Nevera Roja and Printvenue India.

The previous year period includes General Merchandise sales in Africa in the amount of EUR 19.8 million generated by Jumia. The Jumia subgroup was deconsolidated following a financing round of Jumia in July 2014.

The revenues from other services comprise mainly income from consulting services performed for associated companies and joint ventures. The increase of revenues from other services is driven by the expansion of the service spectrum.

Of the total consolidated revenues, 53% were generated in Latin America (previous year period 50%), 26% in Germany (previous year period 18%) and 21% in the rest of the world (previous year period 32%). The change in the regional split is mainly due to the deconsolidation of the Africa eCommerce Holding GmbH (Jumia) in July 2014.

Other operating income in the amount of EUR 5.0 million (previous year period EUR 4.2 million) originated mainly from currency translation gains amounting to EUR 2.6 million (previous year period EUR 0.5 million) and gains on disposal of available-for-sale investments amounting to EUR 0.3 million (previous year period EUR 1.2 million).

The result from deconsolidation of subsidiaries in the amount of EUR 167.0 million (previous year period EUR 452.6 million) mainly originated with EUR 65.5 million from the exchange of shares in Kanui Comercio Varejista Ltda. for shares in Global Fashion Group, with EUR 53.8 million from the exchange of shares in Tricae Comercio Varejista Ltda. for shares in Global Fashion Group, with EUR 23.0 million from the exchange of shares in Zencap Global S.à r.l. for shares in Funding Circle Holdings Ltd., with EUR 9.7 million from the loss of control (deemed disposal) of Digital Services XXVIII S.à r.l. (Nestpick), with EUR 5.5 million from the contribution of 97% of the shares in LIH Subholding Nr. 3 UG (haftungsbeschränkt) & Co. KG to Carmudi Global S.à r.l., with EUR 8.8 million from the contribution of 97% of shares in LIH Subholding Nr. 4 UG (haftungsbeschränkt) & Co. KG to Lamudi Global S.à r.l. (Lamudi) in exchange for shares in these two companies.

In May 2014, the shareholders of the Company agreed on a dividend in kind. In this respect, the Company transferred 4,145 and 1,892 shares from its associates Bigfoot I to Emesco and AI European Holdings S.à r.l., as well as 4,559 and 2,082 shares from Bigfoot II to Emesco and AI European Holdings S.à r.l. by use of a separate business share transfer contract. The resulting gain from distribution of non-cash assets to owners amounted to EUR 60.6 million. No such distributions were made in 2015.

The cost of purchased merchandise and purchased services decreased by 8%. This is caused mainly by the decreased cost of purchased merchandise (EUR 44.7 million; previous year period EUR 57.4 million) partially offset by the increased cost for shipping, payment services, freight/logistics and other purchased services (EUR 19.4 million; previous year period EUR 12.4 million). The decrease is mainly due to the deconsolidation of Africa eCommerce Holding GmbH in July 2014 (purchased merchandise and purchased services EUR 0.0 million; previous year period EUR 19.5 million) as well as an increase in those costs in Tricae (EUR 23.5 million; previous year period EUR 15.3 million) and the decrease in Kanui (EUR 22.2 million; previous year period EUR 24.1 million).

Employee benefits expenses, which amounted to EUR 171.7 million (previous year period EUR 141.9 million), represented a major expense item and included the current remuneration as well as expenses arising from equity-settled and cash-settled share-based payments.

Other operating expenses included mainly advertising and marketing costs (EUR 31.4 million; previous year period EUR 32.1 million), legal and consultancy fees (EUR 10.7 million; previous year period EUR 8.4 million), rental, office and IT costs (EUR 15.9 million; previous year period EUR 13.8 million) and external services (EUR 4.4 million; previous year period EUR 8.7 million). Expenditure was undertaken, in particular, in the area of marketing and related to the acquisition of new market shares and efforts to increase brand awareness. The online marketing activities were aimed, in particular, at the generation of traffic and included traditional search engine marketing (SEM), search engine optimization (SEO) as well as affiliate and display marketing.

The share of profit/loss from associates and joint ventures is overall negative and amounts to EUR –188.6 million (previous year period positive EUR 75.1 million). In financial year 2015, it includes mainly losses attributable to Global Fashion Group of EUR -95.9 million, to Africa Internet Holding of EUR -36.6 million, to foodpanda of EUR -33.0 million, to Linio of EUR –26.4 million, to Asia Internet Holding of EUR –23.3 million and to HelloFresh of EUR –22.2 million. In the financial year 2014, the gain of EUR 75.1 million mainly relates to gains attributable to Bigfoot of EUR 52.0 million and to BGN Brillant Services GmbH of EUR 48.3 million, as well as the share of loss attributable to Home24 of EUR 12.7 million and to Westwing of EUR 10.2 million.

The impairments of non-current assets, depreciation and amortization mainly include the impairment charges of EUR 18.1 million related to the goodwill at Pizzabo.it and La Nevera Roja. In addition, depreciation and amortization increased from EUR 2.7 million to EUR 7.3 million primarily due to the amortization of internally generated software and intangible assets acquired in the course of business combinations (Pizzabo.it and La Nevera Roja).

EBIT are comprised of revenues, changes in work in progress and internally produced and capitalized assets, the result from deconsolidation of subsidiaries, cost of purchased merchandise and purchased services, employee benefits expenses, impairment of non-current assets, depreciation and amortization and other operating expenses, plus other operating income, gain from distribution of non-cash assets to owners and the share of profit/loss from associates and joint ventures.

The financial result of EUR 29.7 million (previous year period EUR 12.0 million) primarily includes net changes (gains and losses) in fair value of equity instruments accounted for at fair value through profit or loss of EUR 33.0 (previous year period EUR 12.9 million), interest expense from convertible bond of EUR 9.4 million (previous year period EUR 0.0 million) and dividends from associates of EUR 4.2 million (previous year period EUR 0.2 million).

Other comprehensive income for the period, net of tax in the amount of EUR 36.4 million (previous year period EUR 78.2 million), which is reclassified to profit or loss in subsequent periods, mainly includes the net gain on available-for-sale financial assets of EUR 135.3 million which primarily results from fair value measurement of Rocket Internet's investment in Delivery Hero. Furthermore, this line item mainly includes the share of the changes in the net assets of associates/joint ventures amounting to EUR –99.0 million (previous year period EUR 80.2 million) that are recognized in the OCI of associates/joint ventures.

2.5.2 Financial Position of the Group

In EUR million	Jan 1–Dec 31, 2015	Jan 1–Dec 31, 2014
Cash flows from operating activities	–105.5	–94.5
Cash flows from investing activities	–1,347.8	–163.5
Cash flows from financing activities	1,165.2	1,864.3
<i>Net change in cash and cash equivalents</i>	<i>–288.2</i>	<i>1,606.3</i>
Net foreign exchange difference	3.3	0.0
Cash and cash equivalents at the beginning of the period	2,053.5	447.2
Cash and cash equivalents at the end of the period	1,768.6	2,053.5

As in the previous year, cash and cash equivalents at the end of the period comprise cash and cash equivalents in the amount of EUR 9.7 million (previous year period EUR 0.0 million), that are included in the assets classified as held for sale.

The negative cash flows from operating activities are typical for the industry and are mainly attributable to the start up losses incurred by consolidated subsidiaries.

The cash flows from investing activities consist mainly of the cash-outflows for the Group's acquisitions of non-consolidated equity investments such as the acquisition of shares in Delivery Hero, GFC Investments as well as the participation in financing rounds of associated companies. Another effect is the cash-outflows from the acquisition of La Nevera Roja and Pizzabo.it. In total, payments in the amount of EUR 1,219.5 million (previous year period EUR 116.4 million) were made for acquisition of non-consolidated companies and of EUR 119.7 million, net of cash acquired (previous year period EUR 0.0 million), for acquisition of consolidated companies. The cash flows from investing activities also include net payments for cash paid in connection with short-term financial management of cash investments in the amount of EUR -39.0 million (previous year period EUR -6.7 million) that are related to the payments in conjunction with short-term loans to associates and to joint ventures. Furthermore, the amount of EUR 11.6 million (previous year period EUR 8.5 million) was invested in fixed and intangible assets in the reporting period, relating particularly to the expansion of operating and business equipment and to internally generated software. Due to exchange rate changes, the cash and cash equivalents of the Group increased to EUR 3.3 million (previous year period EUR 0.0 million).

Cash flows from financing activities mainly include the cash-inflows from capital increases and the issuance of convertible bonds.

In February 2015 the Group carried out an equity increase at the level of the parent company in the amount of EUR 588.5 million, less transaction costs of EUR 2.8 million (previous year period EUR 0.0 million). In addition, EUR 9.3 million were paid for transaction costs in 2015 incurred in the financial year 2014 in conjunction with the Group's IPO. The issued convertible bond in July 2015 resulted in a cash inflow of EUR 550.0 million, less transaction costs totaling EUR 2.8 million.

Moreover, during 2015 the Group received payments from capital increases at the level of consolidated subsidiaries totaling EUR 58.0 million (previous year period EUR 101.6 million) from non-controlling shareholders. During the reporting period a non-controlling shareholder of a consolidated subsidiary received a cash dividend of EUR 8.0 million. No dividends were paid to the shareholders of the parent in the reporting period (previous year period EUR 286.8 million). In 2015, the Group purchased shares from non-controlling shareholders of a Group subsidiary for a cash consideration in the amount of EUR 9.6 million (previous year period EUR 0.2 million).

2.5.2.1 Capital Structure

The capital structure as of the balance sheet date is characterized by a high equity ratio of 87% (previous year period 96%). The Group obtained its financing primarily through equity issuance at the level of the parent company, through attracting investors for subsidiaries (non-controlling interests) and through the issuance of a convertible bond in 2015.

In February 2015, the Group carried out an equity increase at the level of the parent company in the amount of EUR 588.5 million, less transaction costs of EUR 2.8 million. The convertible bond issued in July 2015 resulted in a cash inflow of EUR 550.0 million, less transaction costs totaling EUR 2.8 million, of which an amount of EUR 37.7 million was recorded as an equity component.

2.5.2.2 Investments

The investment activities undertaken in the financial years 2014 and 2015 are as follows:

In EUR million	Jan 1–Dec 31, 2015	Jan 1–Dec 31, 2014
Cash investing activities	1,347.8	163.5
Non-cash investing activities	217.9	372.7
Total investments	1,565.7	536.2

For further details concerning cash investing activities, please refer to the statements regarding the cash flow from investing activities.

In the financial year 2015, the main non-cash investing activities relate to transactions concerning the acquisition of new shares of the Global Fashion Group via exchange of shares valued at fair value of Kanui (Jade 1159. GmbH and its subsidiaries VRB GmbH & Co. B-195 KG and Kanui Comercio Varejista Ltda.) and Tricae (Jade 1218. GmbH and its subsidiaries VRB GmbH & Co. B-196 KG and Tricae Comercio Varejista Ltda.), as well as the exchange of shares of Yemek Sepeti for shares of Delivery Hero. Furthermore, LIH Subholding Nr. 3 UG (haftungsbeschränkt) & Co. KG was contributed to Carmudi Global S.à r.l. in exchange for shares in this entity, while LIH Subholding Nr. 4 UG (haftungsbeschränkt) & Co. KG was contributed to Lamudi Global S.à r.l. in exchange for shares in this entity. Shares of the crowdfunding platform Zencap Global S.à r.l. were contributed to Funding Circle Holding Limited in exchange for shares in this entity.

Significant non-cash investing and financing activities as well as transactions in the year 2014 include the exchange of shares of the fully-consolidated company LIH Subholding Nr. 5 UG (haftungsbeschränkt) & Co. KG (including its 13 subsidiaries) for shares of Emerging Markets Online Food Delivery Holding S.à r.l. and the acquisition of shares of the Global Fashion Holding S.A., established in 2014, via the contribution of shares of Bigfoot GmbH. In August 2014, the Group carried out a capital increase and used the newly issued shares as acquisition currency to purchase shares of companies in two transactions. In the first transaction, Rocket Internet received shares of Bigfoot GmbH, BGN Brillant Services GmbH, Home24 and Westwing Group Holding GmbH from Holtzbrinck Ventures. In the second transaction, United Internet AG and Global Founders GmbH contributed a portfolio consisting of about 50 companies to Rocket Internet SE.

The capital contribution and investment obligations (as of December 31, 2015 totaling EUR 61.0 million) will be financed by existing cash and cash equivalents. They result from contracts concluded before the reporting date and mainly result from capital increases in Africa Internet Holding GmbH and CupoNation Group GmbH.

2.5.2.3 Liquidity

The Group's financial position can be described as strong. Cash and cash equivalents amount to EUR 1,768.6 million (previous year EUR 2,053.5 million) as of December 31, 2015.

The Group was able to meet all its payment obligations at all times.

2.5.3 Asset Position of the Group

Assets

In EUR million	Dec 31, 2015		Dec 31, 2014	
Non-current assets	3,162.2	63%	1,805.8	46%
Current assets	1,816.7	37%	2,109.5	54%
Assets classified as held for sale	17.1	0%	3.9	0%
Total	4,996.0	100%	3,919.1	100%

Equity & Liabilities

In EUR million	Dec 31, 2015		Dec 31, 2014	
Equity	4,352.1	87%	3,771.9	96%
Non-current liabilities	535.5	11%	9.4	0%
Current liabilities	100.9	2%	137.8	4%
Liabilities directly associated with assets classified as held for sale	7.6	0%	0	0%
Total	4,996.0	100%	3,919.1	100%

The Company's largest asset items are shares in associates and joint ventures, accounted for using the equity method (34% of the balance sheet total; previous year period 37% of the balance sheet total), other non-current financial assets (27% of the balance sheet total; previous year period 9% of the balance sheet total) as well as cash and cash equivalents (35% of the balance sheet total; previous year period 52% of the balance sheet total).

During financial year 2015, Rocket invested a significant amount in Delivery Hero. As of December 31, 2015 the Group owned approximately 40% (prior to dilutive effects of convertible instruments issued by Delivery Hero) of the total outstanding share capital of Delivery Hero. As of December 31, 2015 the carrying amount of the shares in Delivery Hero amounted to EUR 978.9 million (previous year period EUR 0.0 million).

The increase of non-current assets from EUR 1,805.8 million by EUR 1,356.5 million to EUR 3,162.2 million is mainly attributable to the above mentioned acquisition of Delivery Hero shares. Other substantial effects are the purchase of shares in associated companies accounted for using the equity method amounting to EUR 500.1 million, mainly due to Rocket Internet's participation in financing rounds and purchases of existing shares of HelloFresh, Global Fashion Group, Home24, foodpanda, TravelBird and Lazada. This above mentioned increase of investments in associates was partially reduced by the share of losses of associates and joint ventures. Furthermore, the increase of non-current assets was caused by the increase of intangible assets from EUR 9.0 million by EUR 120.1 million to EUR 129.1 million, mainly due to the acquisition of Pizzabo.it and La Nevera Roja and the resulting increase in goodwill, trademarks and customer base.

Current assets decreased from EUR 2,109.5 million by EUR 292.8 million to EUR 1,816.7 million. The decrease is mainly due to the decrease of cash and cash equivalents in the financial year 2015 (EUR 1,758.9 million; previous year period EUR 2,053.4 million). For details concerning the development of liquidity, refer to the statements under section "2.5.2 Financial Position of the Group". Other effects are the decrease of inventories from EUR 11.2 million by EUR 10.5 million to EUR 0.7 million, due to the deconsolidation of Kanui and Tricae and the increase of other current financial assets from EUR 15.1 million by EUR 26.2 million to EUR 41.3 million mainly due to the increase of current loan receivables and other financial assets.

Assets classified as held for sale mainly consist of the current and non-current assets of Spotcap (EUR 11.2 million) and Clickbus Brazil (EUR 3.5 million).

Total consolidated equity rose from EUR 3,771.9 million by EUR 580.3 million to EUR 4,352.1 million. This development is mainly caused by the increase of the subscribed capital performed in February 2015 with gross proceeds of EUR 588.5 million and due to the recognized income from issuing a convertible bond in the amount of EUR 37.7 million. The increase was also a result of the total comprehensive loss of EUR 161.4 million comprising both, the loss for the period (EUR –197.8 million) and the other comprehensive income after tax (EUR 36.4 million). Other changes in equity result from the increase of the reserves for equity-settled share-based payments, the proceeds from non-controlling interests, dividends paid to non-controlling interests, the purchase of non-controlling interests without change in control and changes in scope of consolidation as well as other changes in non-controlling interests.

Non-current liabilities increased from EUR 9.5 million by EUR 526.0 million to EUR 535.5 million. The increase is mainly due to the convertible bond issued in July 2015 (liabilities as of December 31, 2015 amounted to EUR 512.0 million). Furthermore, the deferred tax liabilities increased from EUR 3.6 million to EUR 8.2 million. Another substantial effect is the increase of non-current financial liabilities, mainly due to the contingent consideration liability incurred in conjunction with the acquisition of Pizzabo.it.

Current liabilities decreased from EUR 137.8 million by EUR 36.9 million to EUR 100.9 million. The decrease is mainly due to the de-recognition of trade payables of Kanui and Tricac which were deconsolidated in September 2015 and the payment of liabilities that existed as of December 31, 2014 from income taxes as well as liabilities from the Company's IPO. This decrease was partially compensated by the increase in liabilities for cash-settled share-based payments.

Liabilities directly associated with assets classified as held for sale consist mainly of the non-current and current liabilities of Spotcap (EUR 4.6 million) and of Clickbus Brazil (EUR 1.6 million).

2.5.4 Overall Statement with regard to the Earnings, Financial and Asset Position of the Group

Rocket Internet Group addressed its multifaceted challenges during the financial year 2015 mostly successfully. On the one hand, the reporting period is characterized by strategic acquisitions of shares in various companies and the additional, mostly international expansion of existing businesses as well as by the development of new business models. On the other hand, some of the no longer viable business models were discontinued, sold or limited to operate regionally. Important steps for the corporate reorganization of the network companies (especially Linio and Lazada) were undertaken. Moreover, additional liquidity was improved through the increase in subscribed capital and the issuing of the convertible bond, which was essential for the expansion of network companies as well as for the development or acquisition of new businesses. Despite the high negative result, the overall business development can be considered as satisfactory. Based on our solid balance sheet structure and the existing financing possibilities due to the Rocket Internet Capital Partners Fund established in January 2016, we are well-positioned to achieve future growth both organically and through acquisitions (GFC Investments). We have an unaltered view that our platform strategy leaves us well-positioned to maintain and foster the performance of the Group.

2.6 Position of the Company

The separate financial statements of Rocket Internet SE were prepared in accordance with German commercial law provisions (HGB).

2.6.1 Earnings Position of the Company

In EUR million	Jan 1–Dec 31, 2015	Jan 1–Dec 31, 2014
Revenue	34.2	28.8
Changes in work in progress	0.2	–0.3
Other own work capitalized	4.0	1.0
Other operating income	30.5	5.9
Cost of materials	–8.6	–6.7
Personnel expenses	–77.0	–17.8
Amortization/depreciation of intangible assets and of property, plant and equipment	–1.6	–0.7
Other operating expenses	–45.5	–20.9
EBIT	–63.8	–10.7
Extraordinary expenses	–2.9	–34.6
Financial and investment result	–7.3	–0.6
Income taxes, other taxes	0.5	–0.0
Net loss for the year	–73.5	–45.9

Driven by the business model of Rocket Internet SE, the earnings performance can vary substantially from year to year, which is also due to occasional sales of participations.

The Company's revenue increased from EUR 28.8 million by 18.7% to EUR 34.2 million due to an extended range of the services offered.

The disposal of participations during the reporting period impacted the other operating income position by EUR 23.7 million (previous year EUR 3.7 million), the majority of which resulted from selling of Zalando SE securities amounting to EUR 17.7 million (previous year disposal of shares in Bigfoot GmbH in the amount of EUR 2.3 million).

The average number of employees during the financial year 2015 increased in comparison to the previous financial year from 257 to 403 (an increase of 56.8%). The total personnel expenses increased by 332.6% to EUR 77.0 million (previous year EUR 17.8 million). The expansion of the workforce due to extension of the service spectrum led to an increase of the regular personnel expenses by 65.7% to EUR 29.5 million (previous year EUR 17.8 million). Additionally, the first-time accounting for equity-settled share-based payment plans generated expenses amounting to EUR 38.0 million, which were recorded as personnel expenses. Moreover, the expenses for compensation obligations of EUR 9.5 million were recognized in personnel expenses as well.

Other operating expenses include first-time accounting for equity-settled share-based payment plans which generated expenses of EUR 10.2 million. Moreover, the expenses for compensation obligations generated expenses of EUR 14.0 million (previous year EUR 8.8 million).

The gain from participations in the financial year 2015 amounted to EUR 15.3 million (previous year EUR 0.0 million), the majority of which resulted from distribution in kind of shares in Emerging Markets Online Food Delivery Holding S.à r.l. received from a subsidiary. Interest expense on convertible bond amounts to EUR 9.4 million (previous year EUR 0.0 million). Furthermore,

financial and investment result includes financial asset impairment charges amounting to EUR 14.0 million (previous year EUR 0.9 million).

The extraordinary expenses relate almost exclusively to the cost of raising equity.

The net loss for the financial year amounts to EUR 73.5 million (previous year period net loss for the year of EUR 45.9 million). The Company realized a return on equity of –2.6% (previous year –2.0%). EBIT totaled EUR -63.8 million (previous year EUR –10.7 million) and EBITDA amounted to EUR –62.2 million (previous year EUR –10.0 million).

2.6.2 Financial and Asset Position of the Company

Assets

In EUR million	Dec 31, 2015		Dec 31, 2014	
Fixed assets	1,611.8	47%	258.6	11%
Current assets	1,805.0	52%	2,052.5	89%
Other assets	39.3	1%	2.6	0%
Total	3,456.1	100%	2,313.7	100%

Equity & Liabilities

In EUR million	Dec 31, 2015		Dec 31, 2014	
Equity	2,857.1	83%	2,256.1	97%
Provisions	36.9	1%	39.1	2%
Liabilities	562.1	16%	18.5	1%
Total	3,456.1	100%	2,313.7	100%

The financial position of the Company can be described as strong. It continues to offer opportunity for investments into new companies and for participations in capital increases in existing ones. Cash and cash equivalents as of December 31, 2015 amounted to EUR 1,720.0 million (previous year EUR 1,997.7 million). Thus, the Company experienced a negative cash flow of EUR 277.7 million (previous year positive cash flow EUR 1,612.2 million). The decrease of cash and cash equivalents is a result of investments in the financial year.

In the reporting period, the Company remains financed mainly through equity with an equity ratio as of December 31, 2015 of 82.7% (previous year 97.5%). No advance dividends were made in 2015 (previous year EUR 291.2 million).

The asset position comprises participations amounting to EUR 1,606.2 million (46.5% of total assets; previous year EUR 256.7 million, 11.1% of total assets), receivables from subsidiaries and companies in which a participation is held in the amount of EUR 81.9 million (2.4% of total assets; previous year EUR 52.3 million, 2.3% of total assets) as well as cash and cash equivalents in the amount of EUR 1,720.0 million (49.8% of total assets; previous year EUR 1,997.7 million, 86.3% of total assets).

The increase in participations by EUR 1,349.5 million is mainly due to the acquisitions of shares in various companies as well as to the further, mostly international expansion of existing businesses. Moreover, the company invested into the development of diverse new business models, such as Global Online Takeaway Group S.A., Global Fashion Group S.A. and GFC Global Founders Capital S.à r.l.. The financial assets were impaired in the amount of EUR 14.0 million, thereby exceeding last year's figure (previous year EUR 0.9 million), which resulted primarily from impairments of Wimdu GmbH and Digital Services XXIV S.à r.l. (Project Tripda). On the other hand, the impairment losses were reversed by EUR 0.6 million (previous year EUR 0.5 million).

In 2015, loan receivables were impaired by EUR 5.9 million (previous year EUR 0.2 million). The majority thereof relate to PTH Brillant Services GmbH (Office Project) and the Digital Services XXXIII S.à r.l., (Real Estate Project), whose operations were ceased, thereby making their loan receivables irrecoverable.

2.6.3 Overall Statement with regard to the Earnings, Financial and Asset Position of the Company

Rocket Internet SE has successfully addressed its multifaceted challenges during the financial year 2015. Rocket Internet SE's economic position is characterized by investment activities and expansion of its network of companies. The expenses exceeded the total earnings in the financial year. This is especially due to a first-time recognition of share-based payment expenses and the increased expenses for compensation obligations (EUR 71.6 million) as well as to impairments of investments and of granted loans. Despite the high negative result, the overall business development can be considered as satisfactory. The development of investment activities and expansion of the network companies continued even after the reporting date. Based on the company's noticeably solid balance sheet structure, Rocket Internet SE is in a good position to achieve future growth both organically and through future investments. We have an unaltered view that our platform strategy leaves us well-positioned to maintain and to expand and strengthen our company network in the future.

2.7 Financial and Non-Financial Performance Indicators

Rocket has defined a series of financial performance indicators aimed at the control of the consolidated group companies and the non-consolidated companies. These are, or can be, so-called non-GAAP financial measures. Other companies, which use financial measures with a similar designation, may define them differently.

Profitable growth of gross and net revenues is an important factor for the long-term increase in corporate value. Rocket Internet measures the profitability of its businesses primarily on the basis of EBITDA and EBIT.

In addition to the above-stated financial performance indicators, the Group uses various other key figures in order to measure the economic success of business activities. For an assessment of the revenue potential of the companies, performance indicators such as the number of orders, number of transactions, number of customers or the number of homepage visitors are used. In the area of eCommerce for instance, Rocket Internet analyzes the turnover ratios of the operative net current assets, return rates in eCommerce and the quality of operative procedures in order to ensure the timely and correct shipping and invoicing of the ordered merchandise as part of the monitoring of operations.

For example, the performance indicators for the Group's top two revenue generating subsidiaries are as follows:

Kanui (in thousands)	Jan 1–Dec 31, 2015 *)	Jan 1–Dec 31, 2014
Number of orders (sent)	1,007	903
Number of customers	1,243	863

Tricae (in thousands)	Jan 1–Dec 31, 2015 *)	Jan 1–Dec 31, 2014
Number of orders (sent)	721	586
Number of customers	781	520

*) until deconsolidation on September 26, 2015

The quality of products and solutions is a critical success factor. In this context, the reliability, user friendliness and availability of the products offered online play an important role. Availability and interruption-free operation of the service systems as well as the resistance against targeted attacks, from hackers or through manipulation for example, are essential for providing customers with the promised services.

Rocket Internet's business approach and business policy is oriented towards sustainability. This approach is demonstrated particularly in high investments in customer relations, new fields of business and, accordingly, in future growth. With regard to customer loyalty and satisfaction as well as service quality, aspects relevant to security (e.g. security of cashless payments, data maintenance of bank accounts and other customer data) are considered highly important.

3. Events after the Reporting Date

On January 19, 2016 Rocket Internet announced the first closing of Rocket Internet Capital Partners Fund, with total commitments of USD 420 million of which Rocket Internet contributed USD 50 million. The Fund will invest alongside Rocket Internet, with the exception of investments that are deemed strategic for Rocket Internet.

Rocket Internet announced the divestiture of two takeaway food operations on February 5, 2016. The transaction is in line with Rocket Internet's strategy to divest non-core operations that are not market-leading. The companies sold were La Nevera Roja in Spain and Pizzabo.it in Italy. The transaction in Italy was completed on the date of announcement (closing). It is anticipated that the transaction in Spain will be completed in the second or third quarter of 2016 (closing), as it is still subject to regulatory approval from the Spanish competition authority, the Comisión Nacional de los Mercados y la Competencia.

Rocket Internet decided on a partial buyback of convertible bonds on February 15, 2016. During the year 2016, the Management Board of Rocket Internet SE decided to spend up to EUR 150.0 million on a program to repurchase Company's senior unsecured convertible bonds due in 2022. Repurchases of bonds under the program may commence immediately.

The online lending platform Spotcap Global S.à.r.l raised EUR 31.5 million in new funding on February 2, 2016 led by international private equity firm, Finstar Financial Group, with participation from the previous investor Holtzbrinck Ventures.

No other events of special significance occurred after the end of the financial year.

4. Forecast Report, Report of Opportunities and Risks

4.1 Forecast Report

The International Monetary Fund (IMF) published its “World Economic Outlook” (update January 2016), in which it expressed its concerns and downgraded the global growth projection for 2016 and 2017 by 0.2 percentage points to 3.4% and 3.6% respectively. This shift reflects a less optimistic outlook for emerging economies.

With regard to the worldwide Internet sector, market parties expect a continuation of the shift from traditional sales channels to online and mobile business and an acceleration of the growth in mobile Internet usage. Accordingly, the entire industry goes through a transition from classic desktop-Internet companies to mobile-first and even mobile-only. The emergence of new competitor companies in the incubation business as well as the operative online business and the development of new online business models are very likely.

We expect the further, mostly international expansion of our companies to continue accompanied by the development and acquisition of various new business models. On the one hand, this development will be reflected in an extended consolidation scope and additions to financial assets. On the other hand, the number of fully consolidated companies will decrease in 2016, if the underlying business models are considered unsustainable.

Regarding New Businesses & Investments, Rocket Internet Group expects a considerable increase in consolidated revenue for the financial year 2016 for those companies that continue to be fully consolidated after December 31, 2015. Overall, due to deconsolidation of Kanui and Tricae (in September 2015), the sale of Bonnyprints (in January 2016), La Nevera Roja and Pizzabo.it (in February 2016) and some other former subsidiaries (Zencap, Nestpick, Spotcap, Clickbus Brazil, Zocprint), shutdowns (Airu, Tripda, Kaymu, Vendomo, Spaceways, Shopkin, EatFirst Germany), and a possible selling of further subsidiaries, a sharp decrease in consolidated revenue is forecast for the financial year 2016. Due to the expansion strategy of current and new subsidiaries, negative operating results (EBIT) are expected in the area New Businesses & Investments for 2016.

Rocket Internet does not plan dilutive capital increases in the next three years at the Group level. Moreover, no significant M&A transactions are planned for 2016.

Rocket Internet SE expects revenues to remain stable or to slightly decrease due to the increased individual independence of the network companies. Through the provision of essential administrative company functions and the recognition of expenses from share-based payment plans in the income statement we expect a negative result (EBIT) in the annual financial statements of Rocket Internet SE for the reporting year 2016 provided there are no material divestments of participations.

The earnings position of the Company and the Group can vary substantially from year to year, due to dilution or in some cases as a result of sale of participations.

The earnings position of the Group can also be subject to high volatility due to the results from deconsolidation (change in status of previously consolidated entities to associated companies). As a result of the strategy change after the IPO, whereby Rocket Internet SE aims to keep a larger share of the economic ownership in most of the new companies, a reduction of income from deconsolidation is forecast.

Results from associated companies and joint ventures are determined by their operations and the consequent results from operational activity on the one hand, and by the conditions agreed with new investors in future financing rounds on the other. For most associated companies and joint ventures, we expect negative proportionate contributions from their operational results, which should be compensated partly by the effects from financing rounds. Overall, we expect a substantial negative result from associated companies and joint ventures but estimate the degree of predictability to be low given the market movements in our business environment.

From the current perspective, the above forecasts were confirmed for the months following the 2015 financial year. Sales figures in the first months of 2016 of the entities consolidated as of December 31, 2015 are above those of the comparative period of 2015.

4.2 Risk Report

4.2.1 Risk Management System

The Internet sector is still one of the fastest growing sectors of the economy. This offers generally good opportunities for companies which can establish themselves at an early stage and with promising business models in new geographic locations. At the same time, the rapid pace of developments in the Internet sector entails risks.

4.2.2 Risks

Companies with business models that include founding, financing and investing in young companies in the Internet sector take deliberate entrepreneurial risks.

Rocket Internet Group is primarily exposed to operational, investment and valuation risks. These risks are related to the success potential of the businesses models of the network of companies as well as to the intense competition in the area of online business by other incubators and founders. With regard to the fast-paced nature of the Internet, the future value of investments can also change as a result of external factors such as the introduction of innovative competitor products and services, changes in user behavior (market trends) or the general regulatory conditions.

Moreover, the worldwide expansion particularly into a large number of emerging markets increases the exposure to political, economic, legal as well as other risks and uncertainties. In this context, there is also the risk of target markets and their development deviating from pre-entry expectations.

Historical operational data is available only to a limited extent for many of our network companies. Furthermore, the network companies generate losses and negative cash flows from operating activities. It cannot be ruled out that those network companies will not be able to generate profits or positive cash flows from operating activities in the future. This could have a negative impact on our business development and on Rocket Internet's earnings, asset and financial position.

Rocket Internet Group attempts to minimize such risks through close management and monitoring of the company network. The opportunities and risks of a new company incubation are evaluated carefully prior to each financing or investment decision. After a company is founded, the business development of each company is monitored on a regular basis in short intervals by means of key performance indicators (KPIs) and financial data. If a business shows an unfavorable development indicating that the long term viability of such model is in danger, Rocket Internet – when it

comes to associated companies and joint ventures in coordination with co-investors – adjusts the strategic orientation and the operational implementation. In the worst case, discontinuation decisions can be taken in order to prevent further losses. Required value adjustments are recorded at an early stage to maintain a conservative business view of the asset position at all times.

The financing of new companies by several co-investors permits the distribution of risks across several parties.

Moreover, the Company also systematically ensures risk diversification by starting and financing businesses in different operative business fields and geographic areas.

Due to the predominant equity financing via public markets, the Group is directly affected by developments and risks relevant to capital markets. Founding, investing and financing of a company depend on its own financing capability to a particularly high extent, which increases capital procurement risks. The Group has to rely on the financing capability of its existing and future shareholders and their willingness to invest in the event of a further expansion of the network of companies.

The great number of contractual relationships and agreements concluded by the Group on a regular basis give rise to legal risks. This refers especially to legal risks in corporate law, intellectual property law as well as competition and antitrust law in connection with corporate reorganizations. These risks are minimized through mandating renowned corporate and tax law firms. A system of contract templates is in place for standard agreements. In addition, specialized law firms are also increasingly engaged at the level of the company network often located outside Europe, with a view to minimizing the risks resulting from legal uncertainty and capital recoverability. However, because of outsourcing, dependencies on the corporate and tax law firms can occur, which can be reduced by the assignment of engagements to multiple professional firms.

Risks exist for Rocket Internet Group regarding the availability of the utilized IT systems as well as the confidentiality and integrity of data. The outage of IT systems can lead to disturbances of business operations, but it can also have a reputational impact. The confidentiality and security of customer-related data and transactions are considered especially important. The main causes, complexity of systems as well as external attacks, are mitigated by constant monitoring of all systems as well as the improvement of processes and security measures by a special IT Security team.

With respect to recruitment, Rocket Internet Group is active in a highly specialized market. In this context, Berlin is increasingly becoming an established location for Internet and venture capital companies, which leads to increased competition for specialized management staff and functional experts. This personnel-related risk is addressed through personnel retention measures and recruiting measures.

In the area of eCommerce, a disadvantageous private consumption environment could lead to risks from loss of revenue and the associated risk of increased merchandise inventories. Risks from the operative business in the area of eCommerce relate mainly to the purchasing and logistics functions.

Reliable and fast delivery of fault-free merchandise is a crucial competitive factor. Delivery delays and quality defects would have a direct adverse impact on customer trust and would lead to image damage. Like all eCommerce companies, Rocket Internet Group is also strongly dependent on the functionality and stability of its various websites. Disturbances, downtime or unauthorized access and attacks would immediately lead to revenue losses. Another risk for the Group relates to customer payment patterns and receivables default risk.

Companies operating online and mobile marketplaces could become the subject of allegations and legal proceedings, with respect to the content of their webpages or accusations that their webpages were pirated, counterfeited or illegal.

For companies offering payment solutions as well as the intermediation of loans, the main risks are the currently existing and continuously increasing strict legal and regulatory frameworks and regulation by national and supranational institutions. Risks are inherent particularly in the application and interpretation of these regulations with respect to our specific peer-to-peer business models and potentially resulting claims for damages or penalty payments.

Furthermore, Rocket Internet Group as a whole could become subject to legal proceedings that could disturb or damage business operations.

Please also refer to the statements in section “2.7 Financial and Non-Financial Performance Indicators” and section “5 Risk Report Concerning the Use of Financial Instruments”.

In summary, it should be noted that the Group performs systematic and regular analyses of the business risks on the basis of qualified early risk detection systems and minimizes the risks through deliberate measures such as risk prevention, limitation of risks, risk diversification and risk insurance. As a result, the continued existence of the Company as a going concern is not jeopardized even in the event of simultaneous occurrence of several risk events.

4.3 Opportunities Report

The Group is very well established in the industry. As a result, it has ample opportunities to make use of innovations and trends in the Internet market within a short time frame through the creation of new businesses. Rocket Internet’s core competencies include, in particular, the pursuit of new digital business models and trends and the early identification of new markets. The implementation of new business models is carried out using the unique platform approach which Rocket Internet developed.

To this end, the Group can rely on a highly qualified workforce. The members of the experienced and dedicated management team have a trained eye for assessing ideas and opportunities in the market with regard to their feasibility and profitability.

As soon as a viable idea is identified, Rocket Internet has the necessary infrastructure and staff to enable a quick implementation of the idea. This includes very efficient group-wide competence centers such as the marketing unit with its CRM (Customer Relationship Management), SEO (Search Engine Optimization) and SEA (Search Engine Advertising) teams. These competence centers support new as well as already existing network companies.

Strong and internationally leading technology partners such as Google, Facebook, Responsys, Sociomantic and Criteo enable Rocket Internet Group to utilize external technologies benefitting from superior terms relative to competitors, which are achieved through bundling service agreements across the Group.

Another success factor is the Group’s own core technology developed for different business models like eCommerce, Marketplaces and Financial Technology, which enables Rocket Internet Group to reliably set up several companies in parallel and within a very short time frame. These software solutions can be adapted flexibly to the requirements of the respective company and are very scalable.

Furthermore, Rocket Internet has standardized the process of building companies. The goal is to generate the first sales within 100 days from the decision of establishing the business model.

The parallel development of various business models also enables synergies through the exchange of information, knowledge and best-in-class solutions. The internationality of the Group and the staff structure offer the opportunity to access and understand the most diverse international markets quickly. As a consequence, Rocket Internet Group can promote one of its key strategies:

the initial tapping of new and undersupplied markets and markets that have not yet been explored by competitors, in particular in Africa, Asia, Middle East and Latin America, but also in Europe.

The existing capitalization and access to investors as well as the existing strategic partnerships enable Rocket Internet Group to establish and finance new companies internationally and over longer periods. Moreover, the Group can generate economies of scope and scale as a result of its parallel international rollouts and its presence on six continents including many complex emerging markets.

5. Risk Report

Concerning the Use of Financial Instruments

The major financial instruments of Rocket Internet Group are cash (35% of total assets; previous year 52%), equity investments in available for sale financial assets (20% of total assets; previous year 0%), equity instruments at fair value through profit or loss (FVTPL) (6% of total assets; previous year 9%) and other non-current financial assets (<1% of total assets; previous year <1%), as well as liabilities from convertible bonds (10% of total assets; previous year 0%). The Group also records trade receivables and liabilities as well as loan receivables and liabilities mainly from associated companies and joint ventures, which arise in the ordinary course of business.

The major financial instruments in the annual financial statements prepared in accordance with German GAAP (HGB) of Rocket Internet SE are cash (50% of the total assets, previous year 86%), investments in subsidiaries (34% of total assets, previous year 3%), participations (12% of total assets, previous year 8%), as well as the liabilities from convertible bonds (16% of total assets, previous year 0%). The following statements disclosed for the consolidated financial statement apply for the annual financial statements of the parent company.

The Group's risks arising from existing financial instruments relate to the financial risks which comprise market risk (including currency risk, interest rate risk and other price risk), risk of default (credit risk), liquidity risk and share price risk. The primary objective of the financial risk management is to establish risk limits, and ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures, in order to minimize operational and legal risks.

The Group places available funds in current accounts seeking to ensure both liquidity and security of principal. The Group's policy does not permit any trading with financial instruments. Accordingly, no financial derivatives are utilized. Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate due to changes in market interest rates. The Group enters in principal only into fixed-rate instruments. The Group does not account for fixed-rate financial instruments at fair value through profit or loss except for employee loans that are designated at fair value through profit or loss. A reasonably possible change in the interest rates does not have a material effect on profit or loss from fair value changes of these instruments.

The risk associated with financial assets is controlled through a sophisticated system of operational monitoring. This applies, in particular, to the equity holdings of Rocket Internet Group, which are accounted for either as available for sale financial assets or at fair value through profit or loss. The Group is exposed to financial risks in respect of share prices, meaning the risk of changes in the value of the shareholdings. Rocket Internet's operations include management of shareholdings measured at fair value comprising considerable investments in a small number of unlisted companies. Accordingly, Rocket Internet's financial position and results are dependent on how well these companies develop. The concentration of the shareholdings leads to a risk that it is

more difficult for Rocket Internet to make major changes in the composition of the shareholdings in a limited time. Rocket Internet's strategy is also to be a long-term shareholder. Therefore, there is no strategy for managing short-term fluctuations in share prices. For details concerning share price risk please refer to Note 41 in the Notes to the Consolidated Financial Statements.

Risk management is carried out by a central treasury department under control of the Management Board. The Management Board provides principles for overall risk management, as well as policies covering specific areas, such as currency risk and interest rate risk and investment of excess liquidity. Detailed information concerning risk of default, liquidity risk and currency risk is given in the following paragraphs.

5.1 Risk of Default (Credit Risk)

The risk of default is defined as the risk that our business partners do not meet their contractual payment obligations and this leads to a loss for Rocket Internet Group. The risk of default comprises the direct risk of a default and the decrease in the credit worthiness as well as the concentration of default risks.

The risk of default exists for all financial assets in particular for deposits, receivables from associates and trade receivables. The Group's receivables are unsecured. Therefore, the maximum risk of default corresponds to the book value of the financial assets that are subject to this risk.

The investment of liquidity that is not needed for operational purposes is carried out according to criteria defined as per Group policy. Rocket Internet Group, in general, only maintains business relationships with banks of outstanding credit rating. Diversification is another means to minimize risk. The credit worthiness is constantly monitored by the Group. The investment of term deposits takes place with banks that are members of the respective bank deposit protection funds and that are rated with minimum investment grade rating BBB- (S&P) and Baa3 (Moody's), respectively. Interest rate management focuses on optimized distribution of cash between different banks in order to avoid negative deposit rates.

The control and mitigation of default risk of receivables from associates is carried out by the investment control function. Trade receivables mainly relate to the Group's eCommerce activities. In this area, default risk is mitigated through a careful review of customer credit ratings in the course of the online order process. In the event of deterioration in the payment habits or in case of other factors that indicate a requirement for impairment, the receivables management function either initiates measures aimed at the collection of the outstanding customer payments or at the return of the delivered merchandise. Customers' credit rating is monitored on a continuous basis. The concentration of default risks is limited because of the broad and heterogeneous structure of the customer base.

Any customer default risks that are identified, e.g. in the case of discontinued payments, are taken into account through appropriate value adjustments.

5.2 Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to daily calls on its available cash resources. Liquidity risk is managed by the management of the Company. The Management Board monitors monthly rolling forecasts of the Company's cash flows.

The Group's capital requirements relate, inter alia, to the financing of new and existing companies and the current capital requirements of the Group's operative business. Rocket Internet Group monitors the risk of liquidity shortages (liquidity risk) on a continuous basis through cash budgets

and reforecasts taking into consideration the maturities of financial investments and financial assets (e.g. receivables and other financial assets) as well as expected cash flows from operating activities. In addition to cash and cash equivalents and income from the sale of financial assets, future cash flows from operating activities represent another source of liquidity.

The liquidity balance and compliance with cash budgets are controlled at regular intervals. In the process, the development of liquidity balances and important movement factors are communicated and discussed internally.

5.3 Currency Risk

The Group is exposed to currency risks due to its international business activities outside of the Eurozone. Changes in exchange rates can therefore have an adverse impact on the consolidated financial statements. The individual foreign currency transactions are not hedged since they are generally of a short-term nature. To the extent possible and feasible, hedging is not performed by way of financial engineering measures but rather through the structuring of existing economic conditions ("natural hedging"). Effects of exchange rate fluctuations resulting from the translation of net asset positions into the reporting currency are recognized in equity in the consolidated financial statements. Foreign exchange differences that result from exchange rate changes when translating balance sheet items in foreign currency are recognized in the income statement under other operating expenses or income.

Berlin, March 31, 2016

Oliver Samwer

Peter Kimpel

Alexander Kudlich

Audit Opinion

We have audited the consolidated financial statements prepared by Rocket Internet SE, Berlin, comprising the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated statement of cash flows and the notes to the consolidated financial statements, together with the combined management report for the fiscal year from January 1 to December 31, 2015. The preparation of the consolidated financial statements and the combined management report in accordance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315a (1) HGB [“Handelsgesetzbuch”: German Commercial Code] is the responsibility of the Company’s management. Our responsibility is to express an opinion on the consolidated financial statements and the combined management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with Sec. 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the combined management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the combined management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of the entities to be included in consolidation, the determination of the entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the combined management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs as adopted by the EU as well as the additional requirements of German commercial law pursuant to Sec. 315a (1) HGB and give a true and fair view of the net assets, financial position and results of operations of the group in accordance with these requirements. The combined management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the group’s position and suitably presents the opportunities and risks of future development.

Berlin, 31 March 2016

Ernst & Young GmbH

Wirtschaftsprüfungsgesellschaft

Klug

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Forward looking statements and other notes

This annual report contains certain forward-looking statements relating to the business, financial performance and results of Rocket Internet SE, its subsidiaries and its participations (collectively, "Rocket") and/or the industry in which Rocket operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. The forward-looking statements contained in this annual report, including assumptions, opinions and views of Rocket or cited from third party sources, are solely opinions and forecasts which are uncertain and subject to risks. Actual events may differ significantly from any anticipated development due to a number of factors, including without limitation, changes in general economic conditions, in particular economic conditions in the markets in which Rocket operates, changes affecting interest rate levels, changes in competition levels, changes in laws and regulations, environmental damages, the potential impact of legal proceedings and actions and Rocket's ability to achieve operational synergies from acquisitions. Rocket does not guarantee that the assumptions underlying the forward looking statements in this annual report are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this annual report or any obligation to update the statements in this annual report to reflect subsequent events. The forward-looking statements in this annual report are made only as of the date hereof. Neither the delivery of this annual report nor any further discussions of Rocket with any of the recipients thereof shall, under any circumstances, create any implication that there has been no change in the affairs of Rocket since such date. Consequently, Rocket does not undertake any obligation to review, update or confirm recipients' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of the annual report.

All values are rounded in accordance with a commercial rounding approach, which may result in rounding differences. Growth, margin or other ratios are based on the actual numbers, which may also result in differences compared to a corresponding computation using rounded numbers.

It is available for download at <https://www.rocket-internet.com/investors>



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