Management report

1. Fundamentals of the Company
   a. Business model of the Company

   Profile: Prior to 7 December 2016
   During the year the business model of the Company changed. Prior to 7 December 2016, the focus of the Company was the development of the Cashcloud payment application. During this period the name of the Swiss holding company was InFin Innovative Finance AG until 7 December 2016 and prior to that Cashcloud AG until 2 August 2016.

   Post 7 December 2016
   From 7 December 2016, the business model changed to become the exploitation of media rights related to the development of a colony on the planet Mars by the Dutch Stichting (foundation), Stichting Mars One (“Stichting”). Accordingly, the name of the Company changed on 7 December 2016 to Mars One Ventures AG.

   b. The Company’s subsidiaries and affiliated companies
   The strategy of the Company is to dispose of its interests related to its Cashcloud business while acquiring equity interests relating to its exclusive media rights of the Mars One project.

   The Table below summarises the equity interests of the Company at 31 December 2016. It is intended to dispose of or close Cashcloud Romania and Cashcloud Germany as these businesses are deemed to have no residual value. The media rights are held by Mars One Media BV, a Dutch company, indirectly held through the Company’s ownership of Mars One Ventures plc. As at 31 December 2016, there were no permanent offices of the Group.

<table>
<thead>
<tr>
<th>Company</th>
<th>% held at 31 December 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mars One Ventures AG, Basel, Switzerland</td>
<td>100%</td>
</tr>
<tr>
<td>Cash Cloud Deutschland GmbH, Darmstadt, Germany</td>
<td>100%</td>
</tr>
<tr>
<td>Cash Cloud Technology Services S.R.L, Sibiu, Romania</td>
<td>100%</td>
</tr>
<tr>
<td>Cash Cloud Luxembourg S.A., Luxembourg,</td>
<td>100%</td>
</tr>
<tr>
<td>Mars One Ventures plc, England</td>
<td>3%</td>
</tr>
<tr>
<td>Mars One Media B.V., Netherlands (held indirectly)</td>
<td>3%</td>
</tr>
</tbody>
</table>

   In March 2017, the Company acquired the remaining 97% of the shares of Mars One Ventures plc it did not already own as a result of a merger, at the same time gaining control of the remaining shares of Mars One Media BV, the 100% owned subsidiary of Mars One Ventures plc.
2. **Objectives and strategies of the Mars one Group**

The Company is the holding Company for the Mars One Group and will undertake activities usually associated with a holding company. The main business activities of the Group going forward are expected to be undertaken by Mars One Media B.V.

The on-going strategy of the Group is to develop a variety of media related materials such as sponsorships, memorabilia and other similar media rights that can be sold through the web site of the Group (mars-one.com) as well as directly to interested commercial partners. The materials will be developed to exploit interest generated by the progress in the Stichting project to establish a colony on Mars. Over the next few years the key phases of this are expected to be:

i. Astronaut selection
ii. Completion of technical designs
iii. Launch of first unmanned mission.

The Group believes that the unique nature of the project will create significant value over an extended period for its media related rights. The Company commissioned a third-party report to look at the potential value in 2016 which confirmed the significant value that could be created as the Stichting’s project develops.

3. **Management and Control**

Reflecting the change in the Company’s business during 2016, there were a number of changes in the composition of the Board of Directors of Mars One Ventures AG.

The members of the Board of Directors during 2016 were

- Sven Donhuysen (resigned 9 March 2016)
- Rainer Maurice Wunderlin (appointed 1 January 2016, resigned 19 May 2016)
- Peter Heinz (appointed 1 January 2016, resigned 7 September 2016)
- Moritz Hunzinger (appointed 1 January 2016)
- Stefanie Frey (appointed 29 March 2016, resigned 5 December 2016)
- Dr Martin Grossman (appointed 5 December 2016)

Moritz Hunzinger also acted as the Chief Executive Office of the Group. He resigned on 3 July 2017 and was replaced on interim base by Bas Lansdorp who joined the Board of Directors on 10 March 2017. Bas Lansdorp is also Chairman of the Board of the Stichting Mars One.

It is intended to strengthen the Board and management teams of the Company by increasing the number of Board members to three and recruiting a CFO to manage the day to day affairs of the business. An interim CFO was appointed in January 2018.

4. **Outlook for the business**
2016 was a transitional year for the Company. As such management does not believe that any financial indicators are at this stage of its development are relevant.

In terms of the prospects for the Group, significant investor interest exists in the exploitation of Space and in Mars in particular, as highlighted by the 20 million unique users who have visited the Company’s web site, as well as by the Falcon X project associated with Elon Musk, giving the Group a level of confidence that the funds required to complete the first phase of the Stichting’s project will be raised, with the associated positive impact on the general interest in and value of the Group’s media rights.

The Company itself is focussing the raising sufficient funds to develop its business over the next year to allow it to recruit an experienced senior management team with appropriate experience in the area of media rights.

Trading of the Company’s shares on the Frankfurt stock exchange remains suspended as at the date of this report.

5. Operating results.

The financial results for the Company are summarised in the table below.

<table>
<thead>
<tr>
<th>Period ended 31 December</th>
<th>2016 (CHF 000)</th>
<th>2015 (CHF 000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>27</td>
<td>15</td>
</tr>
<tr>
<td>Operating loss</td>
<td>-607</td>
<td>-1,334</td>
</tr>
<tr>
<td>Loss on discontinued operations</td>
<td>-7,873</td>
<td>-29</td>
</tr>
<tr>
<td>Net loss for the period</td>
<td>-9,058</td>
<td>-1,887</td>
</tr>
</tbody>
</table>

The results reflect the performance of the Cashcloud business prior to its sale in 2016 and the loss incurred in the sale of the business.


The net assets and financial position are summarised in the table below.

<table>
<thead>
<tr>
<th>CHF 000</th>
<th>31/12/16</th>
<th>31/12/15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current assets</td>
<td>1,598</td>
<td>8,383</td>
</tr>
<tr>
<td>Current assets</td>
<td>66</td>
<td>56</td>
</tr>
<tr>
<td>Total assets</td>
<td>1,663</td>
<td>8,439</td>
</tr>
<tr>
<td>Equity</td>
<td>-44</td>
<td>7,849</td>
</tr>
</tbody>
</table>

Liabilities
### Non-current liabilities

<table>
<thead>
<tr>
<th></th>
<th>1,318</th>
<th>0</th>
</tr>
</thead>
</table>

### Current liabilities

<table>
<thead>
<tr>
<th></th>
<th>389</th>
<th>590</th>
</tr>
</thead>
</table>

### Total liabilities

<table>
<thead>
<tr>
<th></th>
<th>1,707</th>
<th>590</th>
</tr>
</thead>
</table>

### Total liabilities and equity

<table>
<thead>
<tr>
<th></th>
<th>1,663</th>
<th>8,439</th>
</tr>
</thead>
</table>

The position at year end was prior to the completion of the merger with Mars One Ventures plc, the owner (via its 100% owned subsidiary Mars One Media BV) of the media rights. These rights were valued at CHF 103.5 million for the purposes of the merger in March 2017.

At 31 December 2016, non-current assets represented the 3% stake in Mars One Ventures plc (CHF 1.1 million) as well as a loan to a former associated company (CHF 0.5 million). Current assets primarily represent cash and bank deposits. Non-current liabilities represent a loan due to a former related party that was subordinated at the balance sheet date.

#### 7. Key Risk Factors

The key risk factor facing the Company is the raising of sufficient funds both by the Company to develop the media rights and by the Stichting to develop its project of establishing a colony on Mars. Currently the plans of the Stichting are to raise Euro 20-30 million over the next two years, including funds received from the Group. There is no guarantee that these moneys will be raised. The Company will also require funds to both maintain its listing on the Frankfurt Stock Exchange and exploit its media rights. Again, there is no certainty that the moneys will be raised to the extent required, or that if the Group raises funds, the Stichting will raise sufficient funds to create the value the Group believes are inherent in the media rights.

The Company is registered in Switzerland, with subsidiaries in a variety of European jurisdictions. Its shares are traded on the Frankfurt Stock Exchange. As such the Company and the Group is subject to a complex regulatory environment that requires the retention of staff and advisors in a wide area of professional experience. As seen by the current suspension of shares on the Frankfurt Stock Exchange (resulting from the late filing of a Prospectus), there can be significant consequences for non-compliance including fines and other administrative sanctions. The Company is aware of these risks and is strengthening its management team accordingly.

#### 8. Forecast for 2017

Given the transitional nature of the business, management does not believe a forecast for 2017 is appropriate.

#### 9. Corporate governance declaration in accordance with Section 289a HGB (German Commercial Code) for the year ended December 31, 2016
“The Executive Board and Supervisory Board of listed stock corporations are obligated under Section 161 of the German Stock Corporation Law to declare once a year that their company has complied and will continue to comply with the recommendations of the government commission on the German Corporate Governance Code or which recommendations it has not applied or will not apply. In the latter case, reasons must be given why the company did not and will not comply with the recommendation in question.

As a Swiss registered company, the Company does not have an Executive Board and the Supervisory Board as is the case in German companies. Accordingly, the Board of Directors of Mars One Ventures AG declare in accordance with Section 161 of the German Stock Corporation Law:

Mars One Ventures AG complied and will comply with the recommendations of the government commission on the German Corporate Governance Code, with the following exceptions:

1. **Individualized presentation of the compensation for Executive Board members (Section 4.2.5 (3) and (4) DCGK)**

   In accordance with the recommendation in Section 4.2.5 (3) and (4) DCGK, the compensation for Executive Board members is to be disclosed in individualized form using model tables for fiscal years starting after December 31, 2013. The model tables in the Code’s appendix are to be used for disclosing this information. The company currently deviates from Section 4.2.5 (3) and (4) of the Code and will continue to do so in future.

   Reason:
   The compensation for Executive Board members is disclosed in compliance with Swiss statutory provisions according to Art. 663b OR. The Company does not provide any further disclosures on or breakdowns of the compensation using the model tables due the work involved in this change and the extra administrative overhead.

2. **Formation of Supervisory Board committees (Section 5.3.1 to 5.3.3 DCGK)**

   According to Swiss Law (Obligationenrecht) an AG company (Aktiengesellschaft) does not have a Supervisory Board. Accordingly, Mars One Ventures AG has not formed any committees in the past and will also not do so in future.

   Reason:
   See above.

10. **Compensation Report**

    **Salient features of the compensation system for the Executive Board**
The compensation system for the Executive Board is under review. It is intended to establish a system that attracts suitably qualified board members while protecting the interests of the Company and shareholders.

**Compensation of the Board of Directors**

The company does not currently maintain an insurance policy for board members of the Mars One Ventures Group, what is termed a directors’ and officers’ (D&O) policy.

For their work in fiscal year 2016, the individual members of the Board of Directors received the following payments:

The total compensation for all members of the Board of Directors was CHF 50 thousand.

The following amounts were paid to the individual members of the Board of Directors:

- Stefanie Frey: CHF 20 thousand
- Rainer Grossman: CHF 30 thousand

A copy of the remuneration report is attached.

**11. Disclosures in accordance with Section 289 (4) HGB (German Commercial Code) as at 31 December 2016**

a.) The subscribed capital of Mars One Ventures AG on the balance sheet date comprises 18,106,500 value registered shares of par value CHF 0.2.

b.) The Company’s Board of Directors is not aware of restrictions on voting rights or transfer of shares, even if they may be defined under agreements between shareholders.

c.) There are no direct or indirect capital stakes exceeding 10.0% of the voting rights, where the disclosures do not have to be made in the notes on the consolidated financial statements.

d.) There are no holders of shares with special rights that confer controlling powers.

e.) The executives of the Company are appointed and removed by the Board of Directors in accordance Board in accordance with the Articles of Association in compliance with Swiss law. Amendments to the Articles of Association require the consent of the General Meeting.

f.) The Board of Directors of the Company has no power to issue or buy back shares.
g.) There are no significant agreements by the company as defined by Section 289 (4) Nos. 8 and 9 of the German Commercial Code (HGB).

Basel, Switzerland 10 March 2018