

Supplement to Quarterly Report
for the quarter ended March 31, 2014

Play Holdings 2 S.á r.l.

July 29, 2014

PLAY

Play Holdings 2 S.á r.l.
5, rue Guillaume Kroll,
L-1882 Luxembourg,
Grand Duchy of Luxembourg

INTRODUCTION

This is the Report of Play Holdings 2 S.à r.l. (the “**Parent**”), 5, rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg, the parent company of, P4 Sp. z o.o. (“**Play**”).

The Parent is a guarantor of the following notes:

- (a) €600,000,000 5¹/₄% Senior Secured Notes due 2019 and PLN 130,000,000 Floating Rate Senior Secured Notes due 2019 issued by Play Finance 2 S.A. (the “**Senior Secured Notes**”); and
- (b) €270,000,000 6¹/₂% Senior Notes due 2019 issued by Play Finance 1 S.A (the “**Senior Notes**”).

This Report is supplementary to the Quarterly Report for the quarter ended March 31, 2014.

RECENT DEVELOPMENTS

New financing transaction

On July 29, 2014, a future indirect holding company of the Parent, Play Topco S.A. (“**Topco**,”) announced an offering of €415 million aggregate principal amount of senior PIK toggle notes due 2020 (the “**Notes**”).

Release of Senior Notes proceeds from escrow and expected use of certain proceeds from the Offering

On July 8, 2014, the €170 million of proceeds of the Senior Notes that were deposited in an escrow account on the issue date of the Senior Notes were released in connection with an M&A transaction and were distributed to the shareholders of Play. Following the distribution to the shareholders of Play and the use of the proceeds by Novator, 100% of the shares in Novator were thereafter controlled by an irrevocable discretionary trust of which the settlor is Björgólfur Thor Björgólfsson and the beneficiaries are Mr. Björgólfsson and certain members of his family. Following this Offering and the use of certain of the proceeds by Novator, the encumbrances or other interests of third parties over the shares of Play Holdings 1 S.à r.l. (“**HoldCo 1**”) will be released. The total consideration paid by Novator for acquiring 50% of its unencumbered interest in Play in connection with the M&A transaction amounted to approximately €290 million to €295 million (having attributed €10 million to €15 million of value to a non-Play related asset).

Recent trading

The following discussion has been prepared by, and is the responsibility of, management and is solely based on the preliminary financial information and operating KPIs used by management. Neither our preliminary financial information for the three-month or twelve-month period ended June 30, 2014 nor our KPIs have been audited or reviewed by independent auditors. This information is preliminary and is subject to change. This preliminary information may not be indicative of the results of any other period. During the course of our review process on this preliminary information, we could identify items that would require us to make adjustments and which could affect our final results of operations.

Based on our preliminary financial results for the three-month period ended June 30, 2014, we believe our business continues to grow in terms of subscribers and revenue while improving its profitability. We estimate our operating revenue for the three-month period ended June 30, 2014 being between PLN 1,034.0 million and PLN 1,077.0 million, which would result in operating revenue for the twelve-month period ended June 30, 2014 to be between PLN 3,936.6 million and PLN 3,979.6 million (compared to PLN 986.1 million for the three-month period ended March 31, 2014 and PLN 3,831.7 million for the twelve-month period ended March 31, 2014) and estimate our Adjusted EBITDA for the three-month period ended June 30, 2014 to be between PLN 258.0 million and PLN 281.0 million, which would result in Adjusted EBITDA for the twelve-month period ended June 30, 2014 to be between PLN 910.4 million and PLN 933.4 million (compared to PLN 238.3 million for the three-month period ended March 31, 2014 and PLN 845.1 million for the twelve-month period ended March 31, 2014). We estimate costs of national roaming/network sharing (“**NR/NS**”) for the three-month period ended June 30, 2014 to be between PLN 39.6 million and PLN 41.3 million (decreasing by 27% and 24%, respectively, compared to PLN 54.6 million for the three-month period ended March 31, 2014), while the overall volume of traffic in NR/NS has, in the three-month period ended June 30, 2014, been notably higher than in the three-month period ended March 31, 2014. We believe that this positive development is the result of our new NR/NS agreement with T-Mobile, which has offered significantly better commercial terms. We started to migrate the majority of our NR/NS traffic from other NR/NS providers to T-Mobile on March 25, 2014, and, as of June 30, 2014, T-Mobile carried more than 75% of our NR/NS traffic. We estimate NR/NS costs for twelve-month period ended June 30, 2014 to be between PLN 188.5 million and PLN 190.1 million (compared to PLN 194.3 million for twelve-month period ended March 31, 2014).

We estimate our total cash capital expenditure for the three-month period ended June 30, 2014 to be between PLN 103.0 million and PLN 112.5 million, which would result in total cash capital expenditure for the twelve-month period ended June 30, 2014 to be between PLN 413.7 million and PLN 423.2 million (compared to PLN 106.1 million for the three-month period ended March 31, 2014 and PLN 384.1 million for the twelve-month period ended March 31, 2014). For the discussion above, we define “total cash capital expenditure” across all periods as cash outflows for purchases of fixed assets and intangibles and prepayments for assets under construction excluding expenditures on capitalized subscriber acquisition costs and subscriber retention costs, less proceeds from the sale of non-current assets in each period, excluding acquisition costs for spectrum. Such definition differs from the definition used elsewhere in the Offering Memorandum with respect to historical periods in some respects.

We estimate average monthly ARPU (outbound) for the three-month period ended June 30, 2014 to be between PLN 31.0 and PLN 32.2 compared to PLN 30.5 for the three-month period ended March 31, 2014. We estimate average monthly Contract ARPU (outbound) for the three-month period ended June 30, to be between PLN 44.7 and PLN 46.6 compared to PLN 44.6 for the three-month period ended March 31, 2014.

As of June 30, 2014, our total net indebtedness amounted to PLN 3,601.5 million. This consisted of (i) the Senior Secured Notes and the Senior Notes (including accrued interest) and (ii) finance lease liabilities, in an aggregate amount of PLN 3,886.9 million, less cash and cash equivalents of PLN 285.4 million.

As of June 30, 2014, our preliminary reported subscriber base, net additions, churn rates and data usage in MB per subscriber were as follows:

	Twelve- Month Period Ended June 30,	Three Months Ended June 30,
	2014	
Reported subscribers (thousands)	11,275.1	11,275.1
Contract.....	5,146.9	5,146.9
Prepaid	6,128.3	6,128.3
Net additions (thousands)	1,450.2	332.0
Contract.....	787.2	223.1
Prepaid	662.9	108.8
Churn(%)⁽¹⁾	3.3%	3.3%
Contract.....	0.8%	0.8%
Prepaid	5.3%	5.5%
Data usage per subscriber (MB)⁽¹⁾	603	720
Contract.....	918	1092
Prepaid	186	224

(1) We present churn and data usage per subscriber statistics on a monthly basis.

MANAGEMENT

Play

In accordance with Polish corporate law, we conduct our decision-making processes through the general shareholders' meeting (*Walne Zgromadzenie*), the Management Board (*Zarząd*) and the Supervisory Board (*Rada Nadzorcza*). The powers of, and relationships among these governing bodies are governed by the applicable provisions of the Polish Companies Code of September 15, 2000 (Dz. of 2000, No. 94, Item 1037, as amended) (the "**Companies Code**"), our articles of association and the internal by-laws including management and Supervisory Board by-laws.

Management Board of Play

We have set forth below the members of the Management Board of Play. The Management Board is responsible for the day to day management of the Group. The members of the Management Board are appointed by, and may be dismissed at any time by shareholders at a Shareholders Meeting. The Management Board consists of between three and eight members. The current Management Board consists of six members. The office address for all members of our Management Board is: Taśmowa 7, Warsaw, Poland.

The table below sets out the name, age, position, year of appointment and the year in which the current term expires for each of the members of our Management Board:

<u>Name</u>	<u>Age</u>	<u>Year appointed for the current term</u>	<u>Year term expires</u>	<u>Position</u>
Jørgen Bang-Jensen	58	2010	2015	Chief Executive Officer
Michał Wawrzynowicz	42	2010	2015	Chief Commercial Officer
Bartosz Dobrzyński.....	44	2010	2015	Chief Marketing Officer
Robert Bowker	47	2013	2015	Chief Financial Officer
Jacek Niewęglowski.....	45	2010	2015	Chief Strategy Officer
Hans Cronberg	51	2010	2015	Chief Technical Officer

Jørgen Bang-Jensen

Jørgen Bang-Jensen has been a member of our Management Board since May 2009. He also performs the function of Chief Executive Officer and is the chairman of the Management Board. He is also a member of the Management Board of 3GNS Sp. z o.o., which is part of the Group. In the past, he has served as CEO and Chairman of the Management Board of ONE GmbH, Austria, as CEO of TDC Mobile A/S, Denmark, and as CEO of AD&D edb-konsulenter A/S. He has also held supervisory board positions in Telenor Mobil, Belgacom Mobile, Fullrate A/S from May 2008 to April 2009 and Butlernetworks A/S (Denmark) from March 2008 to April 2009. Mr Bang-Jensen holds a MBA degree from Ashridge Business School (UK).

Michał Wawrzynowicz

Michał Wawrzynowicz has been a member of our Management Board since June 2007. He is the Chief Sales Officer. He is also a member of the Management Board of 3GNS Sp. z o.o., which is part of the Group. Prior to joining our management, Mr. Wawrzynowicz worked as General Manager of the Germanos Group in Poland. He was also General Manager of GTI Sp. z o.o., the biggest Orange dealer in Poland and the Commercial Director of Germanos Polska Sp. z o.o., formerly known as "Era," the largest T-Mobile dealer. Prior to becoming their Commercial Director, he had held the position of the Sales Director and that of the Marketing Director. Mr. Wawrzynowicz received an MBA from Kozminski University and a Master of Science degree from Warsaw Technical University.

Bartosz Dobrzyński

Bartosz Dobrzyński has been a member of our Management Board since 2009. He is our Chief Marketing Officer. Since 2009, he has also served as a member of the Management Board of 3GNS Sp. z o.o., which has been part of the Group. Mr. Dobrzyński is an experienced marketing manager in the telecommunications sector in Poland. He started his professional career in the telecommunication industry in 1998 as a loyalty and retention manager at Plus. For the next seven years he worked as a manager of mobile offers for individual subscribers at Orange. Mr. Dobrzyński received an MA in International Relations and an MBA from Warsaw University MBA program.

Robert Bowker

Robert Bowker has been a member of our Management Board since April 2013. He also performs the function of Chief Financial Officer. Since October 2013, he has also served as a member of the Management Board of 3GNS Sp. z o.o. which is part of the Group. Prior to joining Play, he served as Chief Financial Officer for several entities, including Invitel Holdings N.V. from 2004 to June 2012, Eurotel Praha from 2000 until 2004 and at EuroTel Slovakia prior to 2000. He also he worked at PricewaterhouseCoopers prior to that. He received a Bachelor of Commerce from Rhodes University. In addition, Mr. Bowker is a South African Chartered Accountant and a Chartered Financial Analyst.

Jacek Niewęglowski

Jacek Niewęglowski has been a member of our Management Board since December 2005. He is also our Chief Strategy Officer. Since 2006, he has also served as a member of the Management Board of 3GNS Sp. z o.o. which is part of the Group.

Prior to joining Play, Mr. Niewęglowski served as a member of the Management Board of Germanos Polska, a former subsidiary. He also served as a member of the Supervisory Board of PTC, now known as T-Mobile, a member of the Management Board of Aster City Cable, a leading Polish CaTV operator, Chairman of the board of Comtica Sp. z o.o., a member of the Management Board of Elektrim Telekomunikacja, the Polish subsidiary of Vivendi Universal, and has previously held the position of CEO of numerous telecommunication companies. Additionally, Mr. Niewęglowski has over 21 years of managerial experience and a professional track record within the mobile industry. Jacek Niewęglowski received an MBA degree from London Business School, and an M.Sc degree from Tampere University of Technology in Finland.

Hans Cronberg

Hans Cronberg has been a member of our Management Board since September 2005. He is our Chief Technical Officer. He is also a member of the Management Board of 3GNS sp. z o.o., which is part of the Group. Prior to joining us, Mr. Cronberg worked for the Deutsche Telekom Group; he was the Director of Procurement & Logistics at T-Mobile Croatia and the Director of 3G Technologies and Value Added Platforms at Polska Telefonii Cyfrowa Sp z o.o. (now known as T-Mobile). Between 1990 and 2001, Mr. Cronberg worked for the Ericsson Group in Sweden, Poland and Israel, where he held positions in Product Management, Product Marketing and Sales & Key Account Management. Mr. Cronberg received a degree in Physics from Freie Universitaet Berlin, Germany.

Supervisory Board of Play

We have set forth below the members of the Supervisory Board of Play. Members of the Supervisory Board are appointed at the general shareholders' meeting for an individual term of five years, with the reservation that (i) for each full 10% of Shares held by Novator (acting jointly with its affiliates and permitted transferees), Novator shall be entitled to appoint one member of the Supervisory Board and dismiss that member, and to appoint his/her replacement; (ii) for each full 10% of Shares held by Tollerton (acting jointly with its affiliates and permitted transferees), Tollerton shall be entitled to appoint one member of the Supervisory Board and dismiss that member, and to appoint his/her replacement; (iii) the shareholders acting jointly shall be entitled to appoint, by a unanimous vote, up to two members of the Supervisory Board, who act as independent board members. For the avoidance of doubt, those members of the Supervisory Board shall not be considered to be the Supervisory Board members appointed by either Novator or Tollerton.

The Supervisory Board consists of between three and 11 members. The current Supervisory Board consists of 11 members. For the Supervisory Board's resolutions to be valid all of its members must be invited to the meeting and no less than half of the members must attend in order to establish a quorum. As a rule, the Supervisory Board's resolutions are passed by an absolute majority of votes cast; however, certain decisions specified in our articles of association require a simple majority of the votes of all members of the Supervisory Board. The primary function of the Supervisory Board is to supervise all aspect of the businesses. The principal functions of the Supervisory Board include: (i) examination of financial statements to ensure consistency with records and documents and with operations; examination of the Management Board's reports as well as Management Board proposals regarding the distribution of profits or coverage of losses; and submission of written reports to the general shareholders' meeting on the outcomes of such examinations; (ii) approving and granting the Management Board consent to proceed with transactions and activities specified in the articles of association; and (iii) approving the rules of procedure of the Management Board. The Supervisory Board meets at least four times per year.

The table below sets out the name, age, position, year of appointment and the year in which the current term expires for each of the members of our Supervisory Board:

<u>Name</u>	<u>Representing</u>	<u>Age</u>	<u>Year appointed for the current term</u>	<u>Year term expires</u>
Panos Germanos	Tollerton	64	2012	2017
Vasileios Billis	Tollerton	46	2012	2017
Ioannis Karagiannis	Tollerton	53	2010	2015
Socrates Kominakis	Tollerton	46	2009	2014
Bruce McInroy	Novator	53	2010	2015
Serdar Çetin	Novator	37	2012	2017
Andrzej Klesyk	Independent	50	2012	2017
Andrzej Olechowski.....	Independent	66	2012	2017
Georgios (George) Xirouchakis	Tollerton	41	2013	2018

Panos Germanos is the current Chairman of the Supervisory Board.

The business address for all members of our Supervisory Board is: Taśmowa 7, Marynarska, Warsaw, Poland.

Other than two independent board members, our Supervisory Board members are appointed by our shareholders. Our shareholders' interests may differ from the interests of the Group, holders of the Notes and each other.

Panos Germanos

Panos Germanos has been a member of the Supervisory Board of Play since 2007. He has also served as a member of the Supervisory Board of 3GNS Sp. z o.o. which is part of the Group. Mr. Germanos is the founder and President of the Olympia group of companies. He is a graduate of the Faculty of Economics of the School of Law, Economics and Political Sciences of the University of Athens.

Mr. Germanos has been the subject of the following investigations by prosecutorial and regulatory authorities in activities unrelated to the Group. In 2007, Mr. Germanos was the subject of charges brought by Greek prosecutors and regulators relating to the sale of Germanos S.A. in 2006 to Cosmote S.A. Any charges or other regulatory actions that were brought against Mr. Germanos in connection therewith were subsequently dropped on or before June 2011. Mr. Germanos has also been investigated by the Greek authorities in connection with the prosecution of public figures relating to Greece's armament program as well as a parallel matter solely in his capacity as Chairman of the Board of Directors of Systems Sunlight S.A. ("**Sunlight**"), a member of the Germanos group of companies, relating to allegations that an employee of Sunlight had induced a German engineering contractor to make payments to such employee personally in settlement of falsified invoices. Mr. Germanos has been summoned to appear before a magistrate to answer charges brought against him. Mr. Germanos pled not guilty at such appearances in connection with such charges. Based on Mr. Germanos' explanations, the respective magistrate and public prosecutor unanimously decided not to impose any restrictive measures against him in each case. Mr. Germanos has not been indicted in connection with such matters, although any decision to indict any individual or drop any charges, including with respect to Mr. Germanos, would be decided by a judicial panel that is expected to be convened later this year (and, with respect to the parallel matter, will be convened at such time when the magistrate has closed its investigation, which is not likely to occur until 2015 or later). While such judicial panels would rely solely upon the fact-findings of the magistrate, there can be no assurances that the judicial panels do not decide to bring an indictment. There can be no assurance that any further action or further investigation will not be initiated in the future.

Ioannis Karagiannis

Ioannis Karagiannis has been a member of the Supervisory Board of Play since 2010 and has been working for companies in the Olympia group since 1994, and has served as a manager there since January 2010. He has also served as a member of the

Supervisory Board of 3GNS Sp. z o.o. which is part of the Group. He also serves as a Supervisory Board Member for Retail World SA and Olympia. Prior to that, he served as CEO of the Germanos Group from December 2001 to December 2010. He received a degree in Chemical Engineering from the National Technical University of Athens and an MBA from the University of Bradford.

Vasileios Billis

Vasileios Billis has been a member of the Supervisory Board of Play since 2007. He has also served as a member of the Supervisory Board of 3GNS Sp. z o.o. which is part of the Group. Since April 2013, Mr. Billis has served as the Chief Executive Officer at Systems Sunlight S.A., a company in the Olympia group. Prior to holding that position, he served as a director and board member for Olympia. He received an MBA from INSEAD (France) and a Master's Degree in Electrical Engineering from the University of Southampton.

Socrates Kominakis

Socrates Kominakis is a member of the Supervisory Board of Play. He has also served as a member of the Supervisory Board of 3GNS Sp. z o.o. which is part of the Group. He is the Chairman and CEO of Milos Advisors, a Greek advisory and investment company. In the past, he served as Chairman and CEO of Wind Hellas, a Greek telecommunications operator. He was also the Commercial General Manager of Vodafone Greece and a board member of Vodafone Greece, while he held senior commercial positions in Kraft and Procter & Gamble. He currently participates as a board member of several companies. Additionally, Mr. Kominakis received a Bachelors Degree in Business Administration from the American College of Greece and an MBA from Edinburgh University.

Bruce McInroy

Bruce McInroy is a partner of Novator Partners LLP, a London based private equity advisory firm, which he joined in 2004. His primary role is sourcing and deal execution, both entries and exits, as well as active involvement in portfolio companies. He has been with Play since its inception in 2005, serving on the Supervisory Board, and acting as Chairman of the Audit Committee. He has also served as a member of the Supervisory Board of 3GNS Sp. z o.o. since 2008. He has significant investment experience, including Novator's investment in Tradus (formerly QXL), the leading internet auction business in Poland and the region, acting as board member, member of the Audit Committee and interim Chairman in 2006/07. He takes an active role in managing portfolio investments, particularly in telecoms and has been member of the boards of directors of Netia (Poland), Turknet (formerly NetOne, Turkey), Bulgarian Telecoms Company (now Vivacom), Forthnet (Greece) and Be* Unlimited (UK). He played an active role in the Audit Committees at Netia, BTC and Forthnet. He has over twenty years experience in both developed and emerging markets with a primary focus on telecoms & technology and related sectors. Prior to joining Novator, he gained wide ranging telecoms experience: in industry with BT, in equities research with ABN Hoare Govett and latterly in investment banking with Deutsche Bank and with Merrill Lynch. Bruce received an MA degree in Computer Sciences from Trinity College, Cambridge.

Serdar Çetin

Serdar is a Partner at Novator Partners LLP. Serdar is responsible for sourcing, managing and exiting investments at Novator Partners LLP. He has served on the Supervisory Board of Play since July 2007 and 3GNS Sp. z o.o. since October 2008. He also served on the Management Board of Play between July 2005 and October 2006. In addition he is a member of Play's audit committee. Mr. Çetin has significant investment experience in the telecommunications sector. He has advised on telecoms investments in a number of countries including Greece, Turkey, Poland and the United Kingdom. He was a board member at Turk.net, a Turkish altnet from February 2007 until April 2013. Prior to joining Novator in 2004 Mr. Çetin worked at Merrill Lynch investment banking and BNP Paribas. Mr. Çetin holds an Msc in Management (Grande Ecole) from HEC School of Management in Paris and BSc in civil engineering from Middle East Technical University in Ankara. He is fluent in English, Turkish and French.

Andrzej Klesyk

Andrzej Klesyk has been a member of the Supervisory Board of Play since 2012. He has also served as CEO of Powszechny Zakład Ubezpieczeń SA since 2007. He is a former partner of Boston Consulting Group, Warsaw, CEO of Bank Inteligo, Warsaw and a partner of McKinsey & Co, London. Between 1989 and 1990 he worked in the Ministry of Economic Reform. In 1991, he left for the U.S. and worked for Kidder, Peabody, Coopers & Lybrand in New York. He received an MBA from Harvard Business School and a masters degree in Economics from Katolicki Uniwersytet Lubelski, Poland. He is a member of the Harvard Business School European Advisory Board, a member of the Geneva Association, on the Board of Trustees of the National Museum, Warsaw and on the Program Board of the Institute of Public Affairs.

Andrzej Olechowski

Andrzej Olechowski has been a member of the Supervisory Board of Play since 2012. Dr. Olechowski is also Chairman of the Supervisory Board of Bank Handlowy and has been a Director of Euronet since 2002. He also sits on the International Advisory

Boards of Macquarie European Infrastructure Funds. He is a former Minister of Foreign Affairs from 1993 to 1995 and Minister of Finance in 1992 and was a candidate in the 2000 and 2010 Presidential elections in Poland. Dr. Olechowski studied at the Central School of Planning and Statistics where he received a Ph.D in economics and he has been a professor at Vistula University since 2011 and has authored of a number of publications on international trade and foreign policy.

George Xirouchakis

Georgios (George) Xirouchakis was a member of Play's Supervisory Board from April 2009 until February 2010 and has been serving in his current term as a member of the Supervisory Board since December 2013. He has also served as a member of the Supervisory Board of 3GNS Sp. z o.o. which is part of the Group. He has served as an in-house lawyer for the Panos Germanos Group of Companies since 2002 and has acted as General Counsel—Head of Group Legal Department for this group since 2008. Additionally, Mr. Xirouchakis has substantial professional experience in commercial law. He received a Bachelor's Degree in Economics from the University of Crete (School of Social Sciences, Dept.of Economics), a Bachelor's Degree in Law Studies from the National University of Athens (Law School) and a Master's Degree in Business Administration from the University of Leicester (Management Center).

Special committees

According to the Supervisory Board regulations, the Supervisory Board may establish the audit committee consisting of at least three members. The Chairman of the Audit Committee is appointed by the Chairman of the Supervisory Board. The audit committee performs consulting and advisory services to the Supervisory Board.

The tasks of the audit committee include assisting the Supervisory Board in conducting supervising activities, in particular by: (i) preparation of detailed financial analysis, (ii) planning and supervising internal and external audits and valuation of their effects; (iii) supervision of personnel matters relating to the remuneration; and (iv) monitoring the supplies policies binding on us.

The audit committee consists of four members of the Supervisory Board: (i) Bruce McInroy (Chairman of the Audit Committee); (ii) Serdar Çetin; (iii) Ioannis Karagiannis; and (iv) Vasileios Billis.

Remuneration and Benefits

Cost of remuneration (including accrued bonuses) of members of Play's Management Board incurred during the year ended December 31, 2013 amounted to PLN 34.8 million.

Cost of remuneration (including accrued bonuses) of members of Play's Supervisory Board incurred during the year ended December 31, 2013 amounted to PLN 2.4 million.

Additionally, the members of Play's Management Board and key employees participated in management retention programs which were valued at PLN 71.6 million for long-term retention programs liabilities and PLN 0.0 for short-term retention programs liabilities as of December 31, 2013.

We operate three main types of compensation programs: the Equity Grant Agreement (“**EGA**”) program (based on Equity Grant Agreements concluded with participants of the program), the Profit Sharing Agreement (“**PSA**”) program (based on Profit Share Agreements concluded with participants of the program) and the Value Development Program (“**VDP**”) program (based on Value Development Program Agreements concluded with participants of the program). Membership in these plans is granted to Management Board members and key employees. In principle, under the terms of the plans, participants of the programs are entitled to receive remuneration, paid in cash, at the moment of a defined liquidity event. Defined liquidity events for the EGA program consist of a change of control, an initial public offering of the Company, a recapitalization, cancellation or redemption of the shares in the Company and distributions of cash or other assets of the Company to members of the shareholders' groups, such as Olympia or Novator, or a disposal of the shares in the Company by a shareholder to a third party if specified thresholds are exceeded; defined liquidity events for the PSA program consist of an initial public offering of the Company or a change of control. The amount of remuneration depends, in particular, on the percentage or participation unit which is granted to each participant under the program and on the price calculated for the given liquidity event or the value of the Company's enterprise at a defined date.

PRINCIPAL SHAREHOLDERS

The following is a description of our share ownership pro forma for the offering of the Notes and the use of proceeds therefrom.

Topco's issued share capital amounts to 1,251,000 shares with a par value of EUR 0.01 each.

The following table sets forth, as of the date hereof, the aggregate shareholding amounting to over 5% of Topco's equity interests held by funds affiliated with, and/or advised by, the entities identified as Topco's shareholders in the left-hand column.

<u>Shareholders</u>	<u>Shares in Topco</u>	<u>Percentage Holding</u>
Tollerton	629,500	50.3%
Novator	621,500	49.7%

Tollerton is controlled (80%) by Olympia Developments S.A. 99.49% of Olympia Developments S.A. is controlled by Mr. Panos Germanos. The remaining 20% of shares in Tollerton are controlled by Third Point Hellenic Recovery Fund, L.P.

Following the recent transaction described above, 100% of the shares in Novator are controlled by an irrevocable discretionary trust of which the settlor is Björgólfur Thor Björgólfsson and the beneficiaries are Mr. Björgólfsson and certain members of his family.

Topco owns 100% of the issued and outstanding capital stock of the Parent, which indirectly owns 100% of the issued and outstanding capital stock of Play.

Shareholders' Agreement

On August 4, 2008, Play, NTP S.à r.l., Novator One L.P., NPP, Olympia, and Tollerton executed the shareholders' agreement ("SHA"), as amended and restated on December 5, 2008, May 7, 2009 and November 29, 2013. On January 23, 2014, the SHA was amended to reflect the changes in share ownership in connection with the offering of the Senior Secured Notes and the Senior Notes and other incidental amendments and was also amended to reflect consequential changes to certain shareholder exit rights. All references to share membership in Play in the sixth paragraph below were thus updated to reference Topco. On July 8, 2014 the SHA was amended to reflect, among other things, the execution by, among others Novator, NTP Sarl and Topco of a framework agreement, the transfer of all of NTP Sarl's shares to Novator as part of the voluntary dissolution and liquidation of NTP Sarl and Novator replacing NTP Sarl as a party to the SHA. Amendments were also made to reflect the right of the pledgee under a pledge granted by Novator to exercise voting and economic rights in Novator's place. The SHA was also amended to allow observer rights on Topco's board to ALMC hf., an asset management company with a presence in Reykjavik and London.

The parties to the SHA agreed that the Group would conduct its business in the operation and provision of mobile telecommunication services and equipment and other related telecommunications services. The provisions of the SHA place the same customary non-compete and non-solicitation restrictions on both Novator and Tollerton.

Our Management Board consists of three to eight members which are appointed by our shareholders. If there are any vacancies on the Management Board, Novator and Tollerton will discuss and agree upon a candidate to fill the vacant position. If they are unable to agree, an internationally recognized recruitment consultant will propose relevant candidates, and the candidates, after Novator and Tollerton have the opportunity to each veto a candidate, will be put to a simple majority vote at the shareholders' meeting.

Our Supervisory Board consists of three to 11 members who are appointed by Novator (acting jointly with its affiliates and permitted transferees) and Tollerton (acting jointly with its affiliates and permitted transferees). Each of Novator and Tollerton are individually entitled to appoint one member of the Supervisory Board for each full 10% of the shares it holds and to appoint his/her replacement. Any member of the Supervisory Board appointed by one of our shareholders is entitled to supply details of any business transacted at Supervisory Board meetings and any other information obtained in his/her capacity as a member of the Supervisory Board to the shareholder who appointed him/her.

Under the SHA, the shareholders acting jointly, are entitled to appoint, by a unanimous vote, up to two members of the Supervisory Board, who act as independent board members. For the avoidance of doubt, those members of the Supervisory Board shall not be considered to be the Supervisory Board members appointed by either Novator or Tollerton. The chairperson of the Supervisory Board will be appointed by Tollerton and the vice-chairperson will be appointed by Novator. If at any time the total number of Supervisory Board members that Novator and Tollerton are entitled to appoint is less than seven, the shareholders will be entitled to appoint the number of Supervisory Board members corresponding to the difference between seven and the total number of Supervisory Board members appointed by Novator and Tollerton, by way of a simple majority vote.

The SHA sets out a list of positive covenants of Play and its subsidiaries, which are related to the distribution of profits, provision of information and appointment of auditors and accountants.

With the exception of certain Reserved Matters (as defined in the SHA) and subject to mandatory provisions of Polish law, all matters presented for (i) the approval of the shareholders meeting should be decided by shareholders holding at least 50% of Play's shares and (ii) the approval of the Supervisory Board should be decided by an absolute majority of votes at the Supervisory Board meeting, respectively. At least one representative from each of Tollerton and Novator must be present for the shareholders meeting in order to have a quorum. The Reserved Matters for shareholders meetings include, for example, any amendments to the articles of association of Play or its subsidiaries, issuing shares, change of business, appointment of auditors and incentive schemes. For the Supervisory Board, the Reserved Matters include, for example, the disposal of any asset or assets with an aggregate or individual net book value in excess of EUR 500,000 in any 12 month period, entering into employment or consultancy agreements with a remuneration exceeding EUR 100,000 per annum, taking any action or entering into any

arrangement pursuant to which the Play shares or other securities are listed for trading on any stock exchange. The Reserved Matters require the unanimous consent of the shareholders. A shareholder ceases to have the benefit of the rights under the Reserved Matters to the extent that a positive vote is required of that shareholder or a Supervisory Board member appointed by him/her if such shareholder, its permitted transferees and/or its affiliates hold less than 15% of the issued shares of Play. The SHA specifies the procedure for any deadlock occurring at either a Supervisory Board meeting or the shareholders' meeting.

The SHA is governed by English law. The courts of England have exclusive jurisdiction over any claim or matter arising under or in connection with the SHA and accordingly any proceedings in respect of any such claim or matter may only be brought in those courts.

Cautionary Statement

This Report is for information purposes only and does not constitute a prospectus or any offer to sell or the solicitation of an offer to buy any security in the United States of America or in any other jurisdiction. No securities have been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and no securities may be offered or sold in the United States or to a U.S. person absent registration or an applicable exemption from the registration requirements under the Securities Act.