

Combined report
of the Management Board of Tele Columbus AG
and the managing directors of

KABELMEDIA GmbH Marketing und Service
Teleco GmbH Cottbus Telekommunikation
Funk und Technik GmbH Forst
"Mietho & Bär Kabelkom" Kabelkommunikations-Betriebs GmbH
kabel.digital.service GmbH
PrimaCom Holding GmbH
pepcom GmbH
Tele Columbus Betriebs GmbH
Tele Columbus Vertriebs GmbH

pursuant to Section 293a German Stock Corporation Act (*Aktiengesetz* - "AktG")

on the conclusion and the content of the profit and loss transfer agreements dated
11 May 2017

and of Tele Columbus AG and the managing directors of Tele Columbus NRW GmbH

pursuant to Section 293a AktG

on the conclusion and the content of a profit and loss transfer agreement to be
concluded in 2017

I. Introduction

For the information of its shareholders and for the preparation of the resolution of the general annual meeting of Tele Columbus AG (hereinafter also referred to as "Tele Columbus") on 21 June 2017, the Management Board of Tele Columbus and the managing directors of KABELMEDIA GmbH Marketing und Service ("Kabelmedia"), Teleco GmbH Cottbus Telekommunikation ("Teleco Cottbus"), Funk und Technik GmbH Forst ("Funk und Technik"), "Mietho & Bär Kabelkom" Kabelkommunikations-Betriebs GmbH ("Mietho & Bär"), kabel.digital.service GmbH ("kabeldigital"), PrimaCom Holding GmbH ("Primacom"), pepcom GmbH ("pepcom"), Tele Columbus Betriebs GmbH ("TC Betrieb"), Tele Columbus Vertriebs GmbH ("TC Vertrieb") and Tele Columbus NRW GmbH ("TC NRW") (hereinafter each also referred to as "Subsidiary", collectively "Subsidiaries") the following combined report pursuant to Sec. 293a AktG on the respective profit and loss transfer agreements between Tele Columbus and the Subsidiaries dated 11 May 2017 and with regard to Tele Columbus NRW GmbH regarding the profit and loss transfer agreement to be concluded in 2017. The profit and loss transfer agreements shall be presented to annual general meeting of Tele Columbus on 21 June 2017 for its consent.

II. Conclusion and effective date of the profit and loss transfer agreements

On 11 May 2017, Tele Columbus as parent company entered into profit and loss transfer agreements with each of the respective Subsidiaries pursuant to Sec. 291 para. 1 sentence 1 alt. 2 AktG, respectively intends to conclude a profit and loss transfer agreement with Tele Columbus NRW in 2017. The respective profit and loss transfer agreement will only become effective pursuant to Sec. 293 para. 1 and para. 2 AktG if both the shareholders' meeting of the respective Subsidiary as well as the annual general meeting of Tele Columbus give their consent. The Management Board and the Supervisory Board of Tele Columbus propose in the annual general meeting of Tele Columbus convened on 21 June 2017 to also give consent on the conclusion of the profit and loss transfer agreements. The respective profit and loss transfer agreement will only become effective pursuant to Sec. 294 para. 2 AktG upon registration into the commercial register (*Handelsregister*) at the registered seat of the respective Subsidiary.

III. Parties

1. Tele Columbus AG

Tele Columbus, as parent company and sole shareholder of the respective Subsidiary, is a publicly traded stock corporation under German law (*Aktiengesellschaft*). Tele Columbus has its registered seat in Berlin and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Charlottenburg under HRB 161349. The share capital of Tele Columbus amounts to EUR 127,556,251.00 and is divided into 127,556,251 no-par value registered shares. Tele Columbus is the parent

company of the Tele Columbus Group and therefore holds directly and indirectly participations in the Subsidiaries and in further subsidiaries in Germany.

The financial year of Tele Columbus is the calendar year.

Pursuant to the articles of association, the corporate purpose of Tele Columbus is (i) the acquisition, holding and administration and the disposal of participations as well as the assumption of personal liability and the management of trading companies as well as participations in companies of the same or similar kind; (ii) the provision of multimedia and telecommunication services and services connected with such; (iii) operations in the segments of television, telecommunications and multimedia (iv) the respective marketing and administration connected therewith and (v) the assumption of responsibility of employees in its own name and on its own account and not on behalf and/or on account of third parties.

Members of the Management Board of Tele Columbus are Ronny Verhelst (Chairman of the Management Board) and Frank Posnanski.

Tele Columbus is legally represented by one member of the Management Board pursuant to Sec. 7 para. 1 of the articles of association if the Supervisory Board has granted the power of sole representation, otherwise by two members of the Management Board or by one member of the Management Board together with an authorized representative. Deputy members of the Management Board have the same authority to represent as regular members of the Management Board.

2. KABELMEDIA GmbH Marketing und Service

Kabelmedia is a limited liability company under German law (*Gesellschaft mit beschränkter Haftung*). Kabelmedia has its registered seat in Essen and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Essen under HRB 20676. The share capital of Kabelmedia amounts to EUR 25,000. The share capital has been fully paid in.

The financial year of Kabelmedia is the calendar year.

Pursuant to the articles of association, the corporate purpose of Kabelmedia is the marketing and the operation of broadband cable, satellite and antenna communication systems.

Sole shareholder of Kabelmedia is Tele Columbus holding directly 100% of the shares in Kabelmedia.

Managing directors of Kabelmedia are Ronny Verhelst and Frank Posnanski. If only one managing director has been appointed, he shall represent the company alone. If several managing directors have been appointed, the company shall be represented by two managing directors jointly or by one managing director together with an authorized representative.

3. Teleco GmbH Cottbus Telekommunikation

Teleco Cottbus is a limited liability company under German law (*Gesellschaft mit beschränkter Haftung*). Teleco Cottbus has its registered seat in Cottbus and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Cottbus under HRB 714 CB. The share capital of Teleco Cottbus amounts to EUR 52,000. The share capital has been fully paid in.

The financial year of Teleco Cottbus is the calendar year.

Pursuant to the articles of association, the corporate purpose of Teleco Cottbus is the establishment, the operation and the maintenance of cable networks (coaxial broad band networks), cable television- C A TV, voice and internet services as well as services connected with such. Furthermore, the establishment of electronically acoustic systems and wired data networks of the company. The company collects, processes and uses personalized data for the purpose of customer administration.

Sole shareholder of Teleco Cottbus is Tele Columbus holding directly 100% of the shares in Teleco Cottbus.

Managing directors of Teleco Cottbus are Ronny Verhelst, Frank Posnanski and Bernd Scharf. If only one managing director has been appointed, he shall represent the company alone. If several managing directors have been appointed, the company shall be represented by two managing directors jointly or by one managing director together with an authorized representative.

4. Funk und Technik GmbH Forst

Funk und Technik is a limited liability company under German law (*Gesellschaft mit beschränkter Haftung*). Funk und Technik has its registered seat in Forst (Lausitz) and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Charlottenburg under HRB 1400 CB. The share capital of Funk und Technik amounts to EUR 337,600. The share capital has been fully paid in.

The financial year of Funk und Technik is the calendar year.

Pursuant to the articles of association, the corporate purpose of Funk und Technik is the trading with electric and electronic devices, sound carriers and similar products, repair services regarding such products, construction of antennas, electronic installation as well as operations of similar kind; letting and leasing of office space and apartments of company owned real estate; the operation of a local TV channel. Editing and production of TV shows. Editing and processing of electronic data, communication services.

Sole shareholder of Funk und Technik is Tele Columbus holding directly 100% of the shares in Funk und Technik.

Managing directors of Funk und Technik are Roland Ruppe, Bernd Nitzschner, Ronny Verhelst and Frank Posnanski. If only one managing director has been appointed, he

shall represent the company alone. If several managing directors have been appointed, the company shall be represented by two managing directors jointly or by one managing director together with an authorized representative. Sole representation may be granted.

5. "Mietho & Bär Kabelkom" Kabelkommunikations-Betriebs GmbH

Mietho & Bär is a limited liability company under German law (*Gesellschaft mit beschränkter Haftung*). Mietho & Bär has its registered seat in Gablenz and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Dresden under HRB 5735. The share capital of Mietho & Bär amounts to EUR 25,600. The share capital has been fully paid in.

The financial year of Mietho & Bär is the calendar year.

Pursuant to the articles of association, the corporate purpose of Mietho & Bär is the planning, establishment, letting and operation of broad band cable networks, establishment and operation of head stations for the reception of TV and radio programs.

Sole shareholder of Mietho & Bär is Tele Columbus holding directly 100% of the shares in Mietho & Bär.

Managing directors of Mietho & Bär are Frank Mietho and Frank Posnanski. If only one managing director has been appointed, he shall represent the company alone. If several managing directors have been appointed, the company shall be represented by two managing directors jointly or by one managing director together with an authorized representative.

6. kabel.digital.service GmbH

kabeldigital is a limited liability company under German law (*Gesellschaft mit beschränkter Haftung*). kabeldigital has its registered seat in Frankfurt (Oder) and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt (Oder) under HRB 12613 FF. The share capital of kabeldigital amounts to EUR 25,000. The share capital has been fully paid in.

The financial year of kabeldigital is the calendar year.

Pursuant to the articles of association, the corporate purpose of kabeldigital is the planning, montage, maintenance, sale of and the elimination of interferences of antenna and broad band distribution systems as well as the arrangement and conclusion of agreements regarding the aforementioned services.

Sole shareholder of kabeldigital is Tele Columbus holding directly 100% of the shares in kabeldigital.

Managing directors of kabeldigital are Ronny Verhelst and Frank Posnanski. If only one managing director has been appointed, he shall represent the company alone. If several managing directors have been appointed, the company shall be represented by

two managing directors jointly or by one managing director together with an authorized representative. Sole representation may be granted.

7. PrimaCom Holding GmbH

Primacom is a limited liability company under German law (*Gesellschaft mit beschränkter Haftung*). Primacom has its registered seat in Leipzig and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Leipzig under HRB 28071. The share capital of Primacom amounts to EUR 160,858. The share capital has been fully paid in.

The financial year of Primacom is the calendar year.

Pursuant to the articles of association, the corporate purpose of Primacom is the acquisition, the holding as well as the administration of participations in other companies which provide tele communication services or which are active in similar business segments, as well as the provision of consulting services and other services for such companies to the extent that such do not include services within the application of the German Banking Act (*Kreditwesengesetz*).

Sole shareholder of Primacom is Tele Columbus holding directly 100% of the shares in Primacom.

Managing directors of Primacom are Ronny Verhelst and Frank Posnanski. If only one managing director has been appointed, he shall represent the company alone. If several managing directors have been appointed, the company shall be represented by two managing directors jointly or by one managing director together with an authorized representative.

8. pepcom GmbH

pepcom is a limited liability company under German law (*Gesellschaft mit beschränkter Haftung*). pepcom has its registered seat in Unterföhring, administration district Munich, and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Munich under HRB 188229. The share capital of pepcom amounts to EUR 25,000. The share capital has been fully paid in.

The financial year of pepcom is the calendar year.

Pursuant to the articles of association, the corporate purpose of pepcom is the acquisition, holding and disposal as well as the consulting of companies or parts of companies in the segment of broadcasting, TV and telephone signal transmission via antennas or cable technic.

Sole shareholder of pepcom is Tele Columbus holding directly 100% of the shares in pepcom.

Managing directors of pepcom are Rüdiger Schmidt, Frank Hornberger, Ronny Verhelst and Frank Posnanski. If only one managing director has been appointed, he

shall represent the company alone. If several managing directors have been appointed, the company shall be represented by two managing directors jointly or by one managing director together with an authorized representative.

9. Tele Columbus Betriebs GmbH

TC Betrieb is a limited liability company under German law (*Gesellschaft mit beschränkter Haftung*). TC Betrieb has its registered seat in Berlin and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Charlottenburg under HRB 176365. The share capital of TC Betrieb amounts to EUR 25,000. The share capital has been fully paid in.

The financial year of TC Betrieb is the calendar year.

Pursuant to the articles of association, the corporate purpose of TC Betrieb is the direct or indirect provision of services within the segment of tele communications, in particular the establishment and the operation of broad band cable networks for the transmission of multimedia services (internet, TV, telephone), as well as holding and management of participations in corporations and partnerships providing directly or indirectly services within the field of telecommunications, as long as such services are not within the scope of application of the German Banking Act (*Kreditwesengesetz*).

Sole shareholder of TC Betrieb is Tele Columbus holding directly 100% of the shares in TC Betrieb.

Managing directors of TC Betrieb are Ludwig Modra, Ronny Verhelst and Frank Posnanski. If only one managing director has been appointed, he shall represent the company alone. If several managing directors have been appointed, the company shall be represented by two managing directors jointly or by one managing director together with an authorized representative. Sole representation may be granted.

10. Tele Columbus Vertriebs GmbH

TC Vertrieb is a limited liability company under German law (*Gesellschaft mit beschränkter Haftung*). TC Vertrieb has its registered seat in Berlin and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Charlottenburg under HRB 176302. The share capital of TC Vertrieb amounts to EUR 25,000. The share capital has been fully paid in.

The financial year of TC Vertrieb is the calendar year.

Pursuant to the articles of association, the corporate purpose of TC Vertrieb is the direct or indirect provision of services within the segment of tele communications, in particular the establishment and the operation of broad band cable networks for the transmission of multimedia services (internet, TV, telephone), as well as holding and management of participations in corporations and partnerships providing directly or indirectly services within the field of telecommunications, as long as such services are not within the scope of application of the German Banking Act (*Kreditwesengesetz*).

Sole shareholder of TC Vertrieb is Tele Columbus holding directly 100% of the shares in TC Vertrieb.

Managing directors of TC Vertrieb are Diana-Camilla Matz, Jean-Pascal Roux, Ronny Verhelst and Frank Posnanski. If only one managing director has been appointed, he shall represent the company alone. If several managing directors have been appointed, the company shall be represented by two managing directors jointly or by one managing director together with an authorized representative. Sole representation may be granted.

11. Tele Columbus NRW GmbH

TC NRW is a limited liability company under German law (*Gesellschaft mit beschränkter Haftung*). TC NRW has its registered seat in Berlin and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Charlottenburg under HRB 185120. The share capital of TC NRW amounts to EUR 25,000. The share capital has been fully paid in.

The financial year of TC NRW is the calendar year.

Pursuant to the articles of association, the corporate purpose of TC NRW is the projection, planning, establishment, administration and the operation of tele communication systems and networks as well as home communication systems, furthermore, all transactions in connection with such services, in particular the marketing of programs and services which may be provided via such systems, in particular in North Rhine-Westphalia.

Sole shareholder of TC NRW is Tele Columbus holding directly 100% of the shares in TC NRW.

Managing director of TC NRW is Felix Ernst Neukamp. If only one managing director has been appointed, he shall represent the company alone. If several managing directors have been appointed, the company shall be represented by two managing directors jointly or by one managing director together with an authorized representative. Sole representation may be granted.

IV. Legal and economic reasons for the conclusion of the profit and loss transfer agreements

The profit and loss transfer agreements will be concluded in order to create a corporate-tax unit between Tele Columbus and the respective Subsidiaries. With the profit and loss transfer agreements profits and losses of Tele Columbus and the Subsidiaries can be offset and therefore the tax burden can be optimized. In addition, further tax benefits may occur. Profits are automatically transferred to Tele Columbus. Thus, the financing of the Tele Columbus Group can be optimized.

V. Description of the profit and loss transfer agreements

The profit and loss transfer agreements with the Subsidiaries have identical wording except for the profit and loss transfer agreement with TC NRW. The substantial content of the profit and loss transfer agreements can be summarized and explained as follows (in case the profit and loss transfer agreement with TC NRW contains a different wording, such will be referred to):

1. Transfer of profits

The Subsidiaries oblige themselves to transfer its entire profit to the parent company for the term of the agreement pursuant to Sec. 1 of the respective profit and loss transfer agreement under due consideration of Sec. 301 AktG, as amended. The Subsidiary may allocate parts of its annual net income with the consent of the parent company - except for statutory reserves - in so far into the revenue reserves pursuant to Sec. 272 para. 3 German Commercial Code (*Handelsgesetzbuch* - "HGB") as it is permissible under German commercial law and economically reasonable based on reasonable business judgment. Other revenue reserves created during the term of the respective profit and loss transfer agreement are to be dissolved upon the request of the parent company and are used to compensate an annual net loss or transferred as profit. A transfer of profits resulting from the dissolution of revenue reserves and profits carried forward which were created prior to the term of the respective profit and loss transfer agreement as well as capital reserves pursuant to Sec. 272 para. 2 HGB which were created prior to or during the term of the respective profit and loss transfer agreement is excluded.

2. Assumption of loss

Tele Columbus is obliged pursuant to Sec. 2 of the respective profit and loss transfer agreement in analogous application of Sec. 302 para. 1 AktG to balance out any annual deficits during the term of the agreement, insofar as such deficits are not balanced out by a withdrawal of such amounts from the revenue reserves created during the time of the agreement.

3. Effectiveness, application

Sec. 4 of the respective profit and loss transfer agreement provides that the effectiveness of the profit and loss transfer agreement is subject to the consent of the respective shareholders' meeting of the respective Subsidiary as well as the annual general meeting of Tele Columbus. In addition, the respective profit and loss transfer agreement provide that such agreement becomes effective for the financial year in which it was registered with the commercial register (*Handelsregister*) of the respective Subsidiary. The profit and loss transfer agreement of TC NRW is yet to be concluded.

4. Term, termination

Sec. 4 of the respective profit and loss transfer agreement contains provisions regarding the term and termination of the profit and loss transfer agreement. Except for the profit and loss transfer agreement with TC NRW, the concluded profit and loss transfer agreements have an unlimited term and can be terminated with six months' prior written notice to the end of the financial year of the Subsidiary, at the earliest however to the end of the financial year of the Subsidiary following expiry of the minimum term of the formed corporate tax and trade tax group under this agreement (hereinafter: minimum term). Pursuant to the current legal situation, the minimum term is five years. The profit and loss transfer agreement with TC NRW is to be concluded for five years, starting with the effectiveness of the agreement. If the five-year term ends during an ongoing financial year of TC NRW, the minimum term is prolonged until the end of that financial year. The agreement continues in existence for an unlimited term unless terminated with six months' written notice considering the end of the minimum term mentioned above.

The notice of termination must be issued in writing. Furthermore, the respective profit and loss transfer agreement may be terminated for cause in writing without prior notice. Examples of such termination causes are in particular the termination rights for cause pursuant to tax law in the meaning of section R 14.5 (6) German Corporate Income Tax Rules 2015 (*Körperschaftsteuerrichtlinien - KStR*) or another relevant provision, applicable at the time of a termination with cause of this agreement.

5. Final provisions

Sec. 5.1 of the profit and loss transfer agreement provides that changes or amendments of the respective profit and loss transfer agreement are to be made in writing to be effective, unless notarization is required, and the consent of the shareholders' meeting of the respective Subsidiary and the annual general meeting of the parent company is required. The severability clause in Sec. 5.2 of the respective profit and loss transfer agreement ensures the effectiveness and practicability of the respective profit and loss transfer agreement in case individual provisions are void or not practicable. The parties obligated themselves to agree upon of clause instead of the invalid or void provision that comes closest to economic meaning of such invalid or void provision.

VI. No compensation or severance payment pursuant to Secs. 204, 305 AktG, no contract review

Tele Columbus holds 100% of the shares in the respective Subsidiary. As the respective Subsidiaries do not have any other shareholders, appropriate compensation within the meaning of Sec. 304 AktG does not have to be specified in the respective profit and loss transfer agreement. Nor does, for this reason, a consideration have to be determined and or a valuation of the involved companies carried out to determine an adequate compensation und an adequate severance payment. As Tele Columbus directly holds

all shares of the respective Subsidiary, a review of the profit and loss transfer agreements by an expert auditor pursuant to Sec. 293b AktG is not required.

Tele Columbus AG

Berlin, 19 May 2017

sgd.: Ronny Verhelst
(Chairman of the Management Board)

sgd.: Frank Posnanski
(Management Board)

KABELMEDIA GmbH Marketing und Service

Essen, 19 May 2017

sgd.: Frank Posnanski
(Managing director)

sgd.: Ronny Verhelst
(Managing director)

Teleco GmbH Cottbus Telekommunikation

Cottbus, 19 May 2017

sgd.: Frank Posnanski
(Managing director)

sgd.: Ronny Verhelst
(Managing director)

sgd.: Bernd Scharf
(Managing director)

Funk und Technik GmbH Forst

Forst (Lausitz), 19 May 2017

sgd.: Roland Ruppe
(Managing director)

sgd.: Bernd Nitzschner
(Managing director)

sgd.: Frank Posnanski
(Managing director)

sgd.: Ronny Verhelst
(Managing director)

"Mietho & Bär Kabelkom" Kabelkommunikations-Betriebs GmbH

Gablenz, 19 May 2017

sgd.: Frank Mietho
(Managing director)

sgd.: Frank Posnanski
(Managing director)

kabel.digital.service GmbH

Frankfurt (Oder), 19 May 2017

sgd.: Frank Posnanski
(Managing director)

sgd.: Ronny Verhelst
(Managing director)

PrimaCom Holding GmbH

Leipzig, 19 May 2017

sgd.: Frank Posnanski
(Managing director)

sgd.: Ronny Verhelst
(Managing director)

pepcom GmbH

Unterföhring, 19 May 2017

sgd.: Rüdiger Schmidt
(Managing director)

sgd.: Frank Hornberger
(Managing director)

sgd.: Frank Posnanski
(Managing director)

sgd.: Ronny Verhelst
(Managing director)

Tele Columbus Betriebs GmbH

Berlin, 19 May 2017

sgd.: Ludwig Modra
(Managing director)

sgd.: Frank Posnanski
(Managing director)

sgd.: Ronny Verhelst
(Managing director)

Tele Columbus Vertriebs GmbH

Berlin, 19 May 2017

sgd.: Diana-Camilla Matz
(Managing director)

sgd.: Frank Posnanski
(Managing director)

sgd.: Jean-Pascal Roux
(Managing director)

sgd.: Ronny Verhelst
(Managing director)

Tele Columbus NRW GmbH

Berlin, 19 May 2017

sgd.: Frank Posnanski
(Managing director)

sgd.: Ronny Verhelst
(Managing director)