

MENTION

Nom de la Société: Slovenia Broadband S.à r.l.

Siège Social: 61, rue de Rollingergrund, L-2440 Luxembourg

N° du Registre de Commerce: **B 145.882**

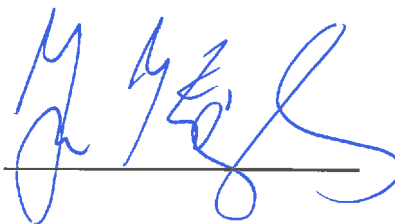
N° CDD:

Les comptes annuels au: **31 décembre 2013**

ont été déposés au registre de commerce et des sociétés.

Pour mention aux fins de publication au Mémorial, Recueil Spécial des Sociétés et Associations.

Signature: _____

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BALANCE SHEETFinancial year from ⁰¹ 01/01/2013 to ⁰² 31/12/2013 (in ⁰³ EUR)

Slovenia Broadband S.à r.l.

61, rue Rollingergrund

L-2440 Luxembourg

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101 _____	101 _____	102 _____
I. Subscribed capital not called	1103 _____	103 _____	104 _____
II. Subscribed capital called but unpaid	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets	1109 _____	109 341.441.988,05	110 324.769.876,69
I. Intangible fixed assets	1111 _____	111 _____	112 _____
1. Research and development costs	1113 _____	113 _____	114 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115 _____	115 _____	116 _____
a) acquired for valuable consideration and need not be shown under C.I.3	1117 _____	117 _____	118 _____
b) created by the undertaking itself	1119 _____	119 _____	120 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1121 _____	121 _____	122 _____
4. Payments on account and intangible fixed assets under development	1123 _____	123 _____	124 _____
II. Tangible fixed assets	1125 _____	125 _____	126 _____
1. Land and buildings	1127 _____	127 _____	128 _____
2. Plant and machinery	1129 _____	129 _____	130 _____

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	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131	131	132
4. Payments on account and tangible fixed assets under development	1133	133	134
III. Financial fixed assets	1135	341.441.988,05	324.769.876,69
1. Shares in affiliated undertakings	1137	257.432.744,06	232.992.332,63
2. Amounts owed by affiliated undertakings	1139	84.009.243,99	91.777.544,06
3. Shares in undertakings with which the company is linked by virtue of participating interests	1141		
4. Amounts owed by undertakings with which the company is linked by virtue of participating interests	1143		
5. Securities held as fixed assets	1145		
6. Loans and claims held as fixed assets	1147		
7. Own shares or own corporate units	1149		
D. Current assets	1151	9.896.015,05	3.034.693,63
I. Inventories	1153		
1. Raw materials and consumables	1155		
2. Work and contracts in progress	1157		
3. Finished goods and merchandise	1159		
4. Payments on account	1161		
II. Debtors	1163	9.858.187,27	2.870.971,60
1. Trade receivables	1165	313.850,00	166.925,00
a) becoming due and payable within one year	1167	313.850,00	166.925,00
b) becoming due and payable after more than one year	1169		
2. Amounts owed by affiliated undertakings	1171	9.484.123,66	2.650.407,52
a) becoming due and payable within one year	1173	9.484.123,66	2.627.874,71
b) becoming due and payable after more than one year	1175	0,00	22.532,81
3. Amounts owed by undertakings with which the company is linked by virtue of participating interests	1177		
a) becoming due and payable within one year	1179		
b) becoming due and payable after more than one year	1181		
4. Other receivables	1183	60.213,61	53.639,08
a) becoming due and payable within one year	1185	60.213,61	53.639,08

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	Reference(s)	Current year	Previous year
b) becoming due and payable after more than one year	1187 _____	187 _____	188 _____
III. Transferable securities	1189 _____	189 _____	190 _____
1. Shares in affiliated undertakings and in undertakings with which the company is linked by virtue of participating interests	1191 _____	191 _____	192 _____
2. Own shares or own corporate units	1193 _____	193 _____	194 _____
3. Other transferable securities	1195 _____	195 _____	196 _____
IV. Cash at bank, cash in postal cheque accounts, cheques and cash in hand	1197 _____	197 <u>37.827,78</u>	198 <u>163.722,03</u>
E. Prepayments	1199 _____	199 _____	200 _____
TOTAL (ASSETS)		201 <u>351.338.003,10</u>	202 <u>327.804.570,32</u>

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Matricule : 2009 2410 200

LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
I. Subscribed capital	1301 _____	301 <u>-30.275.035,52</u>	302 <u>-18.364.369,49</u>
II. Share premium and similar premiums	1303 _____	303 <u>200.000,00</u>	304 <u>200.000,00</u>
III. Revaluation reserves	1305 _____	305 <u>1.800.000,00</u>	306 <u>1.800.000,00</u>
IV. Reserves	1307 _____	307 _____	308 _____
1. Legal reserve	1309 _____	309 _____	310 _____
2. Reserve for own shares or own corporate units	1311 _____	311 _____	312 _____
3. Reserves provided for by the articles of association	1313 _____	313 _____	314 _____
4. Other reserves	1315 _____	315 _____	316 _____
V. Profit or loss brought forward	1317 _____	317 _____	318 _____
VI. Profit or loss for the financial year	1319 _____	319 <u>-20.364.369,49</u>	320 <u>-6.138.910,10</u>
VII. Interim dividends	1321 _____	321 <u>-11.910.666,03</u>	322 <u>-14.225.459,39</u>
VIII. Capital investment subsidies	1323 _____	323 _____	324 _____
IX. Temporarily not taxable capital gains	1325 _____	325 _____	326 _____
	1327 _____	327 _____	328 _____
B. Subordinated debts	1329 _____	329 <u>278.598.131,49</u>	330 <u>276.917.518,22</u>
C. Provisions	1331 _____	331 <u>6.435,00</u>	332 <u>0,00</u>
1. Provisions for pensions and similar obligations	1333 _____	333 _____	334 _____
2. Provisions for taxation	1335 _____	335 <u>6.435,00</u>	336 <u>0,00</u>
3. Other provisions	1337 _____	337 _____	338 _____
D. Non subordinated debts	1339 _____	339 <u>103.008.472,13</u>	340 <u>69.251.421,59</u>
1. Debenture loans	1341 _____	341 _____	342 _____
a) Convertible loans	1343 _____	343 _____	344 _____
i) becoming due and payable within one year	1345 _____	345 _____	346 _____
ii) becoming due and payable after more than one year	1347 _____	347 _____	348 _____
b) Non convertible loans	1349 _____	349 _____	350 _____
i) becoming due and payable within one year	1351 _____	351 _____	352 _____
ii) becoming due and payable after more than one year	1353 _____	353 _____	354 _____
2. Amounts owed to credit institutions	1355 _____	355 <u>96.375.647,87</u>	356 <u>67.225.124,17</u>
a) becoming due and payable within one year	1357 _____	357 <u>4.232.698,92</u>	358 <u>232.782,61</u>
b) becoming due and payable after more than one year	1359 _____	359 <u>92.142.948,95</u>	360 <u>66.992.341,56</u>

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	Reference(s)	Current year	Previous year
3. Payments received on account of orders as far as they are not deducted distinctly from inventories	1361	361	362
a) becoming due and payable within one year	1363	363	364
b) becoming due and payable after more than one year	1365	365	366
4. Trade creditors	1367	4.819.107,52	9.197,42
a) becoming due and payable within one year	1369	4.819.107,52	9.197,42
b) becoming due and payable after more than one year	1371	371	372
5. Bills of exchange payable	1373	373	374
a) becoming due and payable within one year	1375	375	376
b) becoming due and payable after more than one year	1377	377	378
6. Amounts owed to affiliated undertakings	1379	1.061.817,89	2.001.000,00
a) becoming due and payable within one year	1381	57.298,32	0,00
b) becoming due and payable after more than one year	1383	1.004.519,57	2.001.000,00
7. Amounts owed to undertakings with which the company is linked by virtue of participating interests	1385	385	386
a) becoming due and payable within one year	1387	387	388
b) becoming due and payable after more than one year	1389	389	390
8. Tax and social security debts	1391	741.898,85	3.225,00
a) Tax debts	1393	741.898,85	3.225,00
b) Social security debts	1395	395	396
9. Other creditors	1397	10.000,00	12.875,00
a) becoming due and payable within one year	1399	10.000,00	12.875,00
b) becoming due and payable after more than one year	1401	401	402
E. Deferred income	1403	403	404
TOTAL (LIABILITIES)	405	351.338.003,10	327.804.570,32

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PROFIT AND LOSS ACCOUNT**Financial year from** ⁰¹ 01/01/2013 **to** ⁰² 31/12/2013 (in ⁰³ EUR)

Slovenia Broadband S.à r.l.

61, rue Rollingergrund
L-2440 Luxembourg**A. CHARGES**

	Reference(s)	Current year	Previous year
1. Use of merchandise, raw materials and consumable materials	1601 _____	601 _____	602 _____
2. Other external charges	1603 _____	603 <u>9.535.598,48</u>	604 <u>1.566.907,58</u>
3. Staff costs	1605 _____	605 _____	606 _____
a) Salaries and wages	1607 _____	607 _____	608 _____
b) Social security on salaries and wages	1609 _____	609 _____	610 _____
c) Supplementary pension costs	1611 _____	611 _____	612 _____
d) Other social costs	1613 _____	613 _____	614 _____
4. Value adjustments	1615 _____	615 _____	616 _____
a) on formation expenses and on tangible and intangible fixed assets	1617 _____	617 _____	618 _____
b) on current assets	1619 _____	619 _____	620 _____
5. Other operating charges	1621 _____	621 <u>0,00</u>	622 <u>3.873.724,64</u>
6. Value adjustments and fair value adjustments on financial fixed assets	1623 _____	623 <u>4.074.829,14</u>	624 <u>0,00</u>
7. Value adjustments and fair value adjustments on financial current assets. Loss on disposal of transferable securities	1625 _____	625 _____	626 _____
8. Interest and other financial charges	1627 _____	627 <u>6.541.748,65</u>	628 <u>16.463.469,36</u>
a) concerning affiliated undertakings	1629 _____	629 <u>1.742.466,16</u>	630 <u>273.305,01</u>
b) other interest and similar financial charges	1631 _____	631 <u>4.799.282,49</u>	632 <u>16.190.164,35</u>
9. Extraordinary charges	1633 _____	633 _____	634 _____

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	Reference(s)	Current year	Previous year
10. Income tax	1635 _____	635 <u>3.210,00</u>	636 <u>1.575,00</u>
11. Other taxes not included in the previous caption	1637 _____	637 <u>25,00</u>	638 <u>25,00</u>
12. Profit for the financial year	1639 _____	639 <u>0,00</u>	640 <u>0,00</u>
TOTAL CHARGES		641 <u>20.155.411,27</u>	642 <u>21.905.701,58</u>

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B. INCOME

	Reference(s)	Current year	Previous year
1. Net turnover	1701 _____	701 _____	702 _____
2. Change in inventories of finished goods and of work and contracts in progress	1703 _____	703 _____	704 _____
3. Fixed assets under development	1705 _____	705 _____	706 _____
4. Reversal of value adjustments	1707 _____	707 _____	708 _____
a) on formation expenses and on tangible and intangible fixed assets	1709 _____	709 _____	710 _____
b) on current assets	1711 _____	711 _____	712 _____
5. Other operating income	1713 _____	713 <u>3.775.082,50</u>	714 <u>4.318.332,33</u>
6. Income from financial fixed assets	1715 _____	715 <u>4.469.458,01</u>	716 <u>2.915.550,16</u>
a) derived from affiliated undertakings	1717 _____	717 <u>4.469.458,01</u>	718 <u>2.915.550,16</u>
b) other income from participating interests	1719 _____	719 _____	720 _____
7. Income from financial current assets	1721 _____	721 _____	722 _____
a) derived from affiliated undertakings	1723 _____	723 _____	724 _____
b) other income from financial current assets	1725 _____	725 _____	726 _____
8. Other interest and other financial income	1727 _____	727 <u>204,73</u>	728 <u>446.359,70</u>
a) derived from affiliated undertakings	1729 _____	729 _____	730 <u>443.413,34</u>
b) other interest and similar financial income	1731 _____	731 <u>204,73</u>	732 <u>2.946,36</u>
9. Extraordinary income	1733 _____	733 _____	734 _____
12. Loss for the financial year	1735 _____	735 <u>11.910.666,03</u>	736 <u>14.225.459,39</u>
TOTAL INCOME		737 <u>20.155.411,27</u>	738 <u>21.905.701,58</u>

Slovenia Broadband S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
as of December 31, 2013

NOTE 1 – GENERAL INFORMATION

Slovenia Broadband S.à r.l. (hereafter the "Company") was incorporated in the Grand-Duchy of Luxembourg on April 21, 2009 as a limited liability Company (Société à responsabilité limitée) within the definition of the Luxembourg Law of August 10, 1915, as amended. The Company has been formed for an unlimited period. The Company's registered office is established in 61 rue de Rollingergrund, L-2440 Luxembourg under the number B145882.

The Company may carry out all transactions pertaining directly or indirectly to the acquiring of participating interests in any enterprises in whatever form and the administration, management, control and development of those participating interests.

In particular, the Company may use its funds for the establishment, management, development and disposal of a portfolio consisting of any Shares and patents of whatever origin, and participate in the creation, development and control of any enterprise, the acquisition, by way of investment, subscription, underwriting or option, of Shares and patents, to realize them by way of sale, transfer, exchange or otherwise develop such Shares and patents, further guarantee, grant loans or otherwise assist the companies in which it holds a direct or indirect participation or which form part of the same group of companies as the Company and/or any other company. For the avoidance of doubt, the Company may not carry out any regulated activities of the financial sector without having obtained the required authorisation.

The Company may also carry out any commercial, industrial or financial operations, any transactions in respect of real estate or moveable property, which the Company may deem useful to the accomplishment of its purposes.

The Company prepares consolidated accounts, which are subject to publication as prescribed by the Luxembourg law and are available at the registered office of the Company.

The Company's financial year starts on January 1 and ends on December 31 of each year.

Slovenia Broadband S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
as of December 31, 2013
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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

The annual accounts of the Company have been established in accordance with the laws and regulations of the Grand-Duchy of Luxembourg and with generally accepted accounting principles in Luxembourg according to the Law of December 19, 2002, as subsequently

amended. The Company did not apply in 2013 the requirements of the law dated July 30, 2013 in accordance with article 4 of this law.

The annual accounts of the Company are prepared under the historical cost convention.

2.2. Presentation of the comparative financial data

The figures for the year ended December 31, 2012 relating to items trade receivables and amounts owed to credit institutions have been reclassified to ensure comparability with the figures for the year ended December 31, 2013.

2.3. Financial fixed assets

The Company's financial assets are stated at historical cost.

Where, in the opinion of the Board of Managers, a permanent diminution in the value of a financial asset has occurred, a value adjustment is established. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Slovenia Broadband S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
as of December 31, 2013
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2.4. Foreign currency translation

The Company maintains its accounting records in Euro (EUR) and the annual accounts are expressed in this currency.

The fixed assets other than the long-term loans classified as financial assets and expressed in another currency than EUR are translated in EUR at the exchange rate prevailing at the date of their acquisition. At the balance sheet date, these fixed assets are maintained at their historical exchange rate.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and gains are recorded in the profit and loss account.

Other assets and liabilities are translated separately, respectively, at the lowest or at the highest of the value converted at the historical exchange rate or the value determined on the basis of the exchange rate effective at the balance sheet date. Unrealised exchange losses are recorded in the profit and loss account.

Realised exchange gains are recorded in the profit and loss account at the moment of their realisation. Consequently, only realised exchange gains and losses and unrealised losses are recorded in the profit and loss account. Income and expenses in currencies other than EUR are translated into EUR at the exchange rates prevailing at transaction date.

2.5. Debtors

Debtors are valued at their nominal value. If a debtor is considered unlikely to be recoverable, a value adjustment is made.

2.6. Subordinated Debts

Subordinated debts are recorded under this heading when their status is subordinated to unsecured debts. They are recorded at their nominal value.

2.7. Provisions

Provisions are intended to cover losses or debts the nature of which is clearly defined and which at the balance sheet date are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise. Provisions relating to previous periods are regularly reviewed and released if the reasons for which the provisions were recorded have ceased to apply.

Slovenia Broadband S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
as of December 31, 2013
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2.8. Non subordinated debts

Non subordinated debts are recorded at their nominal value.

2.9. Interest income

Interest income is accrued on a time basis by reference to the principle outstanding and at the interest rate applicable.

2.10. Interest expense

Interest expense is accrued on a time basis by reference to the principle outstanding and at the interest rate applicable.

Slovenia Broadband S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
as of December 31, 2013
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NOTE 3 – FINANCIAL FIXED ASSETS

3.1 Shares in affiliated undertakings

The companies in which the Company owns at least fifty per cent of the share capital, or in which it is the member having unlimited liability are as follows:

Name	Total Carrying Value (EUR)	Registered office	Percentage held	Total Equity including net result December 31, 2013* (EUR)	Net result December 31, 2013* (EUR)
Telemach Sirokopasovne Komunikacije d.o.o. (formerly Broadband Kabel d.o.o.)	12.973.727,00	Cesta Ljubljanske Brigade 21, 1000 Ljubljana, Slovenia	100%	8.909.613**	3.835.154**
Bosnia Broadband S.à r.l.	25.041.220,98	61, rue de Rollingergrund, Luxembourg	100%	23.753.846,36*	126.331.37*
Absolut Ok DOO Belgrade	3.922.000,00	Palmira Toljatija 5, Belgrade - Novi Beograd, Serbia	100%	3.162.120*	1.250.400*
Beograd D.o.o Novi Beograd	420.000,00	Nehruova 82a, Belgrade - Novi Beograd, Serbia	100%	103.664*	103.178*
DOO K.D.S. Novi Sad	12.161.548,00	Bulevar Oslobođenja 26, Novi Sad, Novi Sad - City, Serbia	100%	3.923.130*	3.922.770*
Adria Media B.V.	1,00	Telestone 8 - Teleport, Naritaweg 165, 1043 BW Amsterdam, The Netherlands	100%	(552.567)*	(527.874)*
Adria Cable B.V.	172.602.247,08	Naritaweg 165, 1043 BW, Amsterdam, The Netherlands	100%	268.499.359**	(3.301.963)**
United Media Limited	1.000,00	Poseidonos Street, Ledra Business Centre, 2406 Egkomi, Cyprus	100%	(1.387.252)**	(885.727)**
Adria News S.à r.l.	311.000,00	18, rue de Strasbourg, Luxembourg	88%	(83.159,52)*	(395.659,52)*
Solford Trading Limited	30.000.000,00	1, Poseidonos Str., LEDRA BUSINESS CENTRE, 2406 Egkomi, CYPRUS	100%	3.669.959*	3.872.630*
Total	257.432.744,06				

*unaudited figures

**audited figures

Slovenia Broadband S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
as of December 31, 2013
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3.1 Shares in affiliated undertakings (continued)

On May 6, 2013 the Company acquired 1.250.000 shares in Adria News S.à r.l. for EUR 12.500,00. On July 25, 2013 the Company transferred 150.000 shares with a nominal value of EUR 0,01 each to a third party. On August 13, 2013 the Company contributed to the special reserve account relating to the existing shares of Adria News S.à r.l. an amount of EUR 300.000,00.

The Company received repayments of share premium by Adria Cable B.V. in the total amount of EUR 1.795.759,43, splitted up in 3 tranches. The first one in the amount of EUR 745.717,51 made on June 13, 2013, the second one amounting to EUR 743.218,75 made on December 6, 2013 and the last one in the amount of EUR 306.823,17 made on December 10, 2013.

On August 21, 2013 the Company acquired the entire share capital of Solford Trading Limited for EUR 30.000.000,00.

As at December 31, 2013, the Board of Managers of the Company is of the opinion that there is permanent diminution in value of its investments in Adria Media B.V.

The Board of Managers of the Company therefore resolved to record a value adjustment in Adria Media B.V. in the total amount of EUR 4.074.829,14.

The movements in shares in Adria Media B.V. during the financial year 2013 were as follows:

	December 31, 2013 (EUR)
Acquisition cost at beginning of the period	4.074.830,14
Additions	-
Disposals	-
Acquisition cost at the end of the period	4.074.830,14
Value adjustments at the beginning of the period	-
Value adjustments during the period	4.074.829,14
Value adjustments at the end of the period	4.074.829,14
Net book value at the end of the period	1,00

Slovenia Broadband S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
as of December 31, 2013
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3.2 Amounts owed by affiliated undertakings

The long term receivables can be summarized in the following table:

Issuer	Maturity date	Interest Rate	Nominal Value 31.12.2012 (EUR)	Loan / (Reimbursement) (EUR)	Nominal Value 31.12.2013 (EUR)	Accrued interests 31.12.2013 (EUR)
Telemach Sirokopasovne Komunikacije d.o.o. (formerly Broadband Kabel d.o.o.)	15.07.2019	5%	54.739.418,55	(3.384.449,84)	51.354.968,71	2.733.186,80
Bosnia Broadband S.à r.l.	15.07.2040	Variable	1.446.634,48	0,00	1.446.634,48	0,00
Bosnia Broadband S.à r.l.	19.06.2022	0,07	100.000,00	(100.000,00)	0,00	9.916,66
United Media Limited	01.05.2017	Libor + 3,15%	12.000.000,00	0,00	12.000.000,00	714.784,00
Adria Cable B.V.	31.12.2022	0,061	20.575.940,87	(1.368.300,07)	19.207.640,80	90.384,48
TOTAL			88.861.993,90	(4.852.749,91)	84.009.243,99	3.548.271,94

NOTE 4 – DEBTORS

4.1 Trade receivables becoming due and payable within one year

This item corresponds to receivables owed by a third party for EUR 313.850,00 for license fees invoiced by the Company during the years 2012 and 2013.

4.2 Amounts owed by affiliated undertakings becoming due and payable within one year

This position is mainly composed of a receivable from United Media Limited in the amount of EUR 3.753.876,00 and of accrued interest related to the current intercompany loans as described in Note 3.2 in the amount of EUR 3.548.271,94. Furthermore a short term intercompany loan with Broadband Investments S.à r.l. of EUR 1.900.000,00 is included in this position. The loan did not bear any interest.

NOTE 5 - CAPITAL AND RESERVES

Subscribed capital

The subscribed capital, amounting to EUR 200.000,00 is represented by 20.000.000 shares with a nominal value of EUR 0,01, fully paid.

Share premium and similar premium

As at December 31, 2013 a share premium has been paid for a total amount of EUR 1.800.000,00.

Slovenia Broadband S.à r.l.
NOTES TO THE ANNUAL ACCOUNTS
as of December 31, 2013
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NOTE 5 - CAPITAL AND RESERVES (continued)

Legal reserve

In accordance with Luxembourg Law, the Company must appropriate to the legal reserve a minimum of 5% of the net profit, until such reserve equals 10% of the share capital. The legal reserve is not available for distribution to shareholders except upon dissolution of the Company.

Equity

	Subscribed capital EUR	Share Premium EUR	Legal Reserve EUR	Result brought forward EUR	Result for the financial year EUR	Total EUR
Balance at the beginning of the year	200.000,00	1.800.000,00	0,00	(6.138.910,10)	(14.225.459,39)	(18.364.369,49)
Result brought forward				(14.225.459,39)	14.225.459,39	0,00
Result for the financial year					(11.910.666,03)	(11.910.666,03)
Balance as at December 31, 2013	200.000,00	1.800.000,00	0,00	(20.364.369,49)	(11.910.666,03)	(30.275.035,52)

NOTE 6 – SUBORDINATED DEBTS

Subordinated debts consist of Profit Participating Preferred Equity Certificates (“PP-PECs”) and Yield Free Convertible Loan Notes (“YFCLN”).

As of December 31, 2013 the balance is as follows:

Instrument	Holder	Maturity date	Interest Rate	Nominal Value	Borrowing/ (Reimbursement)	Nominal Value	Accrued interest
				31.12.2012 (EUR)		31.12.2013 (EUR)	31.12.2013 (EUR)
PP-PECs Series I	Broadband Investments II S.à r.l.	13.12.2061	Variable	28.667.681,88	1.612.407,63	30.280.089,51	83.128,54
YFCLN	Broadband Investments II S.à r.l.	31.12.2087	0%	248.234.913,44	0,00	248.234.913,44	0,00
TOTAL				276.902.595,32	1.612.407,63	278.515.002,95	83.128,54

The balance of EUR 278.598.131,49 is composed of a nominal value of EUR 278.515.002,95 and accrued interest of EUR 83.128,54.

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NOTE 7 - PROVISIONS

The position includes the estimated corporate income tax and net wealth tax for the financial years 2011, 2012 and 2013. Reference is made to Note 11.

NOTE 8 – NON SUBORDINATED DEBTS

8.1 Amounts owed to credit institutions

The amounts owed to credit institutions can be summarized in the following table:

Nature	Lender	Maturity date	Interest Rate	Nominal Value	Borrowing	Nominal Value	Accrued
				31.12.2012	(Reimbursement)	31.12.2013	Interest
				(EUR)	(EUR)	(EUR)	(EUR)
Facility A	Unicredit Bank London	10.12.2017	5,14% + Euribor 3 months	27.788.335,90	(3.869.827,17)	23.918.508,73	55.500,91
Facility B	Unicredit Bank London	10.12.2018	5,89% + Euribor 3 months	37.224.440,22	0,00	37.224.440,22	98.008,84
Uncommitted Capex 10,7m	Unicredit Bank London	08.12.2017	4,67% + Euribor 3 months	0,00	10.700.000,00	10.700.000,00	65.398,11
Uncommitted Capex 20,3m	Unicredit Bank London	08.12.2017	5,12% + Euribor 3 months	0,00	20.300.000,00	20.300.000,00	134.984,28
Facility A	Unicredit Bank London	15.12.2014	5,14% + Euribor 3 months	1.979.565,44	1.890.261,73	3.869.827,17	8.979,61
TOTAL				66.992.341,56	29.020.434,56	96.012.776,12	362.871,75

The balance of EUR 96.375.647,87 is composed of a nominal value of EUR 96.012.776,12 and accrued interest of EUR 362.871,75.

8.2 Trade Creditors

This position is composed of several supplier invoices becoming due and payable within one year. The services received (e.g. legal services, transaction service fees) are mainly due to the planned restructuring which has taken place in March 2014. Reference is made to Note 9.

8.3 Amounts owed to affiliated undertakings

The long-term loans are mainly due to the following intercompany loans:

Issuer	Maturity date	Interest Rate	Nominal Value	Borrowing	Nominal Value	Accrued
			31.12.2012	(Reimbursement)	31.12.2013	interest
			(EUR)	(EUR)	(EUR)	(EUR)
Solford Trading Limited	January 1, 2015	6M-Euribor + 0,345%	0,00	1.000.000,00	1.000.000,00	4.519,57
TOTAL			0,00	1.000.000,00	1.000.000,00	4.519,57

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8.3 Amounts owed to affiliated undertakings (continued)

In order to be consistent with the presentation of the balance sheet as of 31 December 2013, the previous year amount of EUR 2.001.000,00 has been reclassified from short-term liabilities to long-term liabilities.

8.4 Tax and social security debts

This position includes the VAT payable to the Luxembourgish tax authorities.

NOTE 9 – OTHER EXTERNAL CHARGES

This item is composed of the following positions:

	2013	2012
Legal fees	2.787.943,19	641.210,11
Advisory fees	1.555.201,70	89.050,65
Accountant fees	1.295.903,92	88.153,73
Commissions	1.009.467,75	-
Consulting Services fees	913.565,37	680.698,04
Auditor fees	516.320,00	52.089,00
Non-deductible VAT	763.738,61	-
Others	693.457,94	15.706,05
TOTAL	9.535.598,48	1.566.907,58

NOTE 10– INTEREST AND OTHER FINANCIAL CHARGES

10.1 Concerning affiliated undertakings

This position is mainly composed of interest expenses due to the PP-PECs (EUR 1.680.613,27) (2012: EUR 14.922,90).

10.2 Other interest and similar financial charges

This position is mainly composed of interest expenses due to the loans granted by the credit institutions (EUR 4.676.945,73) (2012: EUR 742.885,59).

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NOTE 11 - INCOME TAX

The Company is subject to all the taxes relevant to commercial companies in the Grand-Duchy of Luxembourg. The income tax expense of the Company for the financial year only relates to ordinary activities.

NOTE 12 – OTHER OPERATING INCOME

This amount is composed of license fees invoiced to a third party and to United Media Limited (EUR 2.025.082,50) (2012: EUR 3.942.332,33). Furthermore fees have been recharged to Telemach d.o.o. for an aggregate amount of EUR 1.750.000,00.

NOTE 13 - INCOME FROM FINANCIAL FIXED ASSETS

This position includes interest income due to financial fixed assets. Reference is made to Note 3.2.

NOTE 14 – OFF-BALANCE SHEET COMMITMENTS

As a condition under the Facilities Agreements signed on November 26, 2012 between, inter alia, the Company, the Original Borrowers, the Original Guarantors, Banca JMI SpA, London Branch, BNP Paribas, Credit Agricole Corporate and Investment Bank, Credit Agricole Srbija akcionarsko drustvo Novi Sad, Erste Group Bank AG, ING Bank NV, Raiffeisen Bank International AG, Société Générale and UniCredit Bank Austria AG as the Arrangers, Unicredit Bank AG, London Branch as the Agent and the Original Lenders, whereas the Lenders agreed to provide a secured term loan to the Borrowers (as defined in the Facilities Agreements), the Company has pledged:

- all its receivables present and future held against United Media Limited, Telemach Sirokopasovne Komunikacije d.o.o. (formerly Broadband Kabel d.o.o.) and Adria Cable B.V. for the benefit of UniCredit Bank AG, London branch as a first priority security interest over the receivables pursuant to a Pledge Over Receivables Agreement made between the Company as Pledgor, UniCredit Bank AG, London Branch as Pledgee and Adria Media Limited, Telemach Sirokopasovne Komunikacije d.o.o. (formerly Broadband Kabel d.o.o.) and Adria Cable B.V. as the Debtors;

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NOTE 14 – OFF-BALANCE SHEET COMMITMENTS (continued)

- its EUR and GBP bank accounts held with Société Générale Bank & Trust Luxembourg for the benefit of UniCredit Bank AG, London branch as a first priority security interest over the bank account pursuant to an Account Pledge Agreement made between the Company as Pledgor and UniCredit Bank AG, London Branch as Pledgee.
- all the shares held by the Company in Bosnia Broadband S.à r.l. as well as the related rights as a first ranking security for the benefit of UniCredit Bank AG, London Branch as Pledgee, pursuant to a Share Pledge Agreement dated December 3, 2012 made between the Company as Pledgor, UniCredit Bank AG, London Branch as Pledgee and Bosnia Broadband S.à r.l. Those shares may not be disposed of in any way without the prior written consent of the Pledgee. No second ranking pledge may be taken on those shares without the prior written consent of the Pledgee.
- all the shares held by the Company in Telemach Sirokopasovne Komunikacije d.o.o. as well as the related rights are pledged as a first ranking security for the benefit of UniCredit Banka Slovenija d.d. as Pledgee, pursuant to a notarial deed dated November 30, 2012. Those shares may not be disposed of in any way without the prior written consent of the Pledgee. No second ranking pledge may be taken on those shares without the prior written consent of the Pledgee.
- all the shares held by Broadband Investments II S.à r.l. in the Company as well as the related rights are pledged as a first ranking security for the benefit of UniCredit Bank AG, London Branch as Pledgee, pursuant to a Share Pledge Agreement dated December 3, 2012 made between Broadband Investments II S.à r.l. as Pledgor, UniCredit Bank AG, London Branch as Pledgee and the Company. Those shares may not be disposed of in any way without the prior written consent of the Pledgee. No second ranking pledge may be taken on those shares without the prior written consent of the Pledgee.

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NOTE 14 – OFF-BALANCE SHEET COMMITMENTS (continued)

- all the PECs and YFCLN held by Broadband Investments II S.à r.l. in the Company as well as the related rights are pledged as a first ranking security for the benefit of UniCredit Bank AG, London Branch as Pledgee, pursuant to a Pledge Agreement dated December 3, 2012 made between Broadband Investments II S.à r.l. as Pledgor, UniCredit Bank AG, London Branch as Pledgee and the Company. The PECs and YFCLN may not be disposed of in any way without the prior written consent of the Pledgee. No second ranking pledge may be taken on those PECs and YFCLN without the prior written consent of the Pledgee.

NOTE 15 - SUBSEQUENT EVENTS

On February 17, 2014, the Sole Shareholder approved the transfer of shares issued by the Company between the Sole Shareholder, as seller, and Adria Bidco B.V., as purchaser.

On March 4, 2014, the Board of Managers has approved the transfer of registered office of the Company to 61, rue de Rollingergrund, L-2440 Luxembourg.

On March 6, 2014, a significant restructuring took place. In this context the loans granted by credit institutions (including accrued interest) have been repaid and the PP-PECs as well as the YFCLN have been redeemed. The participation in Adria Cable B.V. has been sold with a gain of EUR 150.998.572 and Adria Cable B.V. repaid its loan with a nominal of EUR 19,2 million. The Company granted an intercompany long-term loan to Telemach d.o.o. of EUR 86,6 million. Adria Cable B.V. granted a long-term loan with a nominal of EUR 164,4 million to the Company. All pledges have been fully released in the context of the restructuring.

Furthermore, the Sole Shareholder approved the distribution of an interim dividend amounting to EUR 56.361.567 to be made as a distribution in kind.

In its board meeting held on October 16, 2014, the Board of Managers approved the trade mark transfer agreement to be entered into by Mirko and Tanja Tuš as transferors and the Company as the transferee. The acquisition of trademarks is expected to occur in early 2015 in consideration for the issuance of a loan note amounting to EUR 29.000.000.

Furthermore, the Board of Managers approved the entering into a loan agreement with United Group B.V. in the amount of EUR 2.600.000.

Resolution of the Sole Shareholder of the Company

The Shareholder acknowledges that it appears from the Annual Accounts that the result for the year ended 31st December 2013 consists in a loss for an amount of EUR 11,910,666.03 and resolves to allocate the result to the carry forward account.