

**STATEMENT OF THE BOARD OF DIRECTORS OF
PLAY COMMUNICATIONS S.A. WITH ITS REGISTERED SEAT IN
LUXEMBOURG OF 21 SEPTEMBER 2020**

**REGARDING THE PUBLIC TENDER OFFER FOR ACQUISITION OF ALL
SHARES IN PLAY COMMUNICATIONS S.A. PUBLISHED ON 21 SEPTEMBER
2020 BY ILIAD S.A., WITH ITS REGISTERED SEAT IN PARIS**

The Board of Directors of Play Communications S.A., with its registered seat in Luxembourg (the “**Board of Directors**”) (the “**Company**”), acting pursuant to Article 10(b) of the Luxembourg Law of 19 May 2006 on takeover bids and pursuant to Article 80 of the Polish Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies (the “**Law**”), hereby presents its position regarding the public tender offer announced on 21 September 2020 pursuant to Article 90a section 2 of the Polish Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies and article 6 (1) of the Luxembourg Law of 19 May 2006 of the Luxembourg Law of 19 May 2006 on takeover bids by Iliad S.A. , with its registered seat in Paris (the “**Bidder**”), for the acquisition of all shares in the Company (the “**Tender Offer**”) announced in connection with the Bidder’s intention to acquire 100% of total number of shares issued by the Company and total number of voting rights attached to the shares issued by the Company.

Pursuant to the wording of the Tender Offer, the Bidder intends to acquire, as a consequence of the Tender Offer, 254,625,876 (say: two hundred fifty four million six hundred twenty five thousand six hundred seventy six) ordinary bearer shares constituting 100% of total number of shares issued by the Company and total number of voting rights attached to the shares issued by the Company (the “**Shares**”).

Pursuant to the wording of the Tender Offer, as at the date of the announcement of the Tender Offer, the Bidder neither holds any Shares nor controls any votes at the shareholders meeting of the Company. The Bidder’s parent entities and subsidiaries do not hold any shares in the Company.

Pursuant to the Tender Offer, all shares would be acquired by Iliad Purple S.A.S. (“**Purchaser**”), which is 100% subsidiary of the Bidder.

Pursuant to the wording of the Tender Offer, the Bidder is not a party to any of the agreement referred to in Article 87 section 1(5) of the Polish Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies.

The Tender Offer was announced on the condition of the satisfaction of the following requirements:

- (a) the issuance by the European Commission of a decision granting consent to a concentration of undertakings pursuant to Article 6(1)(b) of Council Regulation (EC) No. 139/2004 of 20 January 2004 on the control of concentrations between undertakings (the “**Merger Regulation**”) comprising the assumption of control over the Company by way the Bidder’s acquisition of the Shares or the lapse of the time limit within which such consent should be granted in accordance with Article 10(6) of the Merger Regulation,
- (b) in case any of the Company’s subsidiaries is included on the strategic companies list pursuant to art. 4 of the Polish Act on Control of Certain Investments, the Tender Offer is subject to the obtainment of the clearance from the competent Polish authority.

1 Reservations

For the purposes of drafting this statement, the Board of Directors analysed the following external sources of information and data available thereto:

- (a) the Tender Offer;
- (b) the market prices of the shares in the Company in the six months preceding the announcement of the Tender Offer;

- (c) the publicly available information regarding the operations, the financial condition and the current market prices of selected similar companies; and
- (d) other materials that the Board of Directors considered necessary in connection with the presentation of this position.

In order to verify whether the price presented in the Tender Offer corresponds to the fair value of the shares in the Company, the Board of Directors, acting pursuant to Article 10(b) of the Luxembourg Law of 19 May 2006 on takeover bids and Article 80 section 3 of the Act, mandated a third party, i.e. J.P. Morgan Securities plc (“**J.P. Morgan**”), to prepare an opinion on the fairness of the price offered for the Shares in the Tender Offer, subject to the restrictions and qualifications stipulated in such opinion (the “**Opinion on the Share Price**”).

On 21 September 2020, J.P. Morgan presented the Board of Directors with the Opinion on the Share Price. J.P. Morgan stated in the Opinion on the Share Price that the price to be paid to the holders of the Company Shares in the proposed Offer is fair, from a financial point of view, to such holders. J.P. Morgan is the financial advisor to the Company and does not represent any other entity in connection with the Tender Offer and is not responsible for providing the protection offered to its clients with respect to advisory services rendered in connection with the Tender Offer or the content of this document or any other matter to any entity other than the Company. The Opinion on the Share Price is attached to this document.

For the purposes of preparing this position, subject to a review of external sources of information and data as referred to above, the Board of Directors has not taken any actions to obtain, collect or analyse any data that does not originate from the Company. The Board of Directors did not mandate any additional third-party reviews or analyses in connection with the Tender Offer or the content thereof other than the Opinion on the Share Price.

Subject to the information supplied by the Company regarding its business, including those subjected to a third-party audit, the Board of Directors accepts no liability for the accuracy, reliability, completeness or adequacy of the information serving as the basis of this position.

The position of the Board of Directors presented in this document does not constitute a recommendation to buy or sell the shares in the Company or any other financial instruments as referred to in *Regulation (EU) No. 596/2014 of the European Parliament and of the Council on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC* or in *Commission Delegated Regulation (EU) 2016/958 of 9 March 2016 supplementing Regulation (EU) No. 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest*.

Each investor that makes an investment decision regarding the Shares in connection with this position of the Board of Directors regarding the Tender Offer needs to, based on all of the relevant information, including the information supplied by the Bidder and the Company, specifically in connection with compliance with the relevant information requirements, make its own assessment of the investment risk involved in the holding, continued holding or acquisition of financial instruments, inclusive of seeking individual advice or recommendations from licensed advisors to the extent necessary to make the right

decision. The decision concerning the sale of the Shares in response to the Tender Offer must be an independent decision of each shareholder of the Company. In particular, each shareholder of the Company, for the purposes of analysing the ways in which it may respond to the Tender Offer, should assess the investment risk related thereto and all of the legal and/or tax implications in respect thereof.

2 The impact of the Tender Offer on Company's interests, the Bidder's strategic plans regarding the Company and the opinion of the Board of Directors on the strategic plans of the Bidder

In accordance with the Tender Offer, the Bidder does not exclude a possibility of a delisting the Company following the Tender Offer, in compliance with all applicable regulations. If the Bidder acquires at least 95% but less than 100% of the Shares, the Bidder may proceed with a mandatory squeeze out, in compliance with all applicable regulations, including, but not limited to the Luxembourg Law of 21 July 2012 on mandatory squeeze-out and sell-out of securities.

The Bidder is a French based public limited company (*société anonyme*) ultimately controlled by Mr. Xavier Niel. The Bidder is the parent company of the Iliad group (“**Iliad**”). Iliad's subsidiaries provide telecommunication services in France and in Italy.

In accordance with the Tender Offer, the Bidder is a significant provider of telecommunication services, with an extensive market experience. The acquisition of the Company (and indirectly its subsidiaries) would be an effective way to build a stronger platform for providing telecommunication services.

The Tender Offer contains following a brief description of the potential synergies between the Bidder and the Company, that may be accomplished such as:

- the Bidder plans to further support development and well-being of the Company;
- the Bidder and the Company could benefit from sharing innovation capabilities;
- the Bidder could leverage its expertise in triple-play and convergent offers to help the Company expand in the fixed telecommunications market;
- the Bidder' solid finances will support Company's capital and financial structure.
- the Bidder is committed to people development and training, and sees many opportunities for the management and employees of both the Bidder and the Company through best practice transfer.

In the opinion of the Board of Directors, the Bidder's strategic plans regarding the Company included in the Tender Offer are presented in a way, which does not allow one to fully ascertain the final intentions of the Bidder with respect to the Company.

However, the Board of Directors notes that the Bidder is a company operating in the same industry as the Company. In the view of the Board of Directors, the Bidder has the adequate qualifications, knowledge and experience, which may be beneficiary for the Company, thus the Board of Directors believes that the Tender Offer is in the interest of the Company.

Additionally, the Board of Directors positively assess the potential synergies between the Company and the Bidder indicated in the Tender Offer as well as bidder plans to further support development and well-being of the Company, the possibility of sharing innovation capabilities, possible support of Company finances and transfer of the best practices.

3 Position of the Board of Directors concerning the impact that the Tender Offer could have on the location of the Company's business in the future

In the Tender Offer, the Bidder did not include any information regarding the impact that the Tender Offer might have on the location of the Company in the future. In connection with the above, there are no grounds to claim that the Bidder intends to change the location of the Company's business.

4 Position of the Board of Directors concerning the impact that the Tender Offer could have on employment in the Company

In the Tender Offer, the Bidder did not include any information regarding the impact of the Tender Offer on employment in the Company. In the opinion of the Board of Directors, there are no grounds to claim that the Tender Offer will have an adverse impact on employment in the Company.

5 Position of the Board of Directors concerning the price for the Shares offered in the Tender Offer

With respect to the price offered in the Tender Offer, the Board of Directors notes that, pursuant to Article 79 of the Act in connection with the Article 90a section 2 of the Polish Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies, the price for the Shares in the Company offered in the Tender Offer cannot be lower than:

- (a) the average market price in the six-month period preceding the announcement of the Tender Offer during which the shares were traded on the main market of the WSE;
- (b) the average market price in the three-month period preceding the announcement of the Tender Offer during which the shares were traded on the main market of the WSE;
- (c) the highest price paid for the shares that are the subject of the Tender Offer by the entity required to announce such tender offer, any subsidiaries or parent entities thereof, or by entities who are parties to the agreement concluded therewith as referred to in Article 87, section 1(5) of the Polish Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies, in the 12 months prior to the announcement of the Tender Offer; or

the highest value of the things or rights that were provided by the entity required to announce such tender offer, any subsidiaries or parent entities thereof, or by entities who are parties to the agreement concluded therewith as referred to in Article 87, section 1(5) of the Polish Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies, in exchange for the shares subject to the public tender offer in the 12 months prior to the announcement of the Tender Offer.

The average market price is the arithmetic mean of the average daily prices of the shares in the Company weighted by trading volume on the WSE during the relevant period.

Based on the wording of the Tender Offer:

- (a) The market price determined as the arithmetic mean of the average daily prices of the Shares weighted by volume in the period of the 6 (six) months preceding the announcement of the Tender Offer during which the Shares were traded on the main market of the WSE is PLN 30.60 (thirty zlotys 60/100) per one Share;

- (b) The market price determined as the arithmetic mean of the average daily prices of the Shares weighted by volume in the period of the 3 (three) months preceding the announcement of the Tender Offer during which the Shares were traded on the main market of the WSE is PLN 30.83 (thirty zlotys 83/100) per one Share;
- (c) Neither the Bidder (nor the Purchaser) nor its dominant entities, nor its dependent entities acquired Shares during the last 12 months prior to the launch of the Tender Offer for a cash or non-cash consideration.
- (d) The Bidder and the Purchaser are not, nor in the 12 month period prior to the announcement of the Tender Offer were a party to any agreement referred to in Article 87 section 1(5) of the Polish Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies.

The price offered in the Tender Offer is PLN 39 (thirty nine zlotys) per Share and thus is not lower than the price specified in points a through c above. In accordance with the above, the Board of Directors declares that the price offered in the Tender Offer complies with the minimum price requirements as presented in Article 79 of the Polish Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies.

Pursuant to the requirements of Article 80 section 2 of the Polish Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies and Article 10(b) of the Luxembourg Law of 19 May 2006 on takeover bids, the Board of Directors, taking into account the Opinion on the Share Price, declares that, in its opinion, the price offered in the Tender Offer reflects the fair value of the Company.