



TO WHOM IT MAY CONCERN

Offer for White-label SAT DTH solution by TAG





Telekom Austria Group

Seize your market opportunity with our Infrastructure



Teleport Aflenz

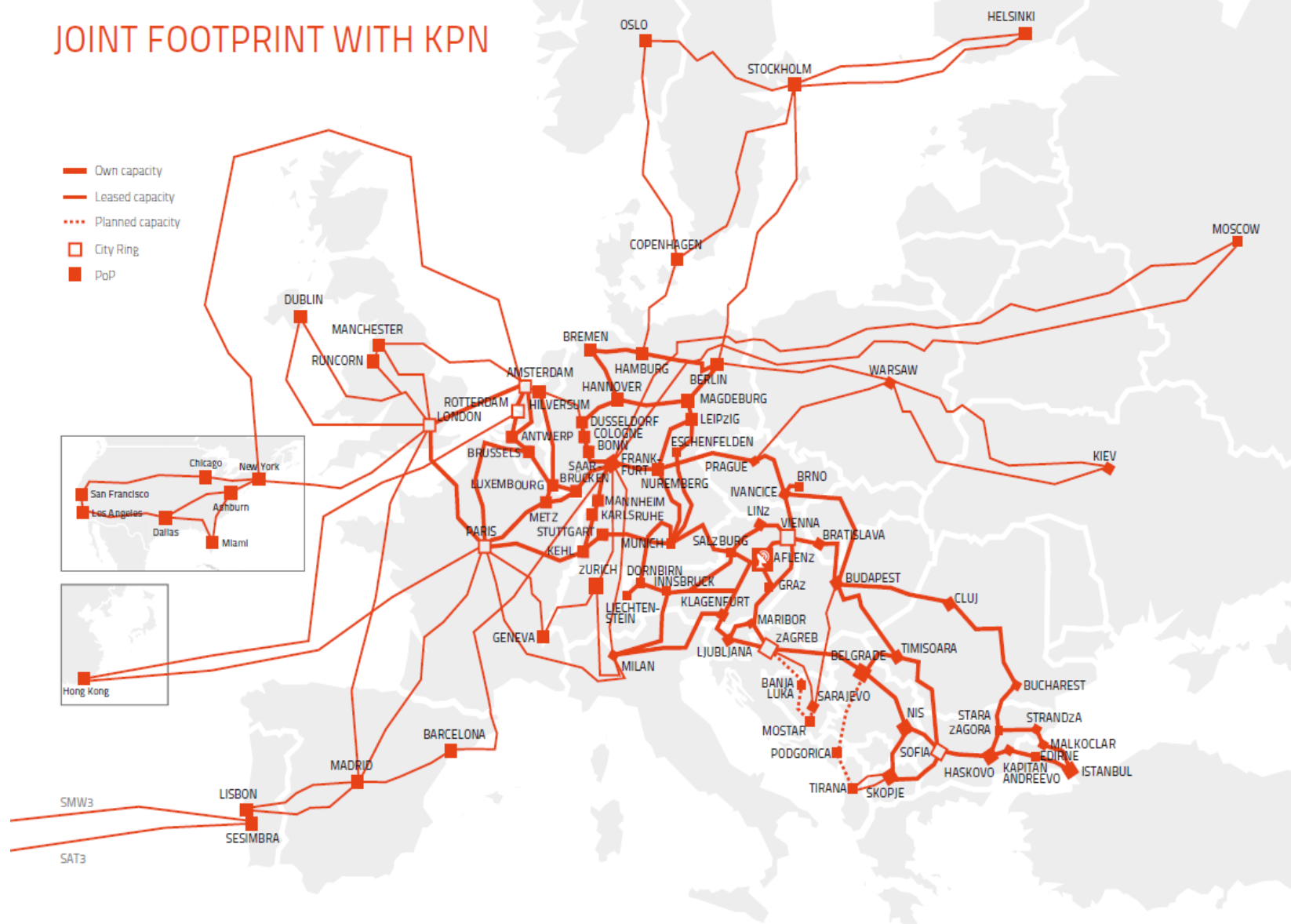


- 📍 High-tech facility with over 50 antennas on 6,500 m²
- 📍 Integral part of TAG's international terrestrial backbone network
- 📍 Access to orbital arc between 55° West to 85° East
- 📍 Interference free location
- 📍 NOC 24/7



JOINT FOOTPRINT WITH KPN

43 PoPs in
20 countries



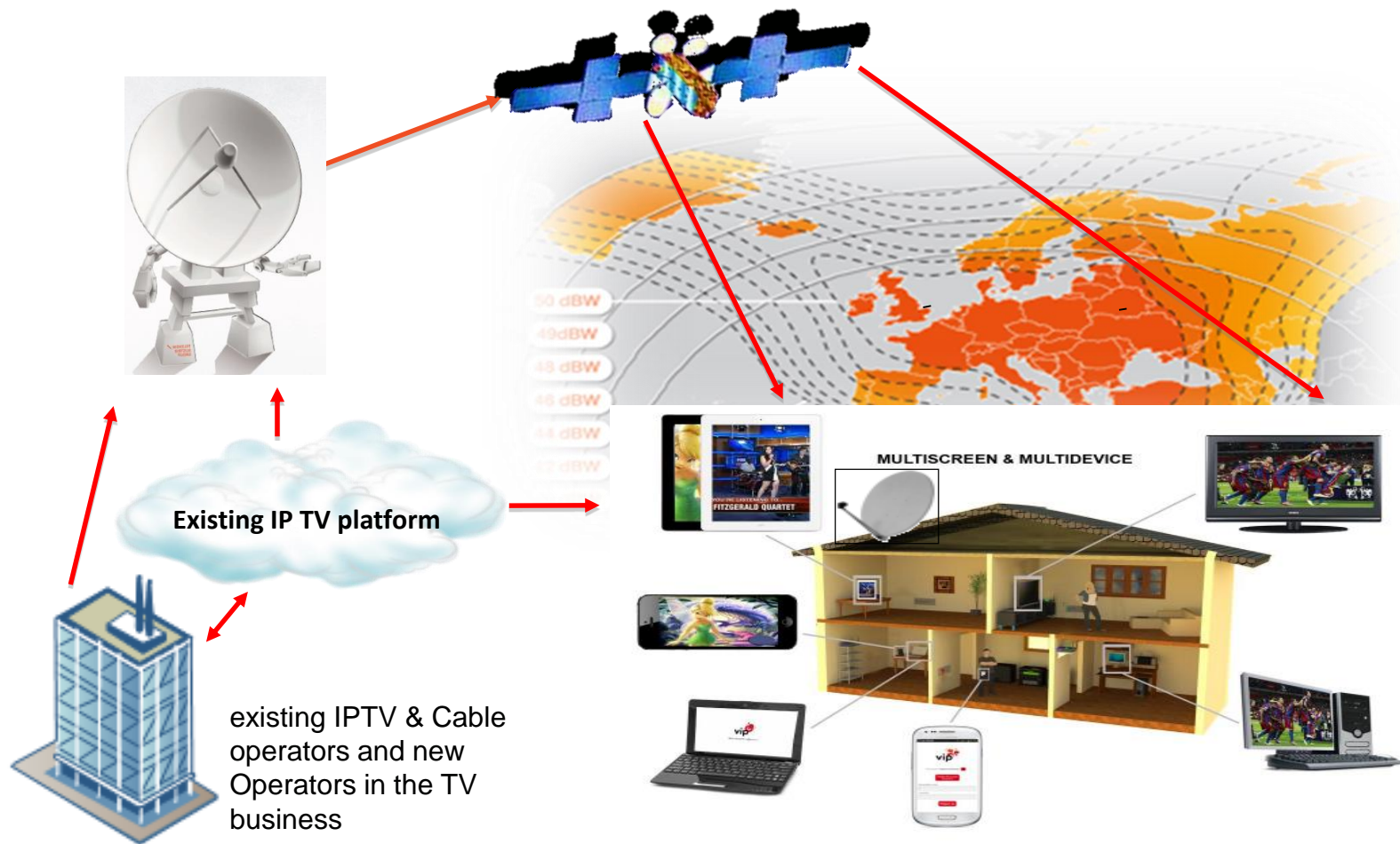
direct2home



direct2home White Label



All-in-one or hybrid **Direct to home SAT** solution, from content injection up to the signal transport from the satellite.





Why introduce SAT DTH services?

Major reasons to introduce SAT DTH services

- 📍 Insufficient cable infrastructure coverage in many countries
- 📍 HD demands high bandwidth throughput → SAT one to any can deliver on that
- 📍 Linear contents can be brought to the households very efficiently



Benefits of introducing SAT DTH

- 📍 Expand your market reach by overcoming infrastructural limits
- 📍 Get more geographical reach by joining the fastest growing satellite neighborhood
- 📍 **Churn reduction/prevention - ARPU increase/stabilization:** bundling mobile voice, mobile data & Pay TV services, offering Triple-play and boosting x-selling
- 📍 **Time to market** - fast service deployment
- 📍 Become **technology leader** - differ from competition with high quality hybrid approach (HD channels, good SD setup)
- 📍 Ride on the edge of TV digitalization
- 📍 Increase your brand positioning with DTH
- 📍 Create other **revenue streams** (advertising, etc.)

What is SAT DTH?

Use of hybrid set-top boxes as CPE enables combination of mobile data, mobile TV, HD SAT TV, legacy terrestrial TV services, providing control of customers' screens in the most cost efficient way.

Video Signal Manipulation

- Encoding
- Transcoding
- Statistical multiplexing
- Vendor-independent interfacing

CAS Management

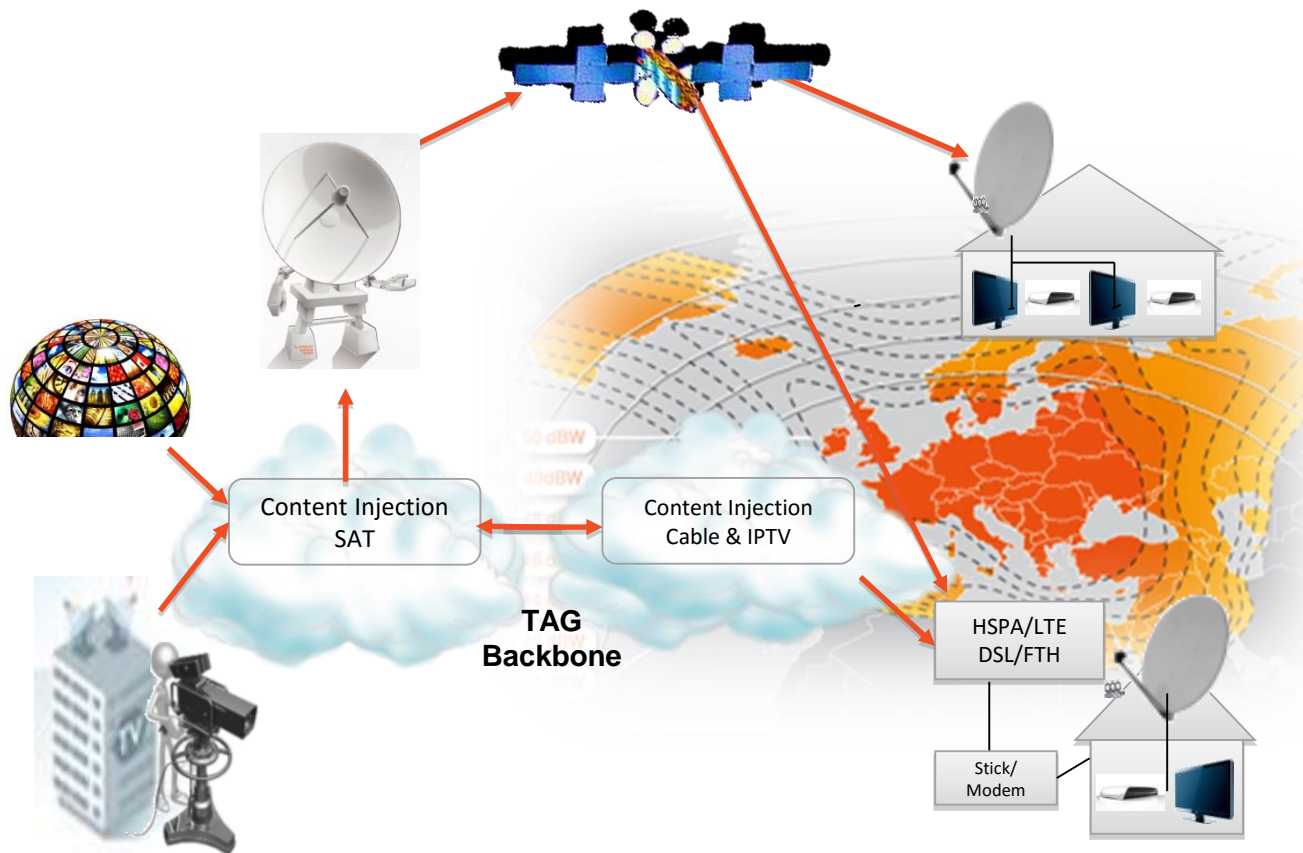
- Centrally hosted in Aflenz
- Smart-cased based technology
- Composition of tailor-made channel packages

Satellite Spectrum Management

- Content insertion
- Up to 200 channels available
- Transport to uplink station

Premium Service Quality








- Customized SLAs
- Up to 24/7 maintenance
- Network Operation Center





TAG's direct2home Service Components

Our team delivers highest quality for your broadcast business

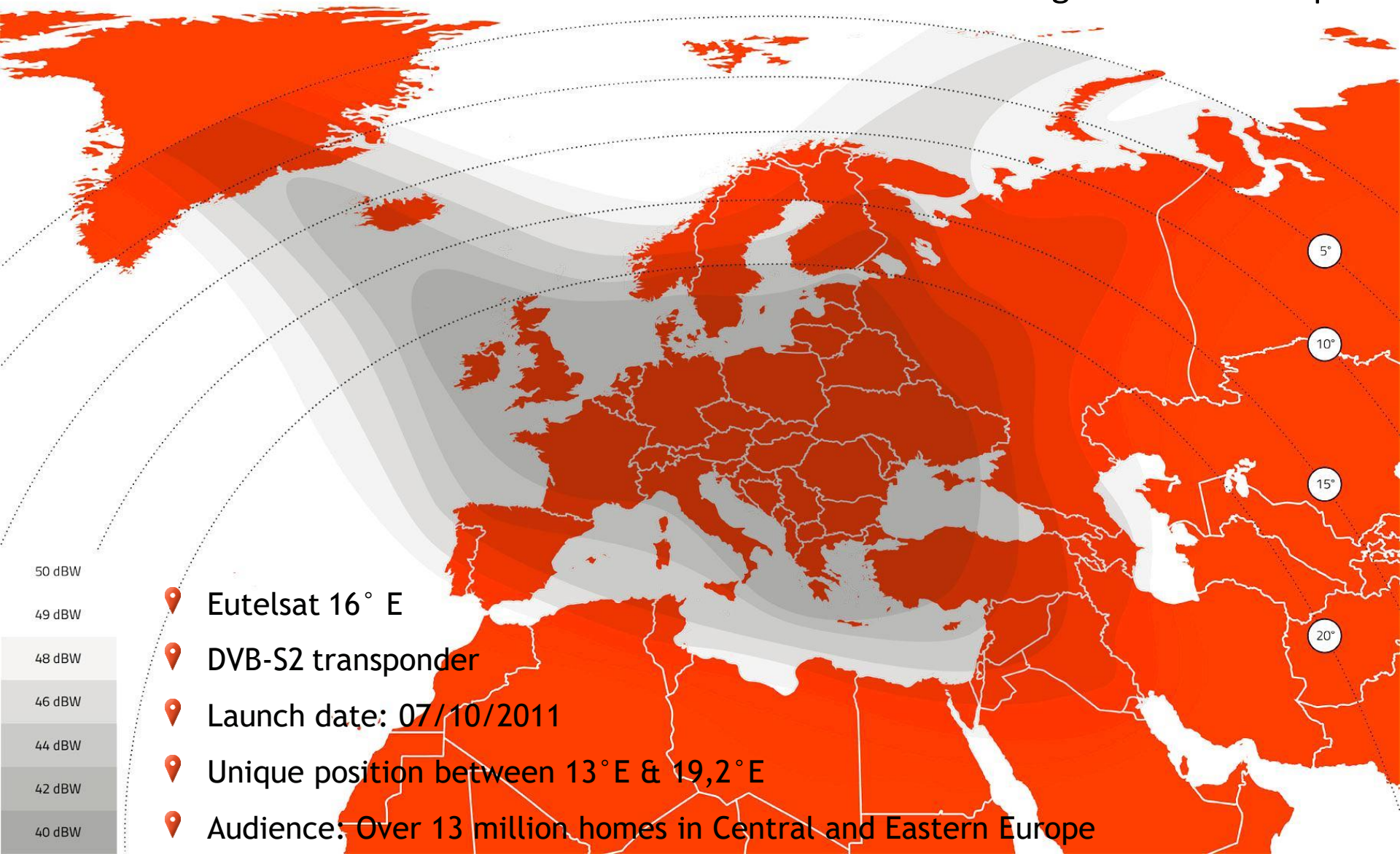
Transport	A/V Processing	A/V Support Systems	Conditional Access System	Uplink	Space Segment	Set Top Boxes
						
<ul style="list-style-type: none">• Content Aggregation• Transportation to the Teleport Aflenz• Content contribution	<ul style="list-style-type: none">• Amplifiers• Switching matrix• Signal receptions• Re-encoding• Transcoding• Statistical MUX• Scrambling	<ul style="list-style-type: none">• Channel lineup• Electronic guide• Firmware upgrade• MHP layout• Reference time	<ul style="list-style-type: none">• Rights management• Package management• Smart card management• EMM generation	<ul style="list-style-type: none">• Modulation• Amplifiers• Antenna	<ul style="list-style-type: none">• Appropriate satellite• Coverage zone• Capacity availability	<ul style="list-style-type: none">• Assistance and consulting

SAT DTH Consulting



direct2home Satellite

Your coverage for all of Europe



50 dBW

49 dBW

48 dBW

46 dBW

44 dBW

42 dBW

40 dBW



Eutelsat 16° E



DVB-S2 transponder



Launch date: 07/10/2011



Unique position between 13° E & 19,2° E



Audience: Over 13 million homes in Central and Eastern Europe



The TV Experience for YOUR customers



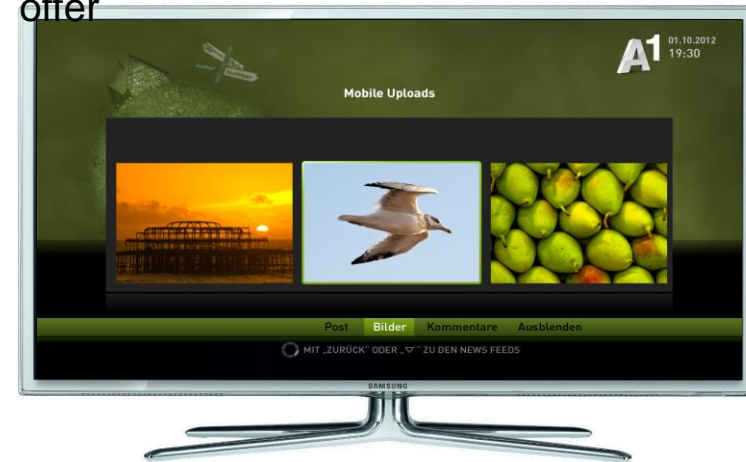
More **CHOICE**— with up to 200 channels



More **BRILLIANCE**— with the largest HD offer



More **PERSPECTIVE** — with your electronic program guide



More **POSSIBILITIES** — with online apps





direct2home Your branded Hybrid Set Top Box

SAT (DVB-S2/MPEG-4) receiver

Several possible options:

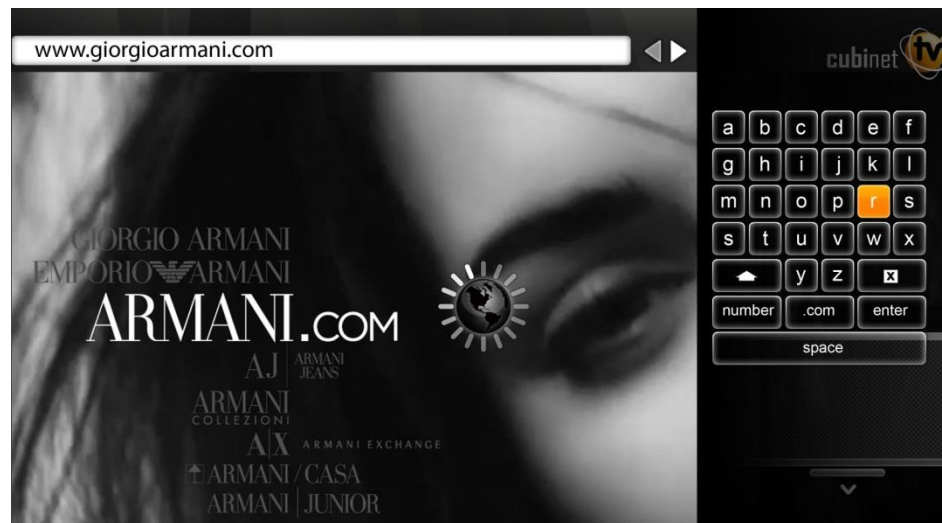
- 📍 USB ports (dongle, ext. HDD, ...)
- 📍 Mobile broadband (HSPA, LTE)
- 📍 WI-FI router
- 📍 PVR
- 📍 External keyboard support (BT or USB)





direct2home Set Top Box Features

- Web browser
- Customized EPG
- Widgets (FB, Weather)
- Advertisements
- On the screen invoice
- OTT service (VOYO)
- Peoplemeter
- Skinning
- PVR





direct2home Set Top Box Features

Customized EPG



Advertisements



Skinning



Commercial Conditions*

Generic scope of white-label direct2home solution:

- Up to 80 channels (up to 30% HD) from existing channels line-up of TAG on Eutelsat 16A (see Appendix 3)
- DVB-S2; MPEG4 video streams with STATMUX configuration:
 - SD at min 0.8Mbps - max 4Mbps
 - HD at min 4Mbps - max 8Mbps
- Custom branded CAS cards (min quantity 2000)
- KAON Set-top-box with Cubuware Zapper license

Pay-as-you-grow model:

- EUR 3,10 per active CAS card monthly recurrent charge
- Minimum Subscribers number: 5000
- EUR 7,00 per CAS card
- EUR 48,00 per Set-top-box

Flat-fee model:

- EUR 115.000,00 monthly recurrent charge
- EUR 7,00 per CAS card
- EUR 45,00 per Set-top-box

Extended scope of white-label direct2home solution:

- Up to 20 additional market-specific channels (up to 3 HD), i.e. up to 52Mbps satellite capacity
- Cost for content injection to TAG BackBone PoP is to be covered by Customer

Pay-as-you-grow model:

- Addl. EUR 1,50 per active CAS card monthly recurrent charge

Flat-fee model:

- Addl. EUR 50.000,00 monthly recurrent charge

*All prices excl. VAT, withholding tax and other applicable duties

Additional conditions

- This offer is valid for white-label DTH Pay-TV operations on the Macedonian market only.
- This offer is valid until Dec 31st, 2017
- Appendix 1 “General Conditions: direct2home” is an integral part of this offer
- Appendix 2 “Service Description: direct2home” is an integral part of this offer.
- Appendix 3 “Channels: direct2home” is an integral part of this offer.
- Some of the channel feeds from Appendix 3 may not be applicable to the Macedonian market. Applicability analysis is subject to a specific project with Customer.
- In cases when channel feeds from Appendix 3 are applicable to the Macedonian market, TAG shall secure the relevant localization feeds (audio/subtitles)
- TAG is not responsible for clearing content rights. Customer shall enter into direct relationship with content right holders to acquire rights to distribute the channels on the Macedonian territory.
- TAG does not hold a valid broadcasting license for the territory of Macedonia. Such license shall be procured by Customer from the local regulatory authorities. In such matter, TAG shall be considered as a supplier of technical services to Customer.



Thank you

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