



Current report no. 27/2023

Date 10 August 2023

Subject Information about the deviation of the preliminary consolidated financial results of Polsat Plus Group from the market consensus

The Management Board of Cyfrowy Polsat S.A. (the "**Company**") informs that after analyzing the preliminary consolidated financial results of the Company's capital group ("**Polsat Plus Group**") for the second quarter of 2023, it has come to the conclusion that they significantly deviate from market expectations, expressed in the form of a consensus based on forecasts published by brokerage firms, at the level of consolidated net profit.

The predicted consolidated net profit for the second quarter of 2023 is estimated at PLN 8.1 million.

The deviation of consolidated net profit from market consensus in the second quarter of 2023 is primarily due to the following factors:

- Recognition in the second quarter of 2023 of the Company's share in the loss of PAK-PCE Sp. z o.o. ("**PAK-PCE**"), in which the Company held a 40.41% stake as of June 30, 2023. The loss at the level of consolidated net profit in PAK-PCE was due to, among others, (1) the negative impact of the regulation on maximum energy prices on PAK-PCE's operating results; (2) the recognition of non-recurring adjustments to electricity and heat sales settlements in the second quarter of 2023; and (3) the recognition of the valuation of power purchase agreements (PPAs) concluded between PAK-PCE's subsidiaries and Polsat Plus Group, which had a non-cash, negative impact on PAK-PCE's consolidated net profit in the second quarter of 2023. The Company's Management Board notes that following the acquisition of a controlling stake in PAK-PCE and full consolidation as of July 3, 2023, the valuations of PPA contracts between Group companies will not have a material impact on the level of consolidated financial results in subsequent quarters.
- Higher-than-consensus net finance costs, which was mainly due to the one-time recognition of non-cash expenses related to the early repayment of the Group's loans in the second quarter of 2023.
- Recognition of income tax above market expectations, which was primarily due to the occurrence of debt financing costs in amounts exceeding the limits of such costs that can be recognized in the calculation of current income tax as well as the occurrence of tax losses in investment activities, the recovery of which is uncertain in the future.

The Company's Management Board notes that the Group's financial statements are in the process of being audited by an independent auditor, therefore the Group's financial results are not final and may be subject to change. The final figures will be presented in the Company's consolidated report for the first half of 2023, which will be published on August 16, 2023.



Legal basis Article 17 Section 1 of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 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.

Signed by:

/s/ Mirosław Błaszczyk

/s/ Katarzyna Ostap-Tomann

/s/ Tomasz Gillner-Gorywoda

Mirosław Błaszczyk
President
of the Management Board

Katarzyna Ostap-Tomann
Member
of the Management Board

Tomasz Gillner-Gorywoda
Proxy