

**Current report no.** 4/2021

**Date** 11 March 2021

**Subject** **Entry into exclusive negotiations regarding a potential acquisition of 10% of the share capital of eobuwie.pl S.A.**

The Management Board of Cyfrowy Polsat S.A. (the “**Company**”, “**Cyfrowy Polsat**”) hereby informs that upon having received an investment proposal from representatives of CCC S.A. (“**CCC**”, the “**Seller**”) concerning the potential sale of a minority block of shares of the company eobuwie.pl S.A. (“**eobuwie.pl**”), in which CCC holds indirectly 74.99% of the share capital and having conducted preliminary talks with the representatives of the Seller, the Management Board of the Company made a decision on 11 March 2021 to enter into exclusive negotiations with the Seller regarding a potential acquisition of 10% of the share capital of eobuwie.pl (the “**Block of Shares**”) within the scope of pre-IPO investment for a consideration of PLN 500 million for the Block of Shares (the “**Investment**”), which implies the total valuation of eobuwie.pl at PLN 5.0 billion.

In connection with the above on 11 March 2021 the Company signed a document with the Seller and another investor containing a summary of the key conditions of the potential Investment (“**Conditions**”).

The Conditions provide that the Company and the other investor are granted exclusivity to conduct negotiations until 31 March 2021, during which the completion of the due diligence of eobuwie.pl is planned. The Company expects that in the case a final decision to execute the Investment is made, which would require relevant corporate consents on the part of the Company, a final agreement stipulating, among others, detailed parameters and principles of corporate governance of the Investment, shall be concluded by the date indicated above.

Concurrently, the Management Board of the Company informs that it views the potential Investment in the Block of Shares as a financial investment, with a strictly determined way and timing of a potential exit which, according to the intentions of both parties, would be the initial public offering of eobuwie.pl (“**IPO**”) planned for 2022 or 2023, depending on market conditions and other significant factors. At the same time, in the Management Board’s opinion, the potential Investment offers the chance to gain experience in the promising field of e-commerce.

Taking into consideration the very good results of eobuwie.pl and the dynamically growing market segment in which eobuwie.pl operates, the Management Board of the Company believes that the potential Investment may generate an attractive rate of return, simultaneously giving the companies from the capital group of the Company an opportunity to gain competencies in building and developing operations in the field of e-commerce, which constitutes a natural development path for the Company’s capital group following the acquisition of Interia.pl Group, of which the Company informed in current reports no. 16/2020 dated 30 April 2020 and 23/2020 dated 2 July 2020. In connection with the above and on the basis of information obtained from the Seller, the Management Board of the Company assesses that the potential Investment may translate into building long-term value for the Shareholders of the Company.

Concurrently, the Management Board informs that at this stage it has not made any binding decisions with respect to the execution of the Investment. Talks regarding the conditions of the Investment shall be conducted on an exclusivity basis and the outcome of the negotiations remains uncertain. The Company will publish information on potential further decisions with respect to the Investment in compliance with the binding provisions of law.

*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