



Cyfrowy Polsat IR Newsletter

10 – 16 May 2021



Parkiet.com
7 May 2021

Canal+ Polska: prospectus approval process suspended

by Urszula Zielińska

At the request of Canal+ Polska the Polish Financial Supervision Authority suspended the company's prospectus approval process which served as the basis for permitting listing of Canal+ Polska shares on Warsaw Stock Exchange.

Previously, last November, the minority shareholders of Canal+ Polska, i.e. TVN Media (Discovery Group) and Liberty Global (the owner of UPC Polska), who together hold 49% of the company's shares, made a decision to cancel the original IPO of this pay TV platform.

Wirtualnemedia.pl
12 May 2021

The standard of digital terrestrial TV broadcasting to change in Poland in 2022

by masz / pap

In Q2 2022 Poland will change the broadcasting standard for the digital terrestrial TV from DVB to DVB-T2/HEVC.

So far digital terrestrial TV signal across Europe was being broadcasted in the 470-790 MHz frequency band. At present, the spectrum from the 700 MHz frequency band is in the process of being released to enable construction of 5G telecommunication networks, which calls for migrating the digital terrestrial TV channels in Poland to other frequency bands. Poland will at the same time change the broadcasting standard to DVB-T2/HEVC.

The new standard enables better utilization of radio spectrum. Viewers will be offered ultrahigh resolution video and high quality audio.

Moreover the broadcasters will be able to offer new services, including HbbTV, i.e. displaying of additional information, e.g. about the actors playing in a movie, the lineups of football teams, or the possibility of buying products directly from a TV set level while they are presented on screen.

Wirtualnemedia.pl
12 May 2021

T-Mobile Polska has 11.2 million customers, the traffic in 5G network increased twofold

by tw

At the end of March 2021 T-Mobile Polska had 11.205 million users (+223 thousand yoy). The number of postpaid subscribers was 7.530 million (+122 thousand. yoy), while the number of prepaid customers was 3.452 million (+101 thousand yoy).

The revenue for Q1 2021 amounted PLN 1.549 billion (-0.5% yoy), EBITDA AL reached PLN 431 million (+ 4.1% yoy). T-Mobile Polska offers 5G services using the spectrum in 2100 MHz frequency band – the operator’s 5G network covers an area inhabited by ca. 6.3 million people. During last quarter the volume of data transmitted using the 5G network doubled while the total volume of data transmitted by all of the operator’s customers increased by 32% yoy.

Revenues from mobile services increased by 1.8% yoy and reached PLN 1.04 billion.

Biznes.interia.pl
13 May 2021

Cyfrowy Polsat counts on EBITDA growth

by d.e.

During the press conference presenting the financial results for Q1 2021, **Katarzyna Ostap-Tomann, Cyfrowy Polsat’s Management Board Member responsible for finance**, said that Cyfrowy Polsat Group was aiming at a single-digit EBITDA growth in 2021. *“I will be satisfied and I truly hope that we will achieve a single-digit EBITDA growth in 2021,”* said Ms. Ostap-Tomann.

In 2020 Cyfrowy Polsat’s EBITDA amounted to PLN 4,191.9 million versus PLN 4,196.7 million in 2019. During Q1 2021 the Group’s EBITDA reached PLN 1,082.7 million (+5,5% yoy).

“I’ve been responsible for the Group’s finance for 5 years now and it’s been the best first quarter that I have ever reported,” adds Ms. Ostap-Tomann.

In Q1 2021 Cyfrowy Polsat generated PLN 2,987.4 million of revenue (+4.9% yoy). Net profit for the shareholders of the dominant entity amounted PLN 389.6 million (+ 113.6% yoy).

“During the first quarter of 2021 we achieved very good results. We are in the process of an innovative transaction with Cellnex which is related to our active and passive network infrastructure. As promised we are rolling out the first true 5G network at a fast pace – already as many as 12 million of Poland’s inhabitants live within the coverage area of Plus’s 5G network. We have extended the broadcasting rights to the UEFA Champions League for another three seasons. We signed a conditional agreement for acquisition of a 10% stake in e-obuwie.pl, a company which is developing dynamically on the prospective e-commerce market,” said Mirosław Błaszczuk, the CEO of Cyfrowy Polsat during the press conference.

During Q1 2021 TV Polsat, which is a member of the group, reported growth of revenue by 3.4%, to PLN 271 million. TV Polsat’s share in the TV advertising and sponsoring market increased to 29.5%.

Press release
12 May 2021

Polsat Group has ended the first quarter on a growth path while consistently pursuing its goals.

The roll out of the first in Poland 5G network accelerated substantially, with the network's coverage extending over an area inhabited by as many as 12 million people. The Group entered into an innovative partnership with Cellnex Telecom, so as to be able to develop Plus 5G network even faster.

Other important developments of Q1 2021 include extension by Polsat TV of the broadcast rights to the UEFA Champions League for the next three consecutive years, signing of a contract with ZE PAK Group for acquisition of green electricity from the new, biggest in Poland solar power plant which is being constructed in Brudzew, as well as signing an agreement for acquisition of a 10% stake in eobuwie.pl online footwear seller.

Polsat Group provides 18.1 million services (RGU's) in the areas of DTH pay TV, Internet access as well as postpaid and prepaid telephony services. Nearly 2.1 million of its customers have used the opportunity to enjoy the benefits of bundled services by joining smartDOM loyalty scheme. The Group's revenues grew to nearly PLN 3 bn, EBITDA reached ca. PLN 1.1 bn, while net profit grew to PLN 390 mn.

"Just as we have promised we continue rolling out the 5G network and already as many as 12 million people live within the new network's coverage area. This has substantially strengthened our position of the 5G technology leader and at the same time is a response to the customers' growing demand for advanced, high speed data transmission technologies," says Mirosław Błaszczyk, the CEO of Cyfrowy Polsat and Polkomtel. "We have also embarked on the activities which will offer to our Group new development opportunities – in the 5G network area by entering into a strategic partnership with Cellnex Telecom, as well as in some new areas, thanks to the planned acquisition of shares in eobuwie.pl online footwear seller who is dynamically developing on the promising e-commerce market.

In less than a year since its launch Plus's best and fastest in Poland 5G network already covers an area inhabited by as many as 12 million people. Plus's 5G 2600 MHz TDD network is now present in over 160 places in all 16 provinces of Poland, with the total number of Plus's 5G base stations having exceeded 1500. The network's dynamic roll out will continue across Poland. The operator's offer is continuously expanded as new high quality equipment, supporting 5G technology, is added. The operator's current offer includes more than 20 5G-supporting smartphones and routers. Soon more attractively-priced products from top global manufacturers will be added to the offer.

Efficient integration of Interia.pl web portal with Polsat Group's structures continues, enabling implementation of the assumed synergies as planned. Thanks to the efforts that were taken, the number of users of Polsat-Interia Group's web services, as calculated on the basis of the results of a Mediapanel survey, exceeded 20 million in January for the first time in history. In April, in turn, the number of page views of the Group's services, generated by 21 million users of its services, exceeded 2 billion. Since the beginning of the Mediapanel survey, i.e. since October 2020, Polsat-Interia Group has substantially closed the gap to market leaders. At the same time Interia.pl has been making numerous changes in the editorial area – it increased the sizes of the Sports, News and Pomponik (a celebrity gossip portal) editorial teams, it has launched new quality products, like the ecological Zielona Interia (Green Interia) website or Tygodnik weekend magazine.

While continuing its activities aimed at conserving the natural environment and protecting the climate, Polsat Group has become involved in the construction of the biggest in Poland photovoltaic farm. ESOLEO, acting as the leader of the consortium, will build, for ZE PAK power engineering company, a 70 MWp solar power plant. The plan will be built in Brudzewo, on 100 hectares of reclaimed post-mining land, formerly used for opencast brown coal mining. At the same time Polsat Group signed a contract for purchasing all the green energy produced by this solar power plant and in the nearest future it plans to use clean, zero-emission electricity only, thus contributing to reduction of CO2 emissions and also to reduction of its carbon footprint.

“We have been consistently pursuing our strategy “For Everyone. Everywhere” and we continue the development of our smartDOM loyalty scheme which is bringing us the expected results. Our new services – the 5G tariffs and OTT web TV enjoy growing interest among our customers,” **says Maciej Stec, the Vice-President of the Management Board who is responsible for strategy in Cyfrowy Polsat and Polkomtel.** *“Nearly 2.1 million customers use our multi-play services while the average revenue per customers increased by more than 5 PLN and exceeded the level of 90 PLN. Churn ratio, which is the best measure of the high satisfaction of our customers with our services, stays at a stable and very low level.*

“Beginning of the year was stable on the TV advertising market. Our channels remain among the most popular channels while the audience share of 24.1% is in line with our strategic assumptions. Our revenues from TV advertising have grown by over 3% thanks to which our market share increased to 29.5%. The historic high results of Polsat Interia Group's services are worth noting. Every month more than 20 million unique users visit our websites.,” **says Stanisław Janowski, the CEO of TV Polsat.** *“Our spring programming was very well received by viewers and we hope that it will be reflected in our results for the second quarter of the year. With the Polish fans in mind, we have extended the broadcast rights agreement for the UEFA Champions League for the next three seasons.”*

Recent events



In Q1 2021 Polsat Group recorded growth of all major financial performance indicators while the results exceeded the expectations of the brokerage houses. The Group's revenue increased by 5% YoY and reached nearly PLN 3 bn while EBITDA grew by 5.5% to ca. PLN 1.1 bn and net profit reached PLN 390 mn. Free cash flow stayed at a high level of nearly PLN 1.4 bn while the total Debt to EBITDA ratio decreased to the level of 2.78x (Net Debt/EBITDA LTM).

"It was a very good quarter in terms of financial performance. We posted growth of revenue, EBITDA and net profit as a Group. In the B2C and B2B segments the growing ARPU has translated to faster growth of retail revenue which is accompanied by recurrent growth of EBITDA. Thanks to the good condition of the TV advertising market and consolidation of Interia's results, it is also the revenues from the media segment that have increased," says Katarzyna Ostap-Tomann, a Management Board Member of Cyfrowy Polsat and Polkomtel responsible for finance. "The dynamic growth of revenue and EBITDA, along with the high level of free cash flow have enabled us to pursue the planned technological and content-related investments, including by substantial acceleration of 5G network roll out and extension of the broadcast rights for the UEFA Champions League.

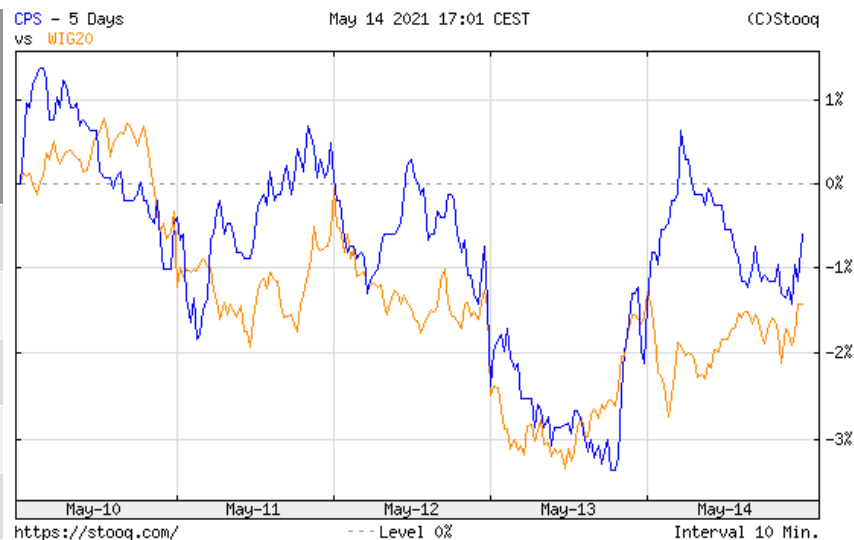
Financial results for Q1 2021 in PLN million (Change YoY)	Cyfrowy Polsat Group		Segment of B2C and B2B services		Media segment: TV and online services	
Revenue from sales	2 987	(+4.9%)	2 551	+4%	507	+10%
EBITDA	1 083	(+5.5%)	937	+6%	146	-1%
EBITDA margin	36.2%	(+0.2 p.p.)	36.7%	+0.8 p.p.	28.8%	-3.1 p.p.

[More>>](#)

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2021-05-10	29.62	28.84	29.04	- 0.34	14.34
2021-05-11	29.46	28.62	29.32	0.96	14.09
2021-05-12	29.32	28.72	28.76	- 1.91	11.43
2021-05-13	28.84	28.06	28.56	- 0.70	14.55
2021-05-14	29.36	28.66	29.00	1.54	11.99



Investor's calendar



4 – 18 August 2021	Closed period prior to the publication of H1 2021 results
18 August 2021	Consolidated semi-annual report for the 1st half of 2021
26 October – 9 November 2021	Closed period prior to the publication of Q3 2021 results
9 November 2021	Quarterly report for Q3 2021