



Cyfrowy Polsat S.A. Capital Group

**Interim Condensed Consolidated Financial Statements
for the 9 months ended 30 September 2022**

**Prepared in accordance
with International Accounting Standard 34
Interim Financial Reporting**

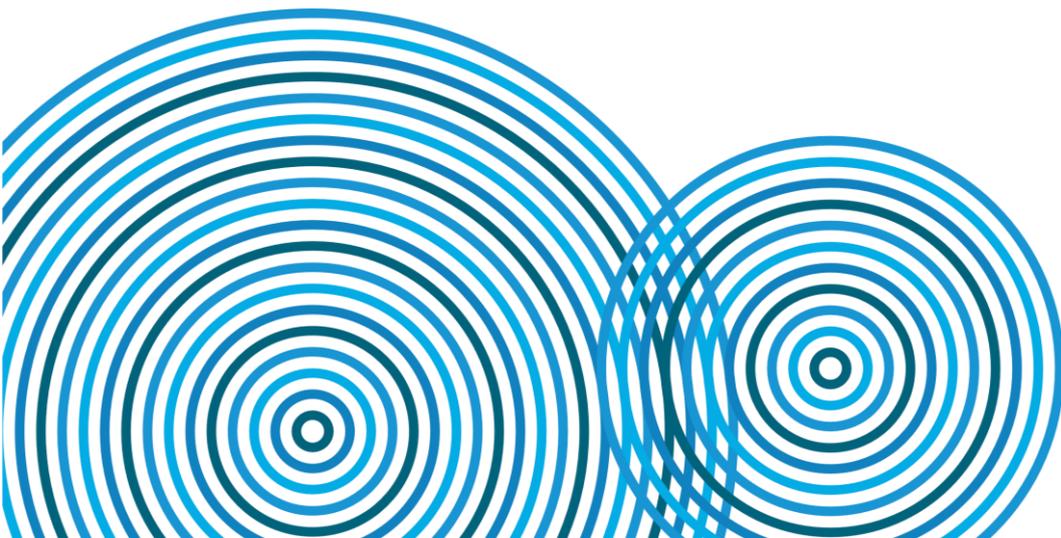


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Approval of the Interim Condensed Consolidated Financial Statements

On 14 November 2022, the Management Board of Cyfrowy Polsat S.A. approved the interim condensed consolidated financial statements of Cyfrowy Polsat S.A. Capital Group prepared in accordance with International Accounting Standard 34 Interim Financial Reporting, as adopted by the European Union, which include:

Interim Consolidated Income Statement for the period

from 1 January 2022 to 30 September 2022 showing a net profit for the period of: PLN 726.6

Interim Consolidated Statement of Comprehensive Income for the period

from 1 January 2022 to 30 September 2022 showing a total comprehensive income for the period of: PLN 778.7

Interim Consolidated Balance Sheet as at

30 September 2022 showing total assets and total equity and liabilities of: PLN 31,686.2

Interim Consolidated Cash Flow Statement for the period

from 1 January 2022 to 30 September 2022 showing a net decrease in cash and cash equivalents amounting to: PLN 2,042.0

Interim Consolidated Statement of Changes in Equity for the period

from 1 January 2022 to 30 September 2022 showing an increase in equity of: PLN 269.9

Notes to the Interim Condensed Consolidated Financial Statements

The interim condensed consolidated financial statements have been prepared in million of Polish zloty ('PLN') except where otherwise indicated.

Mirosław Błaszczyk
President of the Management Board

Maciej Stec
Vice-President of the Management Board

Jacek Felczykowski
Member of the Management Board

Aneta Jaskólska
Member of the Management Board

Agnieszka Odorowicz
Member of the Management Board

Katarzyna Ostap-Tomann
Member of the Management Board

Warsaw, 14 November 2022

Interim Consolidated Income Statement

	Note	for the 3 months ended		for the 9 months ended	
		30 September 2022 unaudited	30 September 2021 unaudited	30 September 2022 unaudited	30 September 2021 unaudited
Continuing operations					
Revenue	8	3,270.9	3,031.9	9,485.7	9,179.0
Operating costs	9	(2,877.3)	(2,595.9)	(8,326.4)	(7,494.9)
Gain on disposal of a subsidiary and an associate		113.4	3,690.8	113.4	3,690.8
Other operating income/(cost), net		(6.1)	4.6	(25.7)	1.7
Profit from operating activities		500.9	4,131.4	1,247.0	5,376.6
Gain/(loss) on investment activities, net	10	(18.1)	(16.5)	(5.5)	(31.1)
Finance costs, net	11	(209.3)	(54.7)	(416.8)	(172.3)
Share of the profit/(loss) of associates accounted for using the equity method		23.8	22.5	62.7	64.0
Gross profit for the period		297.3	4,082.7	887.4	5,237.2
Income tax		(66.2)	(934.0)	(160.8)	(1,156.4)
Net profit for the period		231.1	3,148.7	726.6	4,080.8
Net profit attributable to equity holders of the Parent		236.7	3,142.4	740.5	4,071.3
Net profit/(loss) attributable to non-controlling interest		(5.6)	6.3	(13.9)	9.5
Basic and diluted earnings per share (in PLN)		0.42	4.92	1.30	6.38

Interim Consolidated Statement of Comprehensive Income

	Note	for the 3 months ended		for the 9 months ended	
		30 September 2022 unaudited	30 September 2021 unaudited	30 September 2022 unaudited	30 September 2021 unaudited
Net profit for the period		231.1	3,148.7	726.6	4,080.8
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Valuation of hedging instruments	13	(3.6)	2.2	22.2	7.0
Share of other comprehensive income of associates and subsidiaries		20.0	0.1	29.9	0.2
Other comprehensive income, net of tax		16.4	2.3	52.1	7.2
Total comprehensive income for the period		247.5	3,151.0	778.7	4,088.0
Total comprehensive income attributable to equity holders of the Parent		251.6	3,144.7	791.0	4,078.5
Total comprehensive income/(loss) attributable to non-controlling interest		(4.1)	6.3	(12.3)	9.5

Interim Consolidated Balance Sheet - Assets

	Note	30 September 2022 unaudited	31 December 2021
Reception equipment		278.5	284.0
Other property, plant and equipment		3,481.0	3,326.9
Goodwill	16	10,810.9	10,802.0
Customer relationships		750.9	1,005.7
Brands		2,070.1	2,069.6
Other intangible assets		2,165.4	2,374.1
Right-of-use assets		517.5	696.5
Non-current programming assets		442.8	739.4
Investment property		1,107.1	28.4
Non-current deferred distribution fees		77.1	73.5
Non-current trade receivables		839.8	777.1
Other non-current assets, includes:		2,285.3	1,902.3
<i>shares in associates accounted for using the equity method</i>		1,786.1	1,764.4
<i>derivative instruments</i>		34.4	23.0
Deferred tax assets		112.1	80.2
Total non-current assets		24,938.5	24,159.7
Current programming assets		829.1	630.6
Contract assets		361.5	418.0
Inventories		888.7	595.7
Trade and other receivables		2,669.6	2,450.3
Income tax receivable		3.6	4.5
Current deferred distribution fees		216.6	226.8
Other current assets, includes:		182.5	107.1
<i>derivative instruments</i>		99.3	60.9
Cash and cash equivalents		1,586.0	3,632.4
Restricted cash		10.1	11.9
Total current assets		6,747.7	8,077.3
Total assets		31,686.2	32,237.0

Interim Consolidated Balance Sheet - Equity and Liabilities

	Note	30 September 2022 unaudited	31 December 2021
Share capital	12	25.6	25.6
Share premium	12	7,174.0	7,174.0
Share of other comprehensive income of associates		56.6	32.1
Other reserves		2,827.1	2,801.3
Retained earnings		7,899.7	7,823.6
Treasury shares		(2,854.7)	(2,461.0)
Equity attributable to equity holders of the Parent		15,128.3	15,395.6
Non-controlling interests		526.2	(11.0)
Total equity		15,654.5	15,384.6
Loans and borrowings	14	6,840.6	7,671.8
Issued bonds	15	1,910.3	1,942.1
Lease liabilities		328.3	497.5
Deferred tax liabilities		1,023.2	794.9
Other non-current liabilities and provisions		355.4	319.8
Total non-current liabilities		10,457.8	11,226.1
Loans and borrowings	14	1,367.2	1,072.7
Issued bonds	15	159.9	66.4
Lease liabilities		190.2	201.1
UMTS license liabilities		-	139.9
Contract liabilities		632.7	650.8
Trade and other payables		2,455.2	2,531.2
Liabilities to shareholders of the Parent Company related to dividend		660.8	-
Income tax liability		107.9	964.2
Total current liabilities		5,573.9	5,626.3
Total liabilities		16,031.7	16,852.4
Total equity and liabilities		31,686.2	32,237.0

Interim Consolidated Cash Flow Statement

	Note	for the 9 months ended	
		30 September 2022 unaudited	30 September 2021 unaudited
Net profit		726.6	4,080.8
Adjustments for:		1,492.8	(1,285.0)
Depreciation, amortization, impairment and liquidation	9	1,365.9	1,442.0
Payments for film licenses and sports rights		(492.8)	(557.1)
Amortization of film licenses and sports rights		502.9	394.1
Interest expense		466.2	223.0
Change in inventories		(66.9)	(215.3)
Change in receivables and other assets		174.4	76.1
Change in liabilities and provisions		(391.4)	(92.0)
Change in contract assets		56.5	99.0
Change in contract liabilities		(27.1)	(7.3)
Foreign exchange losses, net		18.6	0.2
Income tax		160.8	1,156.4
Net additions of reception equipment		(84.5)	(78.1)
Share of the profit of associates accounted for using the equity method		(62.7)	(64.0)
Gain on disposal of a subsidiary and an associate		(113.4)	(3,690.8)
Other adjustments		(13.7)	28.8
Cash from operating activities		2,219.4	2,795.8
Income tax paid		(1,175.8)	(356.9)
Interest received from operating activities		46.6	3.8
Net cash from operating activities		1,090.2	2,442.7
Acquisition of property, plant and equipment		(567.9)	(728.5)
Acquisition of intangible assets		(244.3)	(173.3)
Concessions payments		(162.6)	(159.4)
Acquisition of subsidiaries, net of cash acquired	16	(260.3)	(938.2)
Acquisition of shares in associates	22	(4.9)	(500.0)
Capital increase in an associate		(473.8)	-
Proceeds from disposal of a subsidiary and an associate		643.3	7,111.9
Proceeds from sale of property, plant and equipment		2.5	4.8
Loans granted		(551.4)	(13.8)
Repayment of loans granted		146.1	0.7
Acquisition of bonds		-	(27.8)
Bonds redemption with interest		-	8.6
Dividends received from associate		64.0	59.2
Other inflows		6.8	1.8
Net cash from/(used in) investing activities		(1,402.5)	4,646.0

Interim Condensed Consolidated Financial Statements for the 9 months ended 30 September 2022
(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

	Note	for the 9 months ended	
		30 September 2022 unaudited	30 September 2021 unaudited
Loans and borrowings inflows	14	7.1	1,665.0
Repayment of loans and borrowings	14	(845.1)	(1,472.4)
Payment of interest on loans, borrowings, bonds, and commissions		(390.9)	(159.8)
Payment of lease liabilities		(151.0)	(280.9)
Payment of interest on lease liabilities		(15.1)	(27.6)
Dividend payment		-	(674.5)
Hedging instrument effect		75.7	(30.4)
Acquisition of treasury shares ⁽¹⁾		(393.9)	-
Other outflows		(16.5)	(0.9)
Net cash used in financing activities		(1,729.7)	(981.5)
Net increase/(decrease) in cash and cash equivalents		(2,042.0)	6,107.2
Cash and cash equivalents at the beginning of the period		3,644.3⁽²⁾	1,365.8⁽³⁾
Effect of exchange rate fluctuations on cash and cash equivalents		(6.2)	(0.7)
Cash and cash equivalents at the end of the period		1,596.1⁽⁴⁾	7,472.3⁽⁵⁾

⁽¹⁾ Includes amount paid for costs related to acquisition of treasury shares

⁽²⁾ Includes restricted cash amounting to PLN 11.9

⁽³⁾ Includes restricted cash amounting to PLN 10.4

⁽⁴⁾ Includes restricted cash amounting to PLN 10.1

⁽⁵⁾ Includes restricted cash amounting to PLN 9.5

Interim Consolidated Statement of Changes in Equity for the 9 months ended 30 September 2022

	Share capital	Share premium	Share of other comprehensive income of associates	Other reserves	Retained earnings ⁽¹⁾	Treasury shares	Equity attributable to equity holders of the Parent	Non-controlling interests	Total equity
Balance as at 1 January 2022	25.6	7,174.0	32.1	2,801.3	7,823.6	(2,461.0)	15,395.6	(11.0)	15,384.6
Dividend approved and share of profits	-	-	-	-	(660.8)	-	(660.8)	(2.7)	(663.5)
Acquisition of treasury shares	-	-	-	(0.2)	-	(393.7)	(393.9)	-	(393.9)
Acquisition of subsidiary	-	-	-	-	(3.6)	-	(3.6)	552.2	548.6
Total comprehensive income	-	-	24.5	26.0	740.5	-	791.0	(12.3)	778.7
<i>Hedge valuation reserve</i>	-	-	-	22.2	-	-	22.2	-	22.2
<i>Exchange differences on translation of subsidiaries and associates</i>	-	-	24.5	3.8	-	-	28.3	1.6	29.9
<i>Net profit for the period</i>	-	-	-	-	740.5	-	740.5	(13.9)	726.6
Balance as at 30 September 2022 unaudited	25.6	7,174.0	56.6	2,827.1	7,899.7	(2,854.7)	15,128.3	526.2	15,654.5

⁽¹⁾ In accordance with the provisions of the Commercial Companies Code, joint-stock companies are required to transfer at least 8% of their annual net profits to reserve capital until its amount reaches one third of the amount of their share capital. As at 30 September 2022 the capital excluded from distribution amounts to PLN 8.5

Interim Consolidated Statement of Changes in Equity for the 9 months ended 30 September 2021

	Share capital	Share premium	Share of other comprehensive income of associates	Other reserves	Retained earnings ⁽¹⁾	Equity attributable to equity holders of the Parent	Non-controlling interests	Total equity
Balance as at 1 January 2021	25.6	7,174.0	21.2	99.7	7,112.3	14,432.8	(6.6)	14,426.2
Dividend approved and share of profits	-	-	-	-	(767.5)	(767.5)	(5.4)	(772.9)
Put option valuation	-	-	-	(106.7)	-	(106.7)	654.7	548.0
Acquisition of subsidiary	-	-	-	(126.3)	-	(126.3)	(658.8)	(785.1)
Total comprehensive income	-	-	0.2	7.0	4,071.3	4,078.5	9.5	4,088.0
<i>Hedge valuation reserve</i>	-	-	-	7.0	-	7.0	-	7.0
<i>Share of other comprehensive income of associates</i>	-	-	0.2	-	-	0.2	-	0.2
<i>Net profit for the period</i>	-	-	-	-	4,071.3	4,071.3	9.5	4,080.8
Balance as at 30 September 2021 unaudited	25.6	7,174.0	21.4	(126.3)	10,416.1	17,510.8	(6.6)	17,504.2

⁽¹⁾ In accordance with the provisions of the Commercial Companies Code, joint-stock companies are required to transfer at least 8% of their annual net profits to reserve capital until its amount reaches one third of the amount of their share capital. As at 30 September 2021 the capital excluded from distribution amounts to PLN 8.5

Notes to the Interim Condensed Consolidated Financial Statements

General information

1. The Parent Company

Cyfrowy Polsat S.A. ('the Company', 'Cyfrowy Polsat', 'the Parent Company', 'the Parent') was incorporated in Poland as a joint stock company. The Company's shares are traded on the Warsaw Stock Exchange. The Parent Company's registered office is located at 4a, Łubinowa Street in Warsaw.

The Parent operates in Poland as a provider of a paid digital satellite platform under the name of 'Polsat Box' and paid digital terrestrial television as well as telecommunication services provider.

The Company was incorporated under the Notary Deed dated 30 October 1996.

These interim condensed consolidated financial statements comprise the Parent and its subsidiaries ('the Group') and joint ventures. The Group operates in three segments:

- B2C and B2B services which relates mainly to the provision of services to the general public, including digital television transmission signal, Internet access services, mobile TV services, online TV services, mobile services, production of set-top boxes,
- media which consist mainly of production, acquisition and broadcasting of information and entertainment programs as well as TV series and feature films broadcasted on television channels in Poland,
- real estate segment, which mainly includes the implementation of construction projects as well as the sale, rental and management of own or leased real estate.

2. Composition of the Management Board of the Company

- | | |
|--------------------------|---|
| • Mirosław Błaszczuk | President of the Management Board, |
| • Maciej Stec | Vice-President of the Management Board, |
| • Jacek Felczykowski | Member of the Management Board, |
| • Aneta Jaskólska | Member of the Management Board, |
| • Agnieszka Odorowicz | Member of the Management Board, |
| • Katarzyna Ostap-Tomann | Member of the Management Board. |

3. Composition of the Supervisory Board of the Company

- | | |
|---------------------|---|
| • Zygmunt Solorz | Chairman of the Supervisory Board, |
| • Marek Kapuściński | Vice-Chairman of the Supervisory Board, |
| • Józef Birka | Member of the Supervisory Board, |
| • Jarosław Grzesiak | Member of the Supervisory Board, |
| • Marek Grzybowski | Member of the Supervisory Board, |
| • Alojzy Nowak | Member of the Supervisory Board, |
| • Tobiasz Solorz | Member of the Supervisory Board, |
| • Tomasz Szelaż | Member of the Supervisory Board, |
| • Piotr Żak | Member of the Supervisory Board. |

4. Basis of preparation of the interim condensed consolidated financial statements

Statement of compliance

These interim condensed consolidated financial statements for the 9 months ended 30 September 2022 have been prepared in accordance with the International Accounting Standard 34 Interim Financial Reporting as adopted by the EU. These interim condensed consolidated financial statements should be read together with the annual consolidated financial statements for the year ended 31 December 2021, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS EU"). These interim condensed consolidated financial statements have been prepared on a going concern basis.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of new, amended Standards or Interpretations that apply to the annual reporting periods beginning on or after 1 January 2022.

During the nine-month period ended 30 September 2022 the following become effective:

- a) Amendments to IFRS 3 Business Combinations,
- b) Amendments to IAS 16 Property, Plant and Equipment,
- c) Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets,
- d) Annual Improvements 2018-2020 – the amendments contain explanations and clarify the guidelines for recognition and measurement: IFRS 1 "Adoption of International Financial Reporting Standards for the first time", IFRS 9 "Financial Instruments", IAS 41 "Agriculture" and examples to illustrate IFRS 16 "Leases".

Amendments and interpretations that apply for the first time in 2022 do not have a material impact on the interim condensed consolidated financial statements of the Group.

Standards published but not yet effective:

- a) IFRS 17 Insurance Contracts and Amendments to IFRS 17,
- b) Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current,
- c) Amendments to IAS 1 Presentation of Financial Statements and IFRS Board guidelines - Disclosure of Accounting policies,
- d) Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates,
- e) Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

5. Group structure

These interim condensed consolidated financial statements for the 9 months ended 30 September 2022 include the following entities:

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2022	31 December 2021
Parent Company:				
Cyfrowy Polsat S.A.	Łubinowa 4a, 03-878 Warsaw	radio, TV and telecommunication activities	n/a	n/a
Subsidiaries accounted for using full method:				
Telewizja Polsat Sp. z o.o.	Ostrobramska 77, 04-175 Warsaw	television broadcasting and production	100%	100%
Polsat Media Biuro Reklamy Sp. z o.o. Sp. k.	Ostrobramska 77, 04-175 Warsaw	media	100%	100%
Polsat License Ltd.	Alte Landstrasse 17, 8863 Buttikon, Switzerland	media	100%	100%
Polsat Media Biuro Reklamy Sp. z o.o.	Ostrobramska 77, 04-175 Warsaw	media	100%	100%
Polsat Investments Ltd. (formerly Polsat Brands AG)	3, Krinou Agios Athanasios, 4103 Limassol, Cyprus	media	100%	100%
Polsat Ltd.	238A King Street, W6 0RF London, United Kingdom	media	100%	100%
Muzo.fm Sp. z o.o.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	media	100%	100%
INFO-TV-FM Sp. z o.o.	Łubinowa 4a, 03-878 Warsaw	radio and TV activities	100%	100%
CPSPV1 Sp. z o.o.	Łubinowa 4a, 03-878 Warsaw	technical services	100%	100%
CPSPV2 Sp. z o.o.	Łubinowa 4a, 03-878 Warsaw	technical services	100%	100%
Polkomtel Sp. z o.o.	Konstruktorska 4, 02-673 Warsaw	telecommunication activities	100%	100%
Liberty Poland S.A.	Al. Stanów Zjednoczonych 61, 04-028 Warsaw	telecommunication activities	100%	100%

Interim Condensed Consolidated Financial Statements for the 9 months ended 30 September 2022
 (all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2022	31 December 2021
Subsidiaries accounted for using full method (cont.):				
Polkomtel Business Development Sp. z o.o.	Konstruktorska 4, 02-673 Warsaw	other activities supporting financial services, gaseous fuels trading activities	100%	100%
TM Rental Sp. z o.o.	Konstruktorska 4, 02-673 Warsaw	intellectual property rights rental	100%	100%
Orsen Holding Ltd.	Level 2 West, Mercury Tower, Elia Zammit Street, St. Julian's STJ 3155, Malta	holding activities	100%	100%
Orsen Ltd.	Level 2 West, Mercury Tower, Elia Zammit Street, St. Julian's STJ 3155, Malta	holding activities	100%	100%
Dwa Sp. z o.o.	Al. Stanów Zjednoczonych 61, 04-028 Warsaw	holding activities	100%	100%
Interphone Service Sp. z o.o.	Inwestorów 8, 39-300 Mielec	production of set-top boxes	100%	100%
Teleaudio Dwa Sp. z o.o. Sp.k.	Al. Stanów Zjednoczonych 61, 04-028 Warsaw	call center and premium rate services	100%	100%
IB 1 FIZAN	Mokotowska 49, 00-542 Warsaw	financial activities	*	*
Sferia S.A.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	telecommunication activities	51%	51%
Altalog Sp. z o.o.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	software	66%	66%
Plus Flota Sp. z o.o.	Konstruktorska 4, 02-673 Warsaw	management and rental services	100%	100%
Music TV Sp. z o.o.	Ostrobramska 77, 04-175 Warsaw	media	100%	100%
Polo TV Sp. z o.o. (formerly Lemon Records Sp. z o.o.) ^(e)	Ostrobramska 77, 04-175 Warsaw	media	100%	100%

Interim Condensed Consolidated Financial Statements for the 9 months ended 30 September 2022
(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2022	31 December 2021
Subsidiaries accounted for using full method (cont.):				
Netia S.A. ^{(b)(f)(g)(h)}	Poleczki 13, 02-822 Warsaw	telecommunication activities	99.999%	99.999%
Netia 2 Sp. z o.o.	Poleczki 13, 02-822 Warsaw	telecommunication activities	99.999%	99.999%
TK Telekom Sp. z o.o.	Kijowska 10/12A, 03-743 Warsaw	telecommunication activities	99.999%	99.999%
Petrotel Sp. z o.o.	Chemików 7, 09-411 Płock	telecommunication activities	99.999%	99.999%
Eleven Sports Network Sp. z o.o.	Plac Europejski 2, 00-844 Warsaw	media	99.99%	99.99%
Superstacja Sp. z o.o.	Ostrobramska 77, 04-175 Warsaw	media	100%	100%
Netshare Media Group Sp. z o.o.	Ostrobramska 77, 04-175 Warsaw	advertising activities	100%	100%
TVO Sp. z o.o.	Kielecka 5, 81-303 Gdynia	retail sales	75.96%	75.96%
ISTS Sp. z o.o. ^(g)	Bociana 4a/68a, 31-231 Cracow	wired communication	-	99.999%
Plus Finanse Sp. z o.o.	Konstruktorska 4, 02-673 Warsaw	other monetary intermediation	100%	100%
Plus Pay Sp. z o.o.	Konstruktorska 4, 02-673 Warsaw	monetary intermediation	100%	100%
Esoleo Sp. z o.o. ^{(i)(j)}	Al. Wyścigowa 6, 02-681 Warsaw	technical services	51.25%	51.25%
Alledo Express Sp. z o.o.	Broniwoja 3/85, 02-655 Warsaw	rental services	51.25%	51.25%
Alledo Parts Sp. z o.o. ⁽ⁱ⁾	Broniwoja 3/85, 02-655 Warsaw	wholesale	51.25%	26.14%
Alledo Parts Sp. z o.o. Sp.k. ⁽ⁱ⁾	Broniwoja 3/85, 02-655 Warsaw	wholesale	51.25%	26.40%
Alledo Setup Sp. z o.o.	Broniwoja 3/85, 02-655 Warsaw	technical services	51.25%	51.25%
Alledo Setup Sp. z o.o. Sp.k.	Broniwoja 3/85, 02-655 Warsaw	technical services	51.25%	51.25%
IST Sp. z o.o. ^(b)	Księża Janusza I 3, 18-400 Łomża	wired communication	-	99.999%

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2022	31 December 2021
Subsidiaries accounted for using full method (cont.):				
Grupa Interia.pl Sp. z o.o.	Os. Teatralne 9a, 31-946 Cracow	holding activities	100%	100%
Grupa Interia.pl Media Sp. z o.o. Sp.k.	Os. Teatralne 9a, 31-946 Cracow	web portals activities	100%	100%
Grupa Interia.pl Sp. z o.o. Sp.k. ^(l)	Os. Teatralne 9a, 31-946 Cracow	web portals activities	100%	100%
Mobiem Polska Sp. z o.o.	Fabryczna 5a, 00-446 Warsaw	holding activities	100%	100%
Mobiem Polska Sp. z o.o. Sp.k.	Fabryczna 5a, 00-446 Warsaw	advertising activities	100%	100%
TV Spektrum Sp. z o.o.	Ostrobramska 77, 04-175 Warsaw	media	100%	100%
Polot Media Sp. z o.o. (formerly Tako Media Sp. z o.o.)	Ludwika Solskiego 55, 52-401 Wroclaw	consulting	60%	60%
Polot Media Sp. z o.o. Sp.k. (formerly Tako Media Sp. z o.o. Sp.k.)	Ludwika Solskiego 55, 52-401 Wroclaw	movie and TV production	60%	60%
BCAST Sp. z o.o.	Rakowiecka 41/21, 02-521 Warsaw	telecommunication activities	70.02%	70.02%
Polsat Talenty Sp. z o.o.	Ostrobramska 77, 04-175 Warsaw	cooperation with artists and presenters	100%	100%
Premium Mobile Sp. z o.o.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	telecommunication activities	100%	100%
Visignio Sp. z o.o.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	sales network management	100%	100%
Saveadvisor Sp. z o.o.	Warszawska 18, 35-205 Rzeszów	call center services	100%	100%
Mobi Dealer Sp. z o.o.	Warszawska 18, 35-205 Rzeszów	sales network management	100%	100%
CKS Ossa Sp. z o.o. (formerly TMS Ossa Sp. z o.o.)^(m)	Al. Stanów Zjednoczonych 61, 04-028 Warsaw	hotel services	-	100%
Ossa Medical Center Sp. z o.o. (formerly Horest, Hotel pod Żaglami Sp. z o.o.)⁽ⁿ⁾	Al. Stanów Zjednoczonych 61, 04-028 Warsaw	medical services	-	100%

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2022	31 December 2021
Subsidiaries accounted for using full method (cont.):				
Logitus Sp. z o. o.	Orzechowa 5, 80-175 Gdańsk	wired communication	99.999%	99.999%
Stork 5 Sp. z o.o.	Łubinowa 4A, 03-878 Warsaw	holding activities	100%	100%
Swan 5 Sp. z o.o.	Łubinowa 4A, 03-878 Warsaw	agricultural activities	100%	100%
Vindex S.A.^(a)	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	other financial services	100%	^(a)
Vindex Investments Sp. z o. o.^(a)	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	other financial services	100%	-
Direct Collection Sp. z o.o.^(a)	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	other financial services	100%	-
Vindex Sp. z o.o.^(a)	Heroiv UPA 73 ž, 79018, Lviv	call center services	100%	-
Vindex NSFIZ^(a)	Mokotowska 49, 00-542 Warsaw	financial services	*	-
Mag7soft Sp. z o.o.^(a)	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	software activities	100%	-
Centrum Szkolenia i Zarządzania Nieruchomościami Sp. z o.o.^(c)	Zwierzyniecka 18, 60-814 Poznań	real estate services	100%	-
Port Praski Sp. z o.o.^{(d)(k)}	Krowia 6, 03-711 Warsaw	implementation of construction projects	66.94%	-
Port Praski Inwestycje Sp. z o.o.^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	66.94%	-
Port Praski Nowe Inwestycje Sp. z o.o.^(d)	Krowia 6, 03-711 Warsaw	real estate management	66.94%	-
Port Praski Sp. z o.o. Białystok Sp. k.^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	66.94%	-
Port Praski Office Park Sp. z o.o.^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	45.52%	-
Port Praski Medical Center Sp. z o.o.^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	45.52%	-

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2022	31 December 2021
Subsidiaries accounted for using full method (cont.):				
Port Praski City Sp. z o.o. ^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	45.52%	-
Port Praski City II Sp. z o.o. ^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	45,52%	-
Port Praski City III Sp. z o.o. ^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	45.52%	-
Port Praski City IV Sp. z o.o. ^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	45.52%	-
Port Praski Sp. z o.o. S.K.A. ^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	45.52%	-
Port Praski Education Sp. z o.o. ^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	45.52%	-
Port Praski Doki Sp. z o.o. ^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	45.52%	-
Port Praski Doki II Sp. z o.o. ^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	45.52%	-
Port Praski Media Park Sp. z o.o. ^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	45.52%	-
Port Praski II Sp. z o.o. ^(d)	Krowia 6, 03-711 Warsaw	implementation of construction projects	45.52%	-
Port Praski Hotel Sp. z o.o. ^(d)	Krowia 6, 03-711 Warsaw	hotel services	45.52%	-
Pantanomo Limited ^(d)	3 KRINOUE, Limassol 4103, Cypr	holding activities	45.52%	-
Laris Investments Sp. z o.o. ^{(d)(k)}	Pańska 77/79, 00-834 Warsaw	real estate rental	66.94%	-
Laris Development Sp. z o.o. ^{(d)(k)}	Pańska 77/79, 00-834 Warsaw	implementation of construction projects	66.94%	-
Laris Technologies Sp. z o.o. ^{(d)(k)}	Pańska 77/79, 00-834 Warsaw	property rental and management	66.94%	-

Interim Condensed Consolidated Financial Statements for the 9 months ended 30 September 2022
(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2022	31 December 2021
Subsidiaries accounted for using full method (cont.):				
SPV Baletowa Sp. z o.o. ^{(d)(k)}	Pańska 77/79, 00-834 Warsaw	implementation of construction projects	66.94%	-
Megadex Development Sp. z o.o. ^{(d)(k)}	Gdańska 14/1 01-691 Warsaw	property rental and management	66.94%	-
Megadex Expo Sp. z o.o. ^{(d)(k)}	Adama Mickiewicza 63, 01-625 Warsaw	property rental and management	66.94%	-
Centrum Zdrowia i Relaksu Verano Sp. z o.o. ^{(d)(k)}	Sikorskiego 8, 78-100 Kołobrzeg	hotel services	66.94%	-
Turystyka Zdrowotna Verano Plus Sp. z o.o. ^{(d)(k)}	Sikorskiego 8, 78-100 Kołobrzeg	catering services	66.94%	-
Enterpol Sp. z o.o. ^(f)	Braci Wieniawskich 5, 20-844 Lublin	telecommunication activities	99.999%	-
Oktawave S.A. ^(h)	Domaniewska 44A, 02-672 Warsaw	website management	99.999%	-
Antyweb Sp. z o.o. ^(l)	Sarmacka 12C/14, 02-972 Warsaw	web portal activities	70%	-

* Cyfrowy Polsat S.A. indirectly holds 100% of certificates.

^(a) As at 31 December 2021, Cyfrowy Polsat held 46.27% shares of Vindix S.A., therefore Vindix S.A. and its subsidiaries were consolidated using the equity method. On 19 January 2022 Cyfrowy Polsat acquired 53.73% shares of Vindix S.A. Consequently, Cyfrowy Polsat holds 100% shares of Vindix S.A. and its subsidiaries (jointly the "Vindix Group").

^(b) On 1 February 2022 merger of Netia S.A. with IST Sp. z o.o. was registered.

^(c) On 31 March 2022 Polkomtel acquired 100% shares of Centrum Szkolenia i Zarządzania Nieruchomościami Sp. z o.o.

^(d) On 1 April 2022 Cyfrowy Polsat acquired 66.94% shares of Port Praski Sp. z o.o. As a result of the transaction, Cyfrowy Polsat acquired control over Port Praski Sp. z o.o. and its subsidiaries.

^(e) On 14 April 2022 company's name change from Lemon Records Sp. z o.o. to Polo TV Sp. z o.o. was registered.

^(f) On 7 June 2022 Netia S.A. acquired 100% shares of Enterpol Sp. z o.o.

^(g) On 7 June 2022 merger of Netia S.A. with ISTS Sp. z o.o. was registered.

^(h) On 21 June 2022 Netia S.A. acquired 100% shares of Oktawave S.A.

⁽ⁱ⁾ On 4 August 2022 Esoleo Sp. z o.o. acquired 49% shares of Alledo Parts Sp. z o.o. Consequently, Esoleo Sp. z o.o. holds 100% shares of Alledo Parts Sp. z o.o.

^(j) On 4 August 2022 Esoleo Sp. z o.o. acquired 48% of all rights and obligations of a limited partner of Alledo Parts Sp. z o.o. Sp.k. Consequently Esoleo Sp. z o.o. and its subsidiaries hold 100% shares of Alledo Parts Sp. z o.o. Sp.k.

^(k) On 9 August 2022 Port Praski Sp. z o.o. acquired 0.09% shares of Laris Investments Sp. z o.o. Consequently, Port Praski Sp. z o.o. holds 100% shares of Laris Investments Sp. z o.o.

^(l) On 26 September 2022 Grupa Interia.pl Sp. z o.o. Sp.k. acquired 70% shares of Antyweb Sp. z o.o.

^(m) On 28 September 2022 Polkomtel Sp. z o.o. sold 100% shares of Ossa Medical Center Sp. z o.o. (previously Horest, Hotel pod Żaglami Sp. z o.o.) to Embud 2 Sp. z o.o.SKA

⁽ⁿ⁾ On 28 September 2022 Polkomtel Sp. z o.o. sold 100% shares of CKS Ossa Sp. z o.o. to Embud 2 Sp. z o.o.SKA

Interim Condensed Consolidated Financial Statements for the 9 months ended 30 September 2022
 (all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

Investments accounted for under the equity method:

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2022	31 December 2021
Polsat JimJam Ltd.	33 Broadwick Street Soho London W1F 0DQ, United Kingdom	media	50%	50%
Polski Operator Telewizyjny Sp. z o.o.	Wiernicza 166 02-952 Warsaw	technical services	50%	50%
Vindix S.A. ^(a)	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	other financial services	^(a)	46.27%
Asseco Poland S.A.	Olchowa 14, 35-322 Rzeszów	software activities	22.95%	22.95%
Modivo S.A. (formerly eObuwie.pl S.A.) ^{(b)(e)}	Nowy Kisielin-Nowa 9, 66-002 Zielona Góra	retail sales	^(e)	10%
Polsat Boxing Promotion Sp. z o. o. (formerly TMS Kraków Sp. z o. o.)	Ostrobramska 77, 04-175 Warsaw	movie and TV production	24%	24%
Pollytag S.A. ^(c)	Wielopole 6, 80-556 Gdańsk	sale of wood and construction materials	31.12%	-
PAK-Polska Czysta Energia Sp. Z o.o. ^(d)	Kazimierska 45, 62-510 Konin	holding activity	40.41%	-

^(a) On 19 January 2022 Cyfrowy Polsat acquired 53.73% shares of Vindix S.A. Consequently, Cyfrowy Polsat holds 100% shares of Vindix S.A. and its subsidiaries.

^(b) On 21 January 2022 company's name change from eObuwie.pl S.A. to Modivo S.A. was registered.

^(c) On 1 April 2022 Cyfrowy Polsat acquired 66.94% shares of Port Praski Sp. z o.o. which indirectly holds shares in Pollytag S.A.

^(d) On 27 July 2022 share capital increase in PAK-Polska Czysta Energia Sp. z o.o. was registered by the court. Consequently, Cyfrowy Polsat S.A. holds 40.41% shares of PAK-Polska Czysta Energia Sp. z o.o.

^(e) On 28 September 2022 Cyfrowy Polsat S.A. sold 9.96% shares of Modivo S.A. to Embud 2 Sp. z o.o. SKA.

Additionally, the following entities were included in these interim condensed consolidated financial statements for the 9 months ended 30 September 2022:

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2022	31 December 2021
Karpacka Telewizja Kablowa Sp. z o.o. ⁽¹⁾	Warszawska 220, 26-600 Radom	dormant	99%	99%
Polskie Badania Internetu Sp. z o.o.	Al. Jerozolimskie 65/79, 00-697 Warsaw	web portals activities	21.43% ⁽²⁾	21.43% ⁽²⁾
Pluszak Sp. z o.o.	Domaniewska 47, 02-672 Warsaw	retail sales	9%	9%
Exion Hydrogen Polskie Elektrolizery Sp. z o.o. (formerly PLCOM Sp. z o.o.)	Ku Ujściu 19, 80-701 Gdańsk	production of electrical equipment	10%	10%
Towerlink Poland Sp. z o.o. (formerly Polkomtel Infrastruktura Sp. z o.o.)	Marcina Kasprzaka 4, 01-211 Warsaw	telecommunication activities	0.01%	0.01%
MESE Sp. z o.o.	Al. Stanów Zjednoczonych 61, 04-028 Warsaw	movie and TV production	10%	10%
Megadex SPV Sp. z o.o. ⁽³⁾	Adama Mickiewicza 63, 01-625 Warsaw	other financial services	7.02%	-
Megadex Księży Młyn Sp. z o.o. ⁽³⁾	Adama Mickiewicza 63, 01-625 Warsaw	implementation of construction projects	7.02%	-

⁽¹⁾ Investment accounted for at cost less any accumulated impairment losses.

⁽²⁾ Not included in investments accounted for under the equity method due to immateriality.

⁽³⁾ On 1 April 2022 Cyfrowy Polsat acquired 66.94% shares of Port Praski Sp. z o.o. which indirectly holds shares in the company.

6. Approval of the Interim Condensed Consolidated Financial Statements

These interim condensed consolidated financial statements were approved for publication by the Management Board of Cyfrowy Polsat S.A. on 14 November 2022.

Explanatory notes

7. Information on seasonality in the Group's operations

Wholesale revenue includes *inter alia* advertising and sponsoring revenue which tends to be lowest during the third quarter of each calendar year due to the summer holidays period and highest during the second and fourth quarter of each calendar year due to the introduction of a new programming offer.

Within retail revenue category mobile revenue is a subject to slight fluctuations during the year. This revenue stream tends to decrease in the first quarter of each year due to fewer number of calendar and business days.

8. Revenue

	for the 3 months ended		for the 9 months ended	
	30 September 2022 unaudited	30 September 2021 unaudited	30 September 2022 unaudited	30 September 2021 unaudited
Retail revenue	1,753.3	1,707.4	5,201.3	5,036.3
Wholesale revenue	840.9	827.1	2,533.8	2,672.0
Sale of equipment	472.7	359.1	1,259.7	1,042.2
Other revenue	204.0	138.3	490.9	428.5
Total	3,270.9	3,031.9	9,485.7	9,179.0

Retail revenue mainly consists of pay-TV, telecommunication services, revenue from rental of reception equipment and contractual penalties related to terminated agreements.

Wholesale revenue mainly consists of advertising and sponsorship revenue, settlements with mobile network operators, revenue from rental of infrastructure, roaming revenues, revenue from cable and satellite operator fees, sales of broadcasting and signal transmission services and sales of licenses, sublicenses and property rights.

Other revenue mainly consists of revenue from interest on installment plan purchases, revenue from the lease of premises and facilities, revenue from the sale of electric energy, revenue from the sale of photovoltaic installations and sale of apartments.

9. Operating costs

	for the 3 months ended		for the 9 months ended	
	30 September 2022 Note	30 September 2021 unaudited	30 September 2022 unaudited	30 September 2021 unaudited
Technical costs and cost of settlements with telecommunication operators	823.2	790.3	2,440.7	2,048.0
Depreciation, amortization, impairment and liquidation	452.1	463.6	1,365.9	1,442.0
Cost of equipment sold	365.4	297.6	1,024.9	863.5
Content costs	530.0	426.9	1,508.4	1,295.5
Distribution, marketing, customer relation management and retention costs	256.6	280.6	763.9	740.2
Salaries and employee-related costs	a) 242.3	210.8	734.0	675.6
Cost of debt collection services, bad debt allowance and receivables written off	25.6	30.4	72.7	82.9
Other costs	182.1	95.7	415.9	347.2
Total	2,877.3	2,595.9	8,326.4	7,494.9

a) Salaries and employee related costs

	for the 3 months ended		for the 9 months ended	
	30 September 2022 unaudited	30 September 2021 unaudited	30 September 2022 unaudited	30 September 2021 unaudited
Salaries	201.3	173.9	603.1	555.9
Social security contributions	31.7	26.9	101.8	92.5
Other employee-related costs	9.3	10.0	29.1	27.2
Total	242.3	210.8	734.0	675.6

10. Gain/(loss) on investment activities, net

	for the 3 months ended		for the 9 months ended	
	30 September 2022 unaudited	30 September 2021 unaudited	30 September 2022 unaudited	30 September 2021 unaudited
Interest on lease liabilities	(4.8)	(5.0)	(14.7)	(27.1)
Interest, net	20.3	0.5	52.8	1.1
Other foreign exchange gains/(losses), net	(34.7)	(22.6)	(57.7)	(10.6)
Other income/(costs)	1.1	10.6	14.1	5.5
Total	(18.1)	(16.5)	(5.5)	(31.1)

11. Finance costs, net

	for the 3 months ended		for the 9 months ended	
	30 September 2022 unaudited	30 September 2021 unaudited	30 September 2022 unaudited	30 September 2021 unaudited
Interest expense on loans and borrowings	171.6	47.6	400.6	150.3
Interest expense on issued bonds	42.5	10.4	111.0	30.9
Valuation and realization of hedging instruments	(6.6)	1.4	(11.5)	4.1
Valuation and realization of derivatives not used in hedge accounting – relating to interest	0.8	(6.3)	(86.6)	(16.6)
Guarantee fees, bank and other charges	1.0	1.6	3.3	3.6
Total	209.3	54.7	416.8	172.3

12. Equity

Share capital

Presented below is the structure of the Company's share capital as at 30 September 2022 and 31 December 2021:

Share series	Number of shares*	Nominal value of shares	Type of shares
A	2,500,000	0.1	preference shares (2 voting rights)
B	2,500,000	0.1	preference shares (2 voting rights)
C	7,500,000	0.3	preference shares (2 voting rights)
D	166,917,501	6.7	preference shares (2 voting rights)
D	8,082,499	0.3	ordinary bearer shares
E	75,000,000	3.0	ordinary bearer shares
F	5,825,000	0.2	ordinary bearer shares
H	80,027,836	3.2	ordinary bearer shares
I	47,260,690	1.9	ordinary bearer shares
J	243,932,490	9.8	ordinary bearer shares
Total	639,546,016	25.6	

* not in millions

The shareholders' structure as at 30 September 2022 was as follows:

	Number of shares*	Nominal value of shares	% of share capital held	Number of votes*	% of voting rights
Zygmunt Solorz, by	396,802,022	15.9	62.04%	576,219,523	70.36%
TiVi Foundation, incl. through:	386,745,257	15.5	60.47%	566,162,758	69.13%
<i>Reddev Investments Ltd. incl. through</i>	386,745,247	15.5	60.47%	566,162,738	69.13%
<i>Cyfrowy Polsat S.A.</i> ¹	88,842,485	3.6	13.89%	88,842,485	10.85%
Tobias Solorz ²	5,607,609	0.2	0.88%	5,607,609	0.68%
ToBe Investments Group Ltd.	4,449,156	0.2	0.70%	4,449,156	0.54%
Nationale-Nederlanden PTE	41,066,962	1.6	6.42%	41,066,962	5.02%
Others	201,677,032	8.1	31.53%	201,677,032	24.63%
Total	639,546,016	25.6	100%	818,963,517	100%

* not in millions

¹ Own shares acquired under the buy-back program announced on 16 November 2021. Pursuant to Art. 364 Item 2 of the Commercial Companies Code, Cyfrowy Polsat S.A. does not exercise voting rights attached to own shares.

² Person/entity is under the presumption of the existence of an agreement referred to in article 87 section 1 item 5 of the Public Offering Act.

The shareholders' structure as at 31 December 2021 was as follows:

	Number of shares*	Nominal value of shares	% of share capital held	Number of votes*	% of voting rights
Zygmunt Solorz, by	387,506,625	15.5	60.59%	566,924,126	69.22%
TiVi Foundation, incl. through:	353,348,370	14.1	55.25%	532,765,871	65.05%
<i>Reddev Investments Ltd. incl. through</i>	353,348,360	14.1	55.25%	532,765,851	65.05%
<i>Cyfrowy Polsat S.A.</i> ¹	71,174,126	2.8	11.13%	71,174,126	8.69%
Embud 2 Sp. z o.o. S.K.A.	32,005,867	1.3	5.00%	32,005,867	3.91%
Tipeca Consulting Limited ²	2,152,388	0.1	0.34%	2,152,388	0.26%
Nationale-Nederlanden PTE	41,066,962	1.6	6.42%	41,066,962	5.02%
Others	210,972,429	8.5	32.99%	210,972,429	25.76%
Total	639,546,016	25.6	100%	818,963,517	100%

* not in millions

¹ Own shares acquired under the buy-back program announced on 16 November 2021. Pursuant to Art. 364 Item 2 of the Commercial Companies Code, Cyfrowy Polsat S.A. does not exercise voting rights attached to own shares.

² Person/entity is under the presumption of the existence of an agreement referred to in article 87 section 1 item 5 of the Public Offering Act.

Share premium

Share premium includes the excess of issue value over the nominal value of shares issued decreased by share issuance-related consulting costs.

Other reserves

Other reserves as at 30 September 2022 include mainly the reserve capital created for the purposes of the share buy-back program in the amount of PLN 2,914.8.

Treasury shares

Treasury shares as at 30 September 2022 include a total of 88,842,485 (not in millions) own shares, representing in total 13.89% of the share capital of the Company and entitling to exercise 88,842,485 (not in millions) votes at the general meeting of the Company, constituting 10.85% of the total number of votes at the general meeting of the Company.

Treasury shares as at 31 December 2021 included a total of 71,174,126 (not in millions) own shares, representing in total 11.13% of the share capital of the Company and entitling to exercise 71,174,126 (not in millions) votes at the general meeting of the Company, constituting 8.69% of the total number of votes at the general meeting of the Company.

For more information about the acquisition of own shares, see note 22.

13. Hedge valuation reserve

Impact of hedging instruments valuation on other reserves

	2022	2021
Balance as at 1 January	9.0	(8.3)
Valuation of cash flow hedges	27.4	8.7
Deferred tax	(5.2)	(1.7)
Change for the period	22.2	7.0
Balance as at 30 September unaudited	31.2	(1.3)

14. Loans and borrowings

	30 September 2022 unaudited	31 December 2021
Short-term liabilities	1,367.2	1,072.7
Long-term liabilities	6,840.6	7,671.8
Total	8,207.8	8,744.5

Change in loans and borrowings liabilities:

	2022	2021
Balance as at 1 January	8,744.5	9,640.8
Loans and borrowings on acquisition of CKS Ossa Sp. z o.o.(formerly TMS Ossa Sp. o.o.) (note 16)	-	72.4
Loans and borrowings on acquisition of Port Praski Sp. z o.o. (note 16)	238.3	-
Loans and borrowings inflows	7.1	1,665.0
Repayment of capital	(845.1)	(1,472.4)
Repayment of interest and commissions	(339.1)	(127.5)
Interest accrued and commissions	400.6	151.3
Foreign exchange	1.5	-
Balance as at 30 September unaudited	8,207.8	9,929.6

15. Issued bonds

	30 September 2022 unaudited	31 December 2021
Short-term liabilities	159.9	66.4
Long-term liabilities	1,910.3	1,942.1
Total	2,070.2	2,008.5

Change in issued bonds:

	2022	2021
Balance as at 1 January	2,008.5	1,997.9
Issued bonds on acquisition of Vindix S.A. (see note 16)	28.0	-
Effect of gaining control over Vindix S.A. and consolidation	(19.3)	-
Bonds repayment	(8.3)	-
Repayment of interest and commissions	(49.7)	(29.0)
Interest accrued and commissions	111.0	30.9
Balance as at 30 September unaudited	2,070.2	1,999.8

16. Acquisition of subsidiaries

Acquisition of shares in Premium Mobile Sp. z o.o. – final purchase price allocation

On 2 July 2021 Polkomtel Sp. z o.o. (Company's subsidiary) acquired 28.01% shares in Premium Mobile Sp. z o.o. for the purchase price of PLN 35.5.

On 9 July 2021 Polkomtel Sp. z o.o. acquired additional 53.69% shares in Premium Mobile Sp. z o.o. for the purchase price of PLN 68.1.

As a result of the above-mentioned transactions, the Group holds a total of 100.0% shares in Premium Mobile Sp. z o.o. and obtained control over the Premium Mobile Group entities i.e. Premium Mobile Sp. z o.o., Visignio Sp. z o.o., Saveadvisor Sp. z o.o. oraz Mobi Dealer Sp. z o.o. (jointly the "Premium Mobile Group").

CONSIDERATION TRANSFERRED

	Final value of consideration transferred
Consideration	125.1
Final value as at 9 July 2021	125.1

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred for 28.01% shares	(35.5)
Cash transferred for 53.69% shares	(68.1)
Cash and cash equivalents received	8.6
Cash decrease in the period of 12 months ended 31 December 2021	(95.0)

FINAL FAIR VALUE VALUATION OF NET ASSETS AS AT THE ACQUISITION DATE

The table below presents final fair values of identified assets and liabilities of the acquired companies, as at the acquisition date, and goodwill accounted for an acquisition.

Final fair value of assets and liabilities as at 9 July 2021:

	Fair value as at the acquisition date (9 July 2021)
Net assets:	
Other property, plant and equipment	0.2
Customer relationships	46.7
Brands	28.7
Other intangible assets	0.1
Right-of-use assets	2.1
Deferred tax assets	7.5
Inventories	0.1
Trade and other receivables	5.0
Other current assets	0.5
Cash and cash equivalents	8.6
Lease liabilities	(2.1)
Deferred tax liabilities	(14.3)
Contract liabilities	(4.4)
Trade and other payables	(18.0)
Value of net assets	60.7
Consideration transferred	125.1
Goodwill	64.4

Goodwill is allocated to the “B2C and B2B services” operating segment.

Following the completion of the purchase price allocation the fair value of identified assets and liabilities has been adjusted to reflect the final valuation. The adjustment includes, among others, identification of umbrella brands 'Premium Mobile' and 'a2mobile' and relationships with postpaid and prepaid customers.

The Group has not restated the amortization and income tax in the comparable income statement as the impact would have been immaterial.

During the purchase price allocation the Group identified the umbrella brands 'Premium Mobile' and 'a2mobile'. The total fair value of the brands in the amount of PLN 28.7 as at the acquisition date was estimated on the basis of relief from royalty method (income approach). Management estimates that the brands 'Premium Mobile' and 'a2mobile' have a definite useful life and thus the brands are amortized over 30 years, i.e. until 2051.

The fair value of the customer relationships in the amount of PLN 46.7 as at the acquisition date was estimated using the multi-period excess earnings method (MEEM).

The revenue and net profit for the reporting period since 9 July 2021 to 31 December 2021 contributed by Premium Mobile Group amounted to PLN 47.6 and PLN 11.2, respectively. Had it been acquired on 1 January 2021, the pro forma revenue and net income included in the consolidated income statement for the 12 months ended 31 December 2021 would have amounted to PLN 12,487.6 and PLN 4,415.7, respectively.

Acquisition of shares in Logitus Sp. z o.o. – final purchase price allocation

On 29 July 2021 Netia S.A. (Company's subsidiary) acquired 100% shares in Logitus Sp. z o.o. ("Logitus").

The consideration for 100% shares of Logitus Sp. z o.o. amounted to PLN 12.9.

Logitus held 100% of shares in Market Software Sp. z o.o. On 2 December 2021, Logitus merged with its subsidiary Market Software Sp. z o.o. by transferring all assets to Logitus.

CONSIDERATION TRANSFERRED

	Final value of consideration transferred
Cash transferred for the 100% shares of Logitus	12.2
Liability due pursuant to the purchase agreement	0.7
Final value as at 29 July 2021	12.9

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred	(12.2)
Cash and cash equivalents received	0.1
Cash decrease in the period of 12 months ended 31 December 2021	(12.1)

FINAL FAIR VALUE VALUATION OF NET ASSETS AS AT THE ACQUISITION DATE

The table below presents final fair value of identified assets and liabilities of the acquired company, as at the acquisition date, and goodwill accounted for an acquisition.

Final fair value of assets and liabilities as at 29 July 2021:

	Final fair value as at the acquisition date (29 July 2021)
Net assets:	
Customer relationships	6.2
Other property, plant and equipment	2.3
Trade and other receivables	0.1
Cash and cash equivalents	0.1
Trade and other payables	(0.1)
Deferred tax liabilities	(1.2)
Value of net assets	7.4
Consideration transferred	12.9
Goodwill	5.5

Goodwill is allocated to the "B2C and B2B services" operating segment.

The revenue and net profit included in the consolidated income statement for the reporting period since 29 July 2021 to 31 December 2021 contributed by Logitus amounted to PLN 1.5 and PLN 0.4, respectively. Had it been acquired on 1 January 2021 the pro forma revenue

and net income included in the consolidated income statement for the 12 months ended 31 December 2021 would have amounted to PLN 12,446.1 and PLN 4,414.0, respectively.

Acquisition of shares in CKS Ossa Sp. z o.o. (formerly TMS Ossa Sp. z o.o.) – final purchase price allocation

On 6 August 2021 Polkomtel Sp. z o.o. (Company's subsidiary) acquired 100% shares in TMS Ossa Sp. z o.o.

The consideration for 100% shares in TMS Ossa Sp. z o.o. amounted to PLN 47.0.

On 15 December 2021 company's name change from TMS Ossa Sp. z o.o. to CKS Ossa Sp. z o.o. was registered.

CONSIDERATION TRANSFERRED

	Final value of consideration transferred
Consideration	47.0
Final value as at 6 August 2021	47.0

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred	(47.0)
Cash and cash equivalents received	2.9
Cash decrease in the period of 12 months ended 31 December 2021	(44.1)

FINAL FAIR VALUE VALUATION OF NET ASSETS AS AT THE ACQUISITION DATE

The table below presents final fair values of identified assets and liabilities of the acquired companies, as at the acquisition date, and goodwill accounted for an acquisition.

Final fair value of assets and liabilities as at 6 August 2021:

	Fair value as at the acquisition date (6 August 2021)
Net assets:	
Other property, plant and equipment	120.5
Other intangible assets	0.2
Inventories	0.1
Trade and other receivables	0.7
Other current assets	0.4
Cash and cash equivalents	2.9
Deferred tax liabilities	(3.4)
Other non-current liabilities and provisions	(0.1)
Loans and borrowings	(72.4)
Contract liabilities	(1.4)
Trade and other payables	(6.8)
Value of net assets	40.7
Consideration transferred	47.0
Goodwill	6.3

Goodwill is allocated to the “B2C and B2B services” operating segment.

The revenue and net loss included in the consolidated income statement for the reporting period since 6 August 2021 to 31 December 2021 contributed by CKS Ossa Sp. z o.o. amounted to PLN 2.7 and PLN 4.2, respectively. Had it been acquired on 1 January 2021, the pro forma revenue and net income included in the consolidated income statement for the 12 months ended 31 December 2021 would have amounted to PLN 12,444.5 and PLN 4,407.0 respectively.

Acquisition of shares in Ossa Medical Center Sp. z o.o. (formerly Horest, Hotel pod Żaglami Sp. z o.o.) – final purchase price allocation

On 6 August 2021 Polkomtel Sp. z o.o. (Company’s subsidiary) acquired 100% shares in Horest, Hotel pod Żaglami Sp. z o.o.

The consideration for 100% shares in Horest, Hotel pod Żaglami Sp. z o.o. amounted to PLN 2.2.

On 17 December 2021 company’s name change from Horest, Hotel pod Żaglami Sp. z o.o. to Ossa Medical Center Sp. z o.o. was registered.

CONSIDERATION TRANSFERRED

	Final value of consideration transferred
Consideration	2.2
Final value as at 6 August 2021	2.2

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred	(2.2)
Cash and cash equivalents received	0.6
Cash decrease in the period of 12 months ended 31 December 2021	(1.6)

FINAL FAIR VALUE VALUATION OF NET ASSETS AS AT THE ACQUISITION DATE

The table below presents final fair values of identified assets and liabilities of the acquired companies, as at the acquisition date, and goodwill accounted for an acquisition.

Final fair value of assets and liabilities as at 6 August 2021:

	Fair value as at the acquisition date (6 August 2021)
Net assets:	
Other property, plant and equipment	0.9
Trade and other receivables	0.3
Cash and cash equivalents	0.6
Value of net assets	1.8
Consideration transferred	2.2
Goodwill	0.4

Goodwill is allocated to the “B2C and B2B services” operating segment.

The revenue and net loss included in the consolidated income statement for the reporting period since 6 August 2021 to 31 December 2021 contributed by Ossa Medical Center Sp. z o.o. amounted to PLN 0.0 and PLN 0.3, respectively. Had it been acquired on 1 January 2021, the pro forma revenue and net income included in the consolidated income statement for the 12 months ended 31 December 2021 would have amounted to PLN 12,444.0 and PLN 4,414.5 respectively.

Acquisition of shares in Vindix S.A. – provisional purchase price allocation

On 19 January 2022 Company acquired 53.73% shares in Vindix S.A for the amount of PLN 24.0.

After this transaction the Group holds 100% shares of Vindix S.A. and obtained control over Vindix Group companies: Vindix S.A., Vindix Investments Sp. z o.o., Direct Collection Sp. z o.o., Vindix Sp. z o.o., Mag7soft Sp. z o.o. and Vindix Niestandaryzowany Sekurytyzacyjny Fundusz Inwestycyjny Zamknięty (jointly the “Vindix Group”).

PROVISIONAL CONSIDERATION TRANSFERRED

	Provisional value of consideration transferred
Consideration	44.6
Provisional value as at 19 January 2022	44.6

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred for 53.73% of shares	(24.0)
Cash and cash equivalents received	8.0
Cash decrease in the period of 9 months ended 30 September 2022	(16.0)

PROVISIONAL FAIR VALUE VALUATION OF NET ASSETS AS AT THE ACQUISITION DATE

The table below presents provisional and temporary fair values of identified assets and liabilities of the acquired companies, as at the acquisition date, and goodwill accounted for an acquisition.

Provisional and temporary fair value of assets and liabilities as at 19 January 2022:

	Provisional fair value as at the acquisition date (19 January 2022)
Net assets:	
Other property, plant and equipment	0.3
Other intangible assets	0.8
Deferred tax assets	3.2
Trade and other receivables	1.6
Other current assets	29.1
Cash and cash equivalents	8.0
Issued bonds	(28.0)
Deferred tax liabilities	(1.5)
Trade and other payables	(1.3)
Provisional value of net assets	12.2
Provisional consideration transferred	44.6
Provisional goodwill	32.4

Goodwill is allocated to the “B2C and B2B services” operating segment.

The revenue and net loss included in the consolidated income statement for the reporting period since 19 January 2022 contributed by Vindix Group amounted to PLN 17.2 and PLN 5.5, respectively. Had it been acquired on 1 January 2022, the pro forma revenue and net income included in the consolidated income statement for the 9 months ended 30 September 2022 would have amounted to PLN 9,487.4 and PLN 725.9 respectively.

Acquisition of shares in Centrum Szkolenia i Zarządzania Nieruchomościami Sp. z o.o. – provisional purchase price allocation

On 31 March 2022 Polkomtel Sp. z o.o. (Company's subsidiary) acquired 100% shares in Centrum Szkolenia i Zarządzania Nieruchomościami Sp. z o.o.

The consideration for 100% shares in Centrum Szkolenia i Zarządzania Nieruchomościami Sp. z o.o. amounted to PLN 4.0.

PROVISIONAL CONSIDERATION TRANSFERRED

	Provisional value of consideration transferred
Consideration	4.0
Provisional value as at 31 March 2022	4.0

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred	(4.0)
Cash and cash equivalents received	3.0
Cash decrease in the period of 9 months ended 30 September 2022	(1.0)

PROVISIONAL FAIR VALUE VALUATION OF NET ASSETS AS AT THE ACQUISITION DATE

The table below presents provisional and temporary fair values of identified assets and liabilities of the acquired companies, as at the acquisition date, and goodwill accounted for an acquisition.

Provisional and temporary fair value of assets and liabilities as at 31 March 2022:

	Provisional fair value as at the acquisition date (31 March 2022)
Net assets:	
Other property, plant and equipment	4.7
Trade and other receivables	0.7
Cash and cash equivalents	3.0
Trade and other payables	(4.6)
Provisional value of net assets	3.8
Provisional consideration transferred	4.0
Provisional goodwill	0.2

Goodwill is allocated to the "B2C and B2B services" operating segment.

The revenue and net loss included in the consolidated income statement for the reporting period since 31 March 2022 contributed by Centrum Szkolenia i Zarządzania Nieruchomościami Sp. z o.o. amounted to PLN 0.8 and PLN 0.1, respectively. Had it been acquired on 1 January 2022, the pro forma revenue and net income included in the consolidated income statement for the 9 months ended 30 September 2022 would have amounted to PLN 9,486.5 and PLN 726.2 respectively.

Acquisition of shares in Port Praski Sp. z o.o. – final purchase price allocation

On 1 April 2022 Cyfrowy Polsat S.A. acquired 66.94% shares in Port Praski Sp. z o.o. for the purchase price of PLN 553.7.

As a result of the above-mentioned transaction, the Company obtained control over the Port Praski Group and its subsidiaries (jointly the “Port Praski Group”).

The conditions for the acquisition of shares in Port Praski Sp. z o.o. are described in note 22.

CONSIDERATION TRANSFERRED

	Final value of consideration transferred
Consideration	553.7
Final value as at 1 April 2022	553.7

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred for 66.94% shares	(553.7)
Cash and cash equivalents received	366.7
Cash decrease in the period of 9 months ended 30 September 2022	(187.0)

FINAL FAIR VALUE VALUATION OF NET ASSETS AS AT THE ACQUISITION DATE

The table below presents final fair value of identified assets and liabilities of the acquired company, fair value of the consideration transferred and value of net assets attributable to non-controlling interest and the resulting goodwill. The Group assessed that it acquired control over significant processes including the development of construction projects as well as the sale, rental and management of owned or leased properties. Moreover, the expenditures and processes significantly lead to Port Praski Group's ability to generate results.

Final fair value assets and liabilities as at 1 April 2022:

	Fair values as at the acquisition date (1 April 2022)
Net assets:	
Other property, plant and equipment	141.3
Other intangible assets	0.1
Right-of-use assets	8.7
Investment property	1,020.0
Other non-current assets	10.7
Deferred tax assets	8.1
Inventories	226.0
Trade and other receivables	16.2
Income tax receivable/payables	6.1
Other current assets	4.1
Cash and cash equivalents	366.7
Loans and borrowings	(238.3)
Lease liabilities	(11.9)
Deferred tax liabilities	(353.4)
Other non-current liabilities and provisions	(63.5)
Contract liabilities	(4.6)
Trade and other payables	(48.2)
Value of net assets	1,088.1
Value of net assets attributable to non-controlling interest	551.8
Consideration transferred	553.7
Goodwill	17.4

Goodwill is allocated to the "Real Estate" operating segment.

Following the completion of the purchase price allocation the fair value of identified assets and liabilities has been adjusted to reflect the final valuation. The adjustment includes, among others, valuation of other property, plant and equipment, investment property and inventories as well as recognition of deferred tax liability.

The revenue and net loss for the reporting period since 1 April 2022 to 30 September 2022 contributed by Port Praski Group amounted to PLN 71.6 and PLN 0.5, respectively. Had it been acquired on 1 January 2022, the pro forma revenue and net income included in the consolidated income statement for the 9 months ended 30 September 2022 would have amounted to PLN 9,569.4 and PLN 740.1 respectively.

Acquisition of shares in Enterpol Sp. z o.o. – provisional purchase price allocation

On 7 June 2022 Netia S.A. (Company's subsidiary) acquired 100% shares in Enterpol Sp. z o.o. ("Enterpol").

The consideration for 100% shares of Enterpol Sp. z o.o. amounted to PLN 15.0.

PROVISIONAL CONSIDERATION TRANSFERRED

	Provisional value of consideration transferred
Cash transferred for the 100% shares of Enterpol	14.4
Liability due pursuant to the purchase agreement	0.6
Provisional value as at 7 June 2022	15.0

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred	(14.4)
Cash and cash equivalents received	0.2
Cash decrease in the period of 9 months ended 30 September 2022	(14.2)

PROVISIONAL FAIR VALUE VALUATION OF NET ASSETS AS AT THE ACQUISITION DATE

The table below presents provisional and temporary fair value of identified assets and liabilities of the acquired company, as at the acquisition date, and goodwill accounted for an acquisition.

Provisional and temporary fair value of assets and liabilities as at 7 June 2022:

	Provisional fair value as at the acquisition date (7 June 2022)
Net assets:	
Customer relationships	4.0
Other property, plant and equipment	0.1
Right-of-use assets	0.4
Trade and other receivables	0.1
Cash and cash equivalents	0.2
Lease liabilities	(0.3)
Trade and other payables	(0.3)
Deferred tax liabilities	(0.7)
Provisional value of net assets	3.5
Provisional consideration transferred	15.0
Provisional goodwill	11.5

Goodwill is allocated to the "B2C and B2B services" operating segment.

The revenue and net loss included in the consolidated income statement for the reporting period since 7 June 2022 to 30 September 2022 contributed by Enterpol amounted to PLN 1.4 and PLN 0.0, respectively. Had it been acquired on 1 January 2022, the pro forma revenue

and net income included in the consolidated income statement for the 9 months ended 30 September 2022 would have amounted to PLN 9,486.7 and PLN 726.4 respectively.

Acquisition of shares in Oktawave S.A. – provisional purchase price allocation

On 21 June 2022 Netia S.A. (Company's subsidiary) acquired 100% shares in Oktawave S.A. ("Oktawave").

The consideration for 100% shares of Oktawave S.A. amounted to PLN 34.3.

PROVISIONAL CONSIDERATION TRANSFERRED

	Provisional value of consideration transferred
Cash transferred for the 100% shares of Oktawave	34.3
Provisional value as at 21 June 2022	34.3

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred	(34.3)
Cash and cash equivalents received	1.6
Cash decrease in the period of 9 months ended 30 September 2022	(32.7)

PROVISIONAL FAIR VALUE VALUATION OF NET ASSETS AS AT THE ACQUISITION DATE

The table below presents provisional and temporary fair value of identified assets and liabilities of the acquired company, as at the acquisition date, and goodwill accounted for an acquisition.

Provisional and temporary fair value of assets and liabilities as at 21 June 2022:

	Provisional fair value as at the acquisition date (21 June 2022)
Net assets:	
Customer relationships	15.3
Other intangible assets	6.5
Other property, plant and equipment	0.8
Right-of-use assets	1.5
Deferred tax assets	0.9
Trade and other receivables	2.9
Other current assets	0.1
Cash and cash equivalents	1.6
Lease liabilities	(1.0)
Trade and other payables	(2.4)
Contract liabilities	(0.8)
Deferred tax liabilities	(3.5)
Provisional value of net assets	21.9
Provisional consideration transferred	34.3
Provisional goodwill	12.4

Goodwill is allocated to the “B2C and B2B services” operating segment.

The revenue and net loss included in the consolidated income statement for the reporting period since 21 June 2022 to 30 September 2022 contributed by Oktawave amounted to PLN 5.6 and PLN 0.4, respectively. Had it been acquired on 1 January 2022, the pro forma revenue and net income included in the consolidated income statement for the 9 months ended 30 September 2022 would have amounted to PLN 9,496.0 and PLN 724.8 respectively.

Acquisition of shares in Antyweb Sp. z o.o. – provisional purchase price allocation

On 26 September 2022 Grupa Interia.pl Sp. z o.o. Sp. k. (Company’s subsidiary) acquired 70% shares in Antyweb Sp. z o.o. for the purchase price of PLN 10.1. Consequently, the Group obtained control over Antyweb Sp. z o.o.

PROVISIONAL CONSIDERATION TRANSFERRED

	Provisional value of consideration transferred
Consideration	10.1
Provisional value as at 26 September 2022	10.1

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred for 70%	(10.1)
Cash and cash equivalents received	0.7
Cash decrease in the period of 9 months ended 30 September 2022	(9.4)

PROVISIONAL FAIR VALUE VALUATION OF NET ASSETS AS AT THE ACQUISITION DATE

The table below presents provisional and temporary fair value of identified assets and liabilities of the acquired company, as at the acquisition date, and goodwill accounted for an acquisition.

Provisional and temporary fair value of assets and liabilities as at 26 September 2022:

	Provisional fair value as at the acquisition date (26 September 2022)
Net assets:	
Other property, plant and equipment	0.0
Other intangible assets	0.0
Trade and other receivables	0.6
Other currents assets	0.0
Cash and cash equivalents	0.7
Trade and other payables	(0.1)
Provisional value of net assets	1.2
Provisional value of net assets attributable to non-controlling interest	0.4
Provisional value of net assets attributable to Cyfrowy Polsat S.A. Capital Group	0.8
Provisional consideration transferred	10.1
Provisional goodwill	9.3

Goodwill is allocated to the "Media" operating segment.

The revenue and net profit for the period since 26 September 2022 to 30 September 2022 contributed by Antyweb Sp. z o.o. was not included in the consolidated income statement due to insignificance of the amount. Had it been acquired on 1 January 2022, the pro forma revenue and net income included in the consolidated income statement for the 9 months ended 30 September 2022 would have amounted to PLN 9,487.2 and PLN 726.9, respectively.

17. Investment in associates

Acquisition of Asseco Poland S.A. shares

The transfer of ownership of the Asseco Poland S.A. (Asseco) shares was settled through the depository and settlement system operated by Krajowy Depozyt Papierów Wartościowych S.A. on 30 December 2019.

After settlement of the acquisition, the Company held a total of 22.73% Asseco shares as at 30 December 2019.

On 31 July 2020 Cyfrowy Polsat purchased from Reddev 184,127 (not in million) Asseco shares for the price of PLN 11.4. Following the transaction, the Company holds a total of 22.95% of Asseco shares.

The table below presents summary of Asseco's financial data (these are the most current consolidated financial data of Asseco's capital group published before the date of the approval of these Group's interim condensed consolidated financial statements):

	for the 6 months ended
	30 June 2022
Revenue	8,311.8
Profit from operating activities	929.8
Net profit	730.3
Other comprehensive income, net	178.8
Total comprehensive income	909.1

	30 June 2022
Non-current assets	10,780.7
Current assets	8,294.2
Assets held for sale	14.4
Total assets	19,089.3
Non-current liabilities	3,232.2
Current liabilities	5,888.2
Total liabilities	9,120.4

Fair value of the investment held in Asseco as at 30 December 2019 amounted to PLN 1,226. Following the completion of the purchase price allocation process for the acquisition of Asseco as at 30 December 2019, the Group identified goodwill in the amount of PLN 644, included in the carrying amount of the investment.

Acquisition of shares in Modivo S.A. (formerly eObuwie.pl S.A.)

The Company completed transaction of acquisition of 10% of the shares in eObuwie.pl S.A. on 22 June 2021 for the amount of PLN 500.

Fair value of the investment held in eObuwie as at 22 June 2021 amounted to PLN 500. Following the completion of the purchase price allocation process for the acquisition of eObuwie as at 22 June 2021, the Group identified goodwill in the amount of PLN 245.6, included in the carrying amount of the investment.

On 21 January 2022 company's name change to Modivo S.A. was registered.

18. Operating segments

The Group operates in the following three segments:

- B2C and B2B services segment which relates to the provision of services to the general public, including digital television transmission signal, mobile services, the Internet access services, the mobile TV services, the online TV services, set-top boxes production and assembly of photovoltaic installations,

- Media segment,
- Real Estate segment (starting from 1 April 2022).

The Group conducts its operating activities primarily in Poland.

The activities of the Group are grouped into segment with distinguishable scope of operations where services are rendered and merchandise delivered in a specific economic environment. Activities of defined segments are characterized by different risk levels and different investment returns from those of the Group's other segments. The operating segments also represent reportable segments of the Group.

B2C and B2B services segment includes:

- digital pay television services which primarily relate to direct distribution of technologically advanced pay-TV services and revenues are generated mainly by pay-TV subscription fees,
- mobile telecommunication services (postpaid and mix) which generate revenues mainly from interconnection revenues, traffic revenues and subscription fees,
- mobile telecommunication prepaid services which generate revenues mainly from interconnection and traffic revenues,
- fixed telecommunication services, which generate revenues mainly from subscription fees, traffic and interconnection revenues,
- providing access to broadband Internet in mobile and fixed-line technologies which generates revenues mainly from traffic and subscription fees,
- telecommunication wholesale services, including international and domestic roaming as well as telecommunication infrastructure sharing services,
- lease of optical fibers and infrastructure,
- online TV services (Polsat Box Go, formerly IPLA) available on computers, smartphones, tablets, SmartTV, game consoles and other TV equipment which generate revenues mainly from subscription fees and advertising on the Internet,
- Premium Rate services based on SMS/IVR/MMS/WAP technology and subscription fees,
- production of set-top boxes,
- sale of telecommunication equipment,
- sale of electric energy and other utilities to retail customers,
- sale of photovoltaic installations.

Media segment consists mainly of production, acquisition and broadcasting of information and entertainment programs as well as TV series and feature films broadcasted on television, radio and Internet channels in Poland. The revenues generated by the media segment relate mainly to advertising and sponsorship revenues as well as revenues from cable and satellite operators.

The Real Estate segment includes mainly the implementation of construction projects as well as sales, rental and management of own or leased real estate.

Management evaluates the operating segments' results based on EBITDA. The EBITDA reflects the Group's ability to generate cash in a stable environment. The Group defines EBITDA as profit from operating activities increased by depreciation, amortization, impairment and liquidation. The EBITDA is not an EU IFRS measure and thus its calculations may differ among the entities.

The table below presents a summary of the Group's revenues, expenses, acquisition of property, plant and equipment, reception equipment and other intangible assets as well as assets by operating segment for the 9 months ended 30 September 2022:

the 9 months ended 30 September 2022 (unaudited)	B2C and B2B services	Media: TV and online	Real Estate	Consolidation adjustments	Total
Revenues from sales to third parties	7,897.8	1,516.3	71.6	-	9,485.7
Inter-segment revenues	42.7	177.2	46.5	(266.4)	-
Revenues	7,940.5	1,693.5	118.1	(266.4)	9,485.7
EBITDA adjusted (unaudited)	2,211.7	315.8	14.0	(7.9)	2,533.6
Gain on disposal of a subsidiary and an associate	113.4	-	-	-	113.4
Costs of support for Ukraine	33.0	1.1	-	-	34.1
EBITDA (unaudited)	2,292.1	314.7	14.0	(7.9)	2,612.9
Depreciation, amortization, impairment and liquidation	1,274.1	82.3	9.5	-	1,365.9
Profit from operating activities	1,018.0	232.4	4.5	(7.9)	1,247.0
Acquisition of property, plant and equipment and other intangible assets	692.2	97.9	22.1	-	812.2
Acquisition of reception equipment	85.1	-	-	-	85.1
Balance as at 30 September 2022 (unaudited)
Assets, including:	23,871.8	6,487.0*	1,622.9	(295.5)	31,686.2
Investments in joint venture and shares in associates	1,776.4	5.9	9.7	-	1,792.0

* Includes non-current assets located outside of Poland in the amount of PLN 1.9.

All material revenues are generated in Poland.

It should be noted that the data for 9 months ended 30 September 2022 allocated to the "B2C and B2B services" segment, "Media" segment and "Real Estate" segment are not comparable to the 9 months ended 30 September 2021 due to changes in the Group's structure described in notes 5, 16 and 17 and in the consolidated financial statements for the year ended 31 December 2021.

Interim Condensed Consolidated Financial Statements for the 9 months ended 30 September 2022
(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

The table below presents a summary of the Group's revenues, expenses, acquisition of property, plant and equipment, reception equipment and other intangible assets as well as assets by operating segment for the 9 months ended 30 September 2021:

the 9 months ended 30 September 2021 (unaudited)	B2C and B2B services	Media: TV and online	Consolidation adjustments	Total
Revenues from sales to third parties	7,759.3	1,419.7	-	9,179.0
Inter-segment revenues	44.7	157.0	(201.7)	-
Revenues	7,804.0	1,576.7	(201.7)	9,179.0
EBITDA adjusted (unaudited)	2,674.7	453.1	-	3,127.8
Gain on disposal of a subsidiary	3,690.8	-	-	3,690.8
EBITDA (unaudited)	6,365.5	453.1	-	6,818.6
Depreciation, amortization, impairment and liquidation	1,353.5	88.5	-	1,442.0
Profit from operating activities	5,012.0	364.6	-	5,376.6
Acquisition of property, plant and equipment and other intangible assets	816.0	85.8	-	901.8
Acquisition of reception equipment	78.2	-	-	78.2
Balance as at 30 September 2021 (unaudited)				
Assets, including:	29,418.6	6,623.8*	(75.0)	35,967.4
Investments in joint venture and shares in associates	1,752.6	5.9	-	1,758.5

* Includes non-current assets located outside of Poland in the amount of PLN 4.0.

Reconciliation of EBITDA and Net profit for the period:

	for the 9 months ended	
	30 September 2022 unaudited	30 September 2021 unaudited
EBITDA adjusted (unaudited)	2,533.6	3,127.8
Gain on disposal of a subsidiary and an associate	113.4	3,690.8
Costs of support for Ukraine	(34.1)	-
EBITDA (unaudited)	2,612.9	6,818.6
Depreciation, amortization, impairment and liquidation (note 9)	(1,365.9)	(1,442.0)
Profit from operating activities	1,247.0	5,376.6
Other foreign exchange rate differences, net (note 10)	(57.7)	(10.6)
Interest costs, net (note 10 and 11)	(375.4)	(194.7)
Share of the profit/(loss) of associates accounted for using the equity method	62.7	64.0
Other	10.8	1.9
Gross profit for the period	887.4	5,237.2
Income tax	(160.8)	(1,156.4)
Net profit for the period	726.6	4,080.8

19. Transactions with related parties

RECEIVABLES

	30 September 2022 unaudited	31 December 2021
Joint ventures and associates	6.6	0.7
Entities controlled by a person (or a close member of that person's family) who has control, joint control or significant influence over Cyfrowy Polsat S.A.	13.9	9.6
Total *	20.5	10.3

* Amounts presented above do not include deposits paid (30 September 2022 – PLN 3.5, 31 December 2021 – PLN 3.5)

Receivables due from related parties have not been pledged as security.

OTHER ASSETS

	30 September 2022 unaudited	31 December 2021
Entities controlled by a person (or a close member of that person's family) who has control, joint control or significant influence over Cyfrowy Polsat S.A.	8.6	1.2
Total	8.6	1.2

LIABILITIES

	30 September 2022 unaudited	31 December 2021
Joint ventures and associates	54.4	83.8
Entities controlled by a person (or a close member of that person's family) who has control, joint control or significant influence over Cyfrowy Polsat S.A.	425.1	195.1
Total	479.5	278.9

Liabilities relate mainly to liabilities to shareholders related to dividend and to liabilities for lease of premises and facilities.

LOANS GRANTED

	30 September 2022 unaudited	31 December 2021
Joint ventures and associates	506.8	-
Entities controlled by a person (or a close member of that person's family) who has control, joint control or significant influence over Cyfrowy Polsat S.A.	13.4	33.1
Total	520.2	33.1

Loans granted as at 30 September 2022 include mainly loans to PAK-Polska Czysta Energia Sp. z o.o. and Pak-Volt S.A.

LOANS RECEIVED

	30 September 2022 unaudited	31 December 2021
Entities controlled by a person (or a close member of that person's family) who has control, joint control or significant influence over Cyfrowy Polsat S.A.	5.9	5.6
Total	5.9	5.6

REVENUES

	for the 9 months ended	
	30 September 2022 unaudited	30 September 2021 unaudited
Subsidiaries	-	12.5*
Joint ventures and associates	3.1	3.0
Entities controlled by a person (or a close member of that person's family) who has control, joint control or significant influence over Cyfrowy Polsat S.A.	673.8	128.8
Total	676.9	144.3

* Concerns transaction with subsidiaries executed prior to gaining control.

In the period of 9 months ended 30 September 2021 the most significant transactions include photovoltaic installations.

In the period of 9 months ended 30 September 2022 the most significant transactions relate to income from disposal of Modivo S.A. shares.

EXPENSES AND PURCHASES OF PROGRAMMING ASSETS

	for the 9 months ended	
	30 September 2022 unaudited	30 September 2021 unaudited
Subsidiaries	0,1*	0.7*
Joint ventures and associates	76.0	7.6
Entities controlled by a person (or a close member of that person's family) who has control, joint control or significant influence over Cyfrowy Polsat S.A.	261.6	180.6
Total	337.7	188.9

* Concerns transaction with subsidiaries executed prior to gaining control.

In the period of 9 months ended 30 September 2022 and 30 September 2021 the most significant transactions include *inter alia* cost of electrical energy, property rental and advertising services.

GAIN/(LOSS) ON INVESTMENT ACTIVITIES, NET

	for the 9 months ended	
	30 September 2022 unaudited	30 September 2021 unaudited
Subsidiaries	-	0.1*
Joint ventures and associates	8.3	-
Entities controlled by a person (or a close member of that person's family) who has control, joint control or significant influence over Cyfrowy Polsat S.A.	5.8	(4.6)
Total	14.1	(4.5)

* Concerns transaction with subsidiaries executed prior to gaining control.

FINANCE COSTS, NET

	for the 9 months ended	
	30 September 2022 unaudited	30 September 2021 unaudited
Entities controlled by a person (or a close member of that person's family) who has control, joint control or significant influence over Cyfrowy Polsat S.A.	2.8	0.1
Total	2.8	0.1

20. Contingent liabilities

Management believes that the provisions as at 30 September 2022 are sufficient to cover potential future outflows and the adverse outcome of the disputes will not have a significant negative impact on the Group's financial situation.

Proceedings before the Office of Competition and Consumer Protection („UOKiK”)

On 24 February 2011 the President of UOKiK imposed penalty on Polkomtel (Company's subsidiary) in the amount of PLN 130.7 for the alleged lack of cooperation during an inspection carried out by UOKiK in Polkomtel. Polkomtel appealed against the decision of the President of UOKiK to the Consumer and Competition Protection Court (“SOKiK”). According to management, during the inspection the company had fully and at all times cooperated with UOKiK within the scope provided by the law. On 18 June 2014 the decision of the President of UOKiK has been changed by SOKiK, reducing the penalty to PLN 4.0 (i.e. EUR 1.0). On 20 October 2015 SOKiK's verdict has been revoked and the case has been transferred for re-examination. On 28 April 2017 the decision of the President of UOKiK has been changed by SOKiK, reducing the penalty to PLN 1.3. Polkomtel and President of UOKiK appealed against the verdict. On 3 April 2020 both Polkomtel's and the President's of UOKiK appeals have been dismissed. The Court of Appeal upheld the SOKiK's decision. On 20 April 2020 Polkomtel made a payment in the amount of PLN 1.3. Polkomtel and the President of UOKiK filed cassation appeals against the Court of Appeal's verdict. On 28 September 2022 the cassation appeal of the President of the UOKiK was dismissed, the appeal of Polkomtel was accepted in the scope dismissing the plaintiff's appeal, and the appealed judgment of the Court of Appeal in Warsaw dated 3 April 2020 was revoked and referred - in accordance with the Polkomtel's cassation appeal - to be reconsidered.

On 30 December 2014 the President of UOKiK issued a decision ending investigations related to Polkomtel's (Company's subsidiary) alleged practices which infringed upon the collective

interests of consumers by not providing its telecommunication clients (which entered into a written agreement) with terms and conditions of the preferential sales offer as well as not informing about the termination of the preferential sales offer. Pursuant to the decision of the President of UOKiK Polkomtel was charged with a penalty in the amount of PLN 6.0. The company appealed to SOKiK against the decision. On 5 March 2018, SOKiK issued a decision where the penalty has been annulled and dismissed the appeal in remaining scope. Both parties appealed to the Court of Appeal in Warsaw. The Court of Appeal annulled in full the verdict of the first instance court and returned the case back to the first instance court. On 1 April 2021 SOKiK dismissed Polkomtel's appeal. On 24 January 2022 Polkomtel's appeal was dismissed. On 7 February 2022 Polkomtel paid the penalty in the amount of PLN 6.0. Polkomtel filed a cassation appeal against the judgment of the Court of Appeal.

On 30 December 2016 the President of UOKiK issued a decision stating that the operations of the Company and Polkomtel (Company's subsidiary) were allegedly infringing collective consumer interests by presenting advertising slogans, which in the opinion of the authorities were misleading and suggested that the LTE data transmission will not be limited. Pursuant to the decision of the President of UOKiK the Company and Polkomtel were charged with a penalty in the amount of PLN 5.3 and PLN 18.4, respectively. The Group appealed to SOKiK against the decision. On 18 June 2019 SOKiK annulled the decision of the President of UOKiK in relation to Polkomtel. The President of UOKiK appealed against the SOKiK verdict. On 24 November 2020, the Court of Appeal revoked the SOKiK decision and transferred the case for re-examination. On 19 April 2021, SOKiK dismissed Polkomtel's appeal in its entirety. Polkomtel appealed against the SOKiK decision. On 10 November 2021, the Court of Appeal upheld the penalty originally imposed by UOKiK. Polkomtel submitted a cassation appeal. On 7 September 2022, the Supreme Court dismissed Polkomtel's cassation appeal. On 7 August 2019 the court dismissed the appeal of Cyfrowy Polsat. The Company appealed against the decision. Pursuant to the Court of Appeal verdict from 11 March 2021, the Company paid a penalty of PLN 5.3 on 26 March 2021. On 24 June 2021 the Company filed a cassation appeal to the Supreme Court. On 12 January 2022, the Supreme Court accepted the Company's cassation appeal for consideration. On 31 May 2022 Company's cassation appeal was dismissed.

On 30 December 2016 the President of UOKiK issued a decision stating that the operations of the Company and Polkomtel (Company's subsidiary) were allegedly infringing collective consumer interests by presenting promotional offers, which in the opinion of the authorities were impossible to conclude. Pursuant to the decision of the President of UOKiK the Company and Polkomtel were charged with a penalty in the amount of PLN 4.4 and PLN 12.3, respectively. The Group appealed to the Court against the decision. On 14 October 2019 SOKiK dismissed the appeal. The Group appealed against the decision. On 31 December 2020 the Group's appeal was dismissed. On 14 January 2021 Cyfrowy Polsat and Polkomtel paid the penalty. The Group submitted a cassation appeal to the Supreme Court. On 20 April 2022, the Supreme Court accepted the Company's cassation appeal for consideration.

On 29 April 2019 the President of UOKiK issued a decision stating that the operations of Polkomtel (Company's subsidiary) were allegedly infringing collective consumer interests by charging for activating the services to consumers, despite not obtaining an explicit approval of the additional payment associated with these services. Pursuant to the decision of the President of UOKiK Polkomtel was charged with a penalty in the amount of PLN 39.5. Polkomtel appealed to SOKiK against the decision. On 26 May 2021 SOKiK dismissed Polkomtel's appeal. Polkomtel appealed against the SOKiK judgment. On 8 November 2022, the Court of Appeal dismissed the appeal. Polkomtel examines the possibility of submitting a cassation appeal.

On 19 December 2019 the President of UOKiK issued a decision stating that the operations of the Company were allegedly infringing collective consumer interests by hindering access to ZDF and Das Erste channels during the Euro 2016 championship by removing these channels and incomplete and unreliable information to consumers in response to claims regarding unavailability of the above programs. Pursuant to the decision of the President of UOKiK the Company was charged with a penalty in the amount of PLN 34.9. The Company

appealed against this decision to SOKiK. On 14 February 2022 First Instance Court dismissed the Company's appeal in its entirety. The Company submitted a cassation appeal to the Court of Appeal in Warsaw. The appeal hearing took place on 21 October 2022. The announcement of the judgment was postponed until 21 November 2022.

On 31 December 2019 the President of UOKiK issued a decision stating that the operations of Polkomtel (Company's subsidiary) were allegedly infringing collective consumer interests by charging additional fees for data transmission using the RSTP protocol, despite the subscribers having internet packages or unlimited LTE Internet services. Pursuant to the decision of the President of UOKiK Polkomtel was charged with a penalty in the amount of PLN 50.6. Polkomtel appealed to SOKiK against the decision. On 15 December 2021, SOKiK announced decision in which it dismissed Polkomtel's appeal in its entirety. Polkomtel submitted an appeal against the SOKiK verdict. On 21 July 2022 the Court of Appeal partially revoked the President of UOKiK's decision and reduced a penalty to PLN 16.8. On 4 August 2022, Polkomtel paid the penalty in the amount of PLN 16.8. Polkomtel filed a cassation appeal.

On 22 January 2020 the President of UOKiK issued a decision stating that the operations of Polkomtel (Company's subsidiary) were allegedly infringing collective consumer interests by clauses included in the terms and conditions of telecommunications services regarding prepaid services and expiration of the unused value of the subscribers' accounts. Pursuant to the decision of the President of UOKiK Polkomtel was charged with a penalty in the amount of PLN 20.4. Polkomtel appealed to SOKiK against the decision. On 8 April 2022, SOKiK dismissed Polkomtel's appeal. On 31 May 2022 Polkomtel submitted appeal against the SOKiK verdict.

Other proceedings

On 28 April 2017, Association of Polish Stage Artists ("ZASP") filed a lawsuit against Cyfrowy Polsat for payment of PLN 20.3. The Company issued an objection in the writ-of-payment proceedings and filed for its dismissal entirely. On 10 January 2018 the Court issued a decision to refer the case to mediation proceedings. Mediation ended without a settlement. The hearing took place on 8 May 2019. Both parties have submitted an application for re-referral to the mediation proceedings for a period of three months. The court approved application and postponed the hearing without a deadline. Mediation ended without a settlement. On 6 May 2020, the Company received a letter from the Court, included the mediator's position summarizing the course of mediation, with a request to refer to its content. On 25 May 2020, the Company submitted a response informing the Court about the settlement being impossible to reach by the parties. The hearing took place on 20 October 2021. At the end of March 2022, the Company received a letter extending the previous claim by the period from 1 January 2010 to 31 December 2020, thus the value of the lawsuit was increased by over PLN 120.

By lawsuit, delivered to the Company on 16 December 2019, the Association of Performing Artists (SAWP) filed two claims against the Company: information claim and claim for payment. The information claim relates to television programs rebroadcasted by the Company in the period from 20 August 2009 to 20 August 2019. In the claim for payment, SAWP claims PLN 153.3 for the alleged violation of related rights to artistic performances of musical and verbal - musical works through their non-contractual cable rebroadcast. The Company filed for the dismissal entirely. The last hearing took place on 16 March 2022, the hearing was postponed without a deadline.

In addition to the matters described above, there are also other proceedings, for which provisions have been made according to the best estimates of the management board members as to potential future outflows of the economic benefits required for their settlement. Information regarding the amount of provisions was not separately disclosed, as in the opinion of the Group's Management, such disclosure could prejudice the outcome of the pending cases. Other significant proceedings described in the consolidated financial statements for the year ended 31 December 2021 remained unchanged.

21. Risk and fair value

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements. These interim condensed consolidated financial statements should be read in conjunction with the Group's annual consolidated financial statements for the year ended as at 31 December 2021. There have been no significant changes in any risk management policies since the end of year 2021.

Fair value

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities,
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly,
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Presented below are fair values and carrying amounts of financial instruments not measured in fair value.

	Category according to IFRS 9	The level of the fair value hierarchy	30 September 2022 unaudited		31 December 2021	
			Fair value	Carrying amount	Fair value	Carrying amount
Loans granted	A	2	560.6	572.3	72.1	72.4
Trade and other receivables	A	*	3,269.5	3,269.5	3,117.5	3,117.5
Cash and cash equivalents and short-term deposits	A	*	1,586.0	1,586.0	3,632.4	3,632.4
Restricted cash	A	*	10.1	10.1	11.9	11.9
Loans and borrowings	B	2	(8,217.7)	(8,207.8)	(8,656.2)	(8,744.5)
Issued bonds	B	1	(1,977.5)	(2,070.2)	(2,045.5)	(2,008.5)
UMTS licence liabilities	B	2	-	-	(143.2)	(139.9)
Lease liabilities	B	2	(518.5)	(518.5)	(698.6)	(698.6)
Accruals	B	*	(996.9)	(996.9)	(919.6)	(919.6)
Liabilities to shareholders of the Parent Company related to dividend	B	*	(660.8)	(660.8)	-	-
Trade and other payables and deposits	B	*	(1,491.9)	(1,491.9)	(1,627.7)	(1,627.7)
Total			(8,437.1)	(8,508.2)	(7,256.9)	(7,304.6)
Unrecognized profit/(loss)				71.1		47.7

A – assets measured at amortised cost

B – liabilities measured at amortised cost

* It is assumed that the fair value of these financial assets and liabilities is equal to their nominal value, therefore no evaluation methods were used in order to calculate their fair value.

When determining the fair value of lease liabilities, forecasted cash flows from the reporting date to assumed dates of lease agreements termination were analyzed. The discount rate for each payment was calculated as a interest rate plus a margin regarding the Group's credit risk.

Trade and other receivables, trade and other payables and deposits comprise mainly receivables and payables which will be settled no later than at the end of the first month after the reporting date. It was therefore assumed that the effect of their valuation, taking into account the time value of money, would approximately be equal to their nominal value.

When determining the fair value of loans granted, forecasted cash flows from the reporting date to assumed dates of repayments of the loans were analyzed. The discount rate for each payment was calculated as an applicable WIBOR or EURIBOR interest rate plus a margin regarding the credit risk.

As at 30 September 2022 and 31 December 2021 loans and borrowings comprised bank loans and other loans. The discount rate for each payment was calculated as a sum of implied WIBOR interest rate and a margin regarding the Group's credit risk. When determining the fair value of bank loans as at 30 September 2022 and as at 31 December 2021, forecasted cash flows from the reporting date to 30 September 2024 (assumed date of repayment of the loans obtained in 2015, changed in 2018 and changed in 2020) and to 31 March 2025 (assumed date of repayment of the additional loan obtained in 2019 and changed in 2020) were considered.

The fair value of issued bonds as at 30 September 2022 and 31 December 2021 was estimated as a last purchase price at the balance sheet date according to GPW Catalyst quotations.

As at 30 September 2022, the Group held the following financial instruments carried at fair value on the statement of financial position:

ASSETS MEASURED AT FAIR VALUE

	30 September 2022 unaudited	Level 1	Level 2	Level 3
Derivative instruments not designated as hedging instruments		-	94.7	-
Interest rate swaps		-	93.0	-
Forward			1.7	
Hedging derivative instruments		-	39.0	-
Interest rate swaps		-	39.0	-
Other assets			26.3	
Investments in equity instruments		-	1.5	-
Total		-	161.5	-

As at 31 December 2021, the Group held the following financial instruments carried at fair value on the statement of financial position:

ASSETS MEASURED AT FAIR VALUE

	31 December 2021	Level 1	Level 2	Level 3
Derivative instruments not designated as hedging instruments		-	70.5	-
Interest rate swaps		-	70.5	-
Hedging derivative instruments			13.4	
Interest rate swaps		-	13.4	-
Investments in equity instruments		-	0.6	-
Total		-	84.5	-

The fair value of forwards and interest rate swaps is determined using financial instruments valuation models, based on generally published currency exchange rates, interest rates, forward rate curves and volatility curves for foreign currencies taken from active markets. Fair value of derivatives is determined based on the discounted future cash flows from transactions, calculated based on the difference between the forward price and the transaction price.

22. Important agreements and events

Preliminary share purchase agreement concerning PAK-Polska Czysta Energia Sp. z o.o. with annexes and transfer of an organized part of the enterprise of Elektrownia Konin to PAK-PCE Biopaliwa i Wodór sp. z o.o.

On 20 December 2021 Cyfrowy Polsat entered into a preliminary agreement with ZE PAK S.A. ("ZE PAK") concerning the Company's purchase of shares in PAK-Polska Czysta Energia Sp. z o.o. ("PAK-PCE"), representing 67% of PAK-PCE's share capital ("Agreement").

The agreement concerning shares in PAK-PCE also provides for an additional ZE PAK obligation, to be performed after the date of sale of shares in PAK-PCE being the subject to the agreement. The whole biomass-based electricity generation business conducted in Elektrownia Konin will be spun-off from the ZE PAK enterprise as an organized part of the enterprise ("Elektrownia Konin OPE"). ZE PAK agreed to contribute the Elektrownia Konin OPE to PAK-PCE (after the Company acquires shares in PAK-PCE) as in-kind contribution. In consideration for this in-kind contribution, PAK-PCE will issue shares to ZE PAK and ZE PAK agrees to sell to the Company 67% of those shares.

The total price for shares in PAK-PCE and the new PAK-PCE shares to be issued in relation to the in-kind contribution in the form of Elektrownia Konin OPE, according to the Agreement, was to be PLN 800.5.

The closing of the transaction pursuant to the Agreement is contingent on the satisfaction of the following conditions precedent:

- the Company being satisfied with the results of a documentation review, including specifically the legal and tax documents of PAK-PCE and its subsidiaries,
- the Company obtaining the Supervisory Board's approval for completing the transactions pursuant to the Agreement.

In addition, the closing of the transaction is contingent on the satisfaction of additional conditions precedent in the Agreement including the implementation of agreed changes to the acquired capital structures.

Pursuant to the Agreement, all the conditions precedent have been reserved for the benefit of the Company, therefore the Company may decide to proceed with the closing, despite a condition precedent not having been fulfilled in whole or in part and, should the transactions to which the additional conditions refer not be completed, may accordingly reduce the base price.

Pursuant to the Agreement, the Company may terminate it with immediate effect, if:

- any of the conditions precedent is not satisfied by 31 March 2022 (the deadline may be extended by the parties by no more than 90 days), regardless of the reason,
- a seller fails to provide the Company with documents that are key for the legal due diligence review, or
- irregularities identified in the course of a legal due diligence review may result in losses in a significant amount and remedying the identified irregularities is not objectively feasible.

On 30 March 2022 the Company signed an annex (“Annex”) to the preliminary purchase agreement concerning the shares in PAK-Polska Czysta Energia Sp. z o.o., representing 67% of the share capital of PAK-Polska Czysta Energia Sp. z o.o., executed on 20 December 2021 between the Company and ZE PAK S.A. (“Agreement”).

The Company and ZE PAK S.A. (“Parties”) signed an Annex in order to:

- change the long-stop date set for the fulfillment of all conditions precedent set out in the Agreement; and
- provide for a down payment that the Company will make to ZE PAK S.A. against the purchase price of shares in PAK-Polska Czysta Energia Sp. z o.o. in the amount not exceeding a total of PLN 800,5, subject to adjustments related to the working capital settlements provided for in the Agreement (“Down Payment”).

The long-stop date under the Agreement was changed due to the information received by Cyfrowy Polsat and ZE PAK S.A. that one of the conditions precedent cannot be fulfilled by the originally adopted date, i.e. by 31 March 2022. Consequently, the Annex postpones the long-stop date to 30 September 2022.

The Down Payment can be disbursed to ZE PAK S.A. in a single payment or in installments, upon ZE PAK’s written request and within 3 business days of its receipt by the Company. As a precondition for the Down Payment disbursement, ZE PAK S.A. will establish a collateral in the form of an ordinary pledge and registered pledge on shares in PAK-Polska Czysta Energia Sp. z o.o., representing 67% of the share capital of PAK-Polska Czysta Energia Sp. z o.o.

The Parties also agreed in the Annex that from the date of the payment by Cyfrowy Polsat of each installment of the Down Payment to ZE PAK S.A. no interest will be charged on the Down Payment (on base purchase price for the shares in PAK-Polska Czysta Energia Sp. z o.o.), if the accrual of such interest was required under the Agreement.

On 30 March 2022, the Company’s Supervisory Board resolved, among other things, to:

- approve the acquisition of the shares in PAK-Polska Czysta Energia Sp. z o.o. by Cyfrowy Polsat,
- approve the acquisition of the additional shares in PAK-Polska Czysta Energia Sp. z o.o. by Cyfrowy Polsat,
- authorize the Company’s Management Board to perform all necessary legal and factual acts to complete the transactions provided for in the Agreement, which includes the execution and performance of the preliminary purchase agreement for the shares in PAK-Polska Czysta Energia Sp. z o.o.,
- approve the execution of the Annex, and
- authorize Cyfrowy Polsat to make the Down Payment.

On 30 June 2022 the Company signed an annex (“Annex 2”) to the preliminary share purchase agreement concerning PAK-Polska Czysta Energia Sp. z o.o., representing 67% of the share capital of PAK-Polska Czysta Energia sp. z o.o., executed on 20 December 2021 between the Company and ZE PAK S.A. Annex 2 was concluded, in particular, in connection with the non-fulfillment of one of the conditions precedent of the Agreement (concerning the contribution of claims of PAK-PCE’s subsidiaries to PAK-PCE) and change in the manner and sequence of legal actions performed under the Agreement.

The Parties decided, among other things, to change the manner and timing of the transfer of Elektrownia Konin OPE to the group of PAK-PCE’s subsidiaries, which was included in the Agreement as an additional obligation.

As a result of several legal transactions, the Company acquired 49% of shares in the share capital of PAK-PCE Biopaliwa i Wodór Sp. z o.o. This involved an outflow of a total amount of PLN 478.7, including PLN 473.8 in connection with an increase in share capital of PAK-PCE Biopaliwa i Wodór Sp. z o.o. The funds from the share capital increase were allocated to the acquisition of Elektrownia Konin OPE from ZE PAK.

On 16 May 2022 ZE PAK and PAK-PCE Biopaliwa i Wodór Sp. z o.o. executed an agreement under which the ownership of Elektrownia Konin OPE was to be transferred to PAK-PCE Biopaliwa i Wodór Sp. z o.o. The transaction was completed on 1 July 2022.

Under the Agreement amended by Annex 2 the Parties are obliged to execute the promised agreement provided that:

- the Elektrownia Konin OPE transfer is completed, and
- all shares in the share capital of PAK-PCE Biopaliwa i Wodór Sp. z o.o. held by the Parties as at 27 June 2022 are contributed to cover the increase in the share capital of PAK-PCE.

The capital increase in PAK-Polska Czysta Energia Sp. z o.o. was registered on 27 July 2022. As a result, Cyfrowy Polsat holds 40.41% shares in PAK-Polska Czysta Energia Sp. z o.o.

The subject of the final agreement (“Final Agreement”) will be shares in PAK-PCE representing approximately 26.6% of the share capital of PAK-PCE. With the shares previously acquired and subscribed (including the contribution of shares held by the Company in PAK-PCE Biopaliwa i Wodór Sp. z o.o. to PAK-PCE), following the performance of the Final Agreement, the Company will hold approximately 67% of shares in the share capital of PAK-PCE, as originally intended in the Agreement dated 20 December 2021, and Elektrownia Konin OPE will be wholly-owned by the PAK-PCE group.

Pursuant to Annex 2, the price for the shares in PAK-PCE acquired under the Final Agreement will be revised.

The original price specified in the Agreement, will be:

- reduced due to non-fulfillment of one of the conditions precedent set forth in the Agreement (related to the contribution of claims of PAK-PCE’s subsidiaries to PAK-PCE)
- reduced by the amount of a non-permitted leakage specified in the Agreement, if any, and
- increased by interest accrued for the period commencing on the Locked Box date and ending on the date of the cash contribution made by the Company on account of the share capital increase in PAK-PCE Biopaliwa i Wodór Sp. z o.o., i.e. until 13 May 2022, according to an average interest rate for deposits with banks keeping current bank accounts for ZE PAK, for the period the most approximate to the specified period; and
- increased by the amount resulting from the transactions effected by the Parties and concerning Elektrownia Konin OPE.

Total expenditures incurred by the Company to acquire 67% of the share capital of PAK-PCE together with Elektrownia Konin OPE (in the absence of non-permitted leakages) will amount to PLN 807.6, including the adjustment for the working capital of Elektrownia Konin OPE.

On 27 June 2022, the Company's Supervisory Board approved the execution of Annex 2.

The Final Agreement was to be executed by the Parties by 30 September 2022.

On 26 September 2022 the Company signed an annex ("Annex 3") to the preliminary purchase agreement concerning the shares in PAK-Polska Czysta Energia Sp. z o.o., representing 67% of the share capital of PAK-Polska Czysta Energia Sp. z o.o., executed on 20 December 2021 between the Company and ZE PAK S.A.

Annex 3 changes the long-stop date until which all conditions precedent to the Agreement shall be fulfilled. The long-stop date has been moved from 30 September 2022 to 5 January 2023.

Acquisition of shares in Port Praski Sp. z o.o. and conclusion of a preliminary share purchase agreement for Pantanomo Limited with an annex.

On 20 December 2021 Cyfrowy Polsat entered into the following agreements with related entities ("Agreements"):

- a preliminary agreement concerning the Company's purchase of 1,070,000 (not in millions) shares in Port Praski Sp. z o.o., representing approximately 66.94% of Port Praski's share capital, executed between the Company and Embud 2 Sp. z o.o. S.K.A., and
- a preliminary agreement concerning the Company's purchase of 4,705 (not in millions) shares in Pantanomo Limited, representing approximately 32% of Pantanomo's share capital, executed between the Company and Tobe Investments Group Limited.

The base purchase price for shares in Port Praski was set at PLN 572.2 and for shares in Pantanomo Limited at PLN 307.2.

The closing of the transactions pursuant to the Agreements was contingent on the satisfaction of the conditions precedent, which were reserved for the benefit of the Company.

On 1 April 2022 the Company entered into the final share purchase agreement with Embud 2 Sp. z o.o. S.K.A., whereby the Company acquired 1,070,000 (not in millions) shares in Port Praski Sp. z o.o., representing approximately 66.94% of the share capital and carrying 66.94% of the votes at the shareholders' meeting of Port Praski Sp. z o.o. The purchase price for the shares in Port Praski Sp. z o.o. was set at PLN 553.7. The Port Praski Group's activities include the development of construction projects as well as the sale, rental and management of owned or leased properties.

In connection with the ongoing analyses of the ultimate capital structure in which Pantanomo Limited participates, on 1 April 2022 Cyfrowy Polsat and Tobe Investments Group Limited executed an annex ("Annex") to the preliminary share purchase agreement concerning 4,705 (not in millions) shares in Pantanomo ("Agreement"), representing approximately 32% of share capital of Pantanomo Limited, executed between the Company and Tobe Investments Group Limited on 20 December 2021 ("Transaction").

Pursuant to the Annex, the Company and Tobe Investments Group Limited ("Parties") agreed to postpone closing date of the Transaction, which was to be agreed by the Parties in writing and could not be later than 31 May 2022.

As the closing date of the Transaction has not been set by the Parties for 31 May 2022 or any other date before 31 May 2022, the preliminary share purchase agreement for Pantanomo Limited has expired.

Renewal of the frequency reservations

Frequency reservations allocated in both the 2100 MHz band held by Polkomtel Sp. z o.o. and 1800 MHz band held by Aero 2 Sp. z o.o. will expire at the end of 2022. On 30 November 2021 Polkomtel and Aero 2 were merged, consequently Polkomtel entered into the rights and obligations of Aero 2 and thus taking over the right to Aero 2 frequencies. In December 2021 Polkomtel Sp. z o.o. applied to UKE President for the reservation of frequencies allocated in the 2100 MHz band and 1800 MHz band for the next period.

On 21 October 2022 Polkomtel received the decision of the President of UKE, which reserved Polkomtel frequencies in the 2100 MHz band for the next 15 years - until 31 December 2037. Pursuant to this decision, Polkomtel is obliged to pay a fee in the amount of PLN 351.6 to the State Treasury for above reservation. The payment of PLN 351.6 was made on 4 November 2022.

It is estimated that the UKE President's decision on the frequency reservation in the 1800 MHz band for the next period will take place at the turn of November and December 2022. The amount that the President of UKE presented in the consultation process of the draft reservation decision for renewal of the frequency reservation in the 1800 MHz band for the next period of 15 years amounts to PLN 847.

The legal dispute in respect to the telecommunication concession

There is a pending legal dispute in respect to the telecommunication concession for the 1800 MHz frequency granted in 2007 to Mobyland Sp. z o.o. (currently Polkomtel Sp. z o.o.) and CenterNet S.A. (currently Polkomtel Sp. z o.o.). Proceedings to invalidate the 1800 MHz frequency allocation tender have been instigated by T-Mobile and Orange. Supreme Administrative Court (NSA), in its ruling dated 8 May 2014, sustained the decision of the Court of First Instance and repealed the decision issued by the President of the Office of Electronic Communications (UKE) on 23 September 2011 which partially invalidated the above mentioned tender. Following the decision of the Supreme Administrative Court, UKE informed that "the decisions regarding re-running the tender will be taken by the Office upon careful analysis of the written justification of NSA's rulings and the Court's guidelines regarding further procedure as well as upon analysis of the legal situation". UKE also stated that the "reservation decisions issued by UKE President remained valid while the operators could continue providing their services while using these frequencies". On 23 December 2016 President of UKE notified the parties that the tender annulment proceedings relating to the 1800 MHz frequency have been adopted. Pursuant to the decision dated 4 August 2017 President of UKE notified the parties that the tender dated 2007 has been annulled. On 13 October 2017 Aero 2 Sp. z o.o. (a successor of CenterNet S.A. and Mobyland Sp. z o.o., currently Polkomtel Sp. z o.o.) filed a motion to reconsider the decision of the President of UKE dated 4 August 2017 concerning the annulment of the tender procedure. On 31 January 2018 the President of UKE upheld its decision dated 4 August 2017. On 7 March 2018 Aero2 (currently Polkomtel Sp. z o.o.) filed a complaint with the Provincial Administrative Court in Warsaw, on 4 October 2018 complaint was dismissed. On 27 December 2018, Aero2 (currently Polkomtel Sp. z o.o.) filed a cassation appeal against judgment. The hearing is scheduled for 25 November 2022.

The decision issued by UKE President does not affect reservation decisions issued following the administrative tender. In accordance with President of UKE's press release, these reservation decisions remain valid and telecommunication operators may continue to provide their services based on these reservation decisions. In management's opinion this issue should have no negative impact on the results and financial condition of the Group. Accordingly, no valuation adjustment has been made in these interim condensed consolidated financial statements.

In the proceedings instigated by T-Mobile Polska S.A., the President of UKE resumed the proceedings which were terminated on 23 April 2009 by the issuance of a final decision by the President of UKE which sustained the decision of the President of UKE dated 30 November 2007 concerning the frequency reservation in the 1710-1730 MHz and 1805-1825 MHz range.

Under these proceedings, in the decision dated 28 November 2017 the President of UKE refused, after resuming the proceedings, to annul the reservation decision of the President of UKE dated 23 April 2009. This decision was upheld by the decision of the President of UKE dated 4 June 2018. In connection with complaints filed against this decision, in the ruling of 11 March 2019 the Voivodship Administrative Court in Warsaw annulled the decision of the President of UKE dated 4 June 2018. Aero2 Sp. z o.o. (currently Polkomtel Sp. z o.o.) filed a cassation appeal against the judgment, which is awaiting the consideration by the NSA.

On 4 October 2018, T-Mobile Polska S.A. filed a complaint with the Voivodship Administrative Court in Warsaw against the announcement dated 5 September 2018 issued by the President of UKE in respect to the activities necessary to remove the breach constituting the reason for invalidating two frequency reservations (each including 48 duplex radio channels with a duplex spacing of 95 MHz each, ranges 1710-1730 MHz and 1805-1825 MHz). On 20 November 2018, Voivodship Administrative Court in Warsaw rejected the complaint of T-Mobile Polska S.A. On 4 July 2019, the Supreme Administrative Court annulled the decision of the Voivodship Administrative Court in Warsaw dated 20 November 2018, as a result of a cassation appeal filed by T-Mobile Polska S.A. On 18 August 2020, the announcement of the President of UKE dated 5 September 2018 was considered ineffective by the Voivodship Administrative Court in Warsaw. NSA annulled that judgment on 9 December 2021 (act sign II GSK 584/21). The case was remanded for re-examination to Voivodship Administrative Court in Warsaw. On 25 October 2022, the Voivodship Administrative Court in Warsaw dismissed the complaint of T-Mobile Polska S.A., the judgment is not final and is subject to a cassation appeal to the Supreme Administrative Court.

Acquisition of Vindix S.A. shares

On 19 January 2022, Cyfrowy Polsat acquired 53.73% of shares in Vindix S.A. for the amount of PLN 24.0. As a result of the transaction, the Company holds 100% of shares in Vindix S.A. and its subsidiaries.

Acquisition of shares in Enterpol Sp. z o.o.

On 7 June 2022 Netia S.A. (Company's subsidiary) acquired 100% shares in Enterpol Sp. z o.o. for the purchase price of PLN 15.

Acquisition of shares in Oktawave S.A.

On 21 June 2022 Netia S.A. (Company's subsidiary) acquired 100% shares in Oktawave S.A. for the purchase price of PLN 34.3.

Acquisition of the Company's own treasury shares

On 16 May 2022 the Management Board of the Company, acting under the authorization granted by the Extraordinary General Meeting of the Company dated 16 November 2021, decided to proceed with the buy-back of the Company's own treasury shares through the announcement by Cyfrowy Polsat S.A. together with Reddev Investments Limited and Tobe Investments Group Limited of an invitation to submit offers to sell own treasury shares. The invitation included the purchase of no more than 35,000,000 (not in millions) ordinary bearer shares issued by the Company, representing no more than 5.47% of the share capital of the Company and carrying the right to no more than 4.27% of votes at the general meeting of the Company. The proposed purchase price for the own treasury shares under the invitation was set at PLN 22.28 (not in millions) per share.

On 25 May 2022 the Management Board of Cyfrowy Polsat S.A. decided that the Company will acquire 13,067,138 (not in millions) ordinary bearer shares issued by the Company, representing approximately 2.04% of the share capital of the Company and carrying the right to approximately 1.60% of votes at the general meeting of the Company, from Embud 2 Sp. z

o.o. S.K.A. (Company's related entity) at a price not exceeding PLN 22.28 (not in millions) per share.

As a result of the settlement of transactions carried out on 25 May 2022 (acquisition from the announced invitation for shareholders to submit offers to sell the Company's own treasury shares) and on 26 May 2022 (acquisition of own treasury shares from Embud 2 Sp. z o.o. S.K.A.), Cyfrowy Polsat S.A. acquired a total of 17,668,359 (not in millions) ordinary bearer shares in the Company, representing 2.76% of the share capital of the Company and carrying the right to 17,668,359 (not in millions) votes at the general meeting of the Company, which is equivalent to 2.16% of votes at the general meeting of the Company.

Before the transactions were settled, the Company held a total of 71,174,126 (not in millions) own treasury shares, representing in total 11.13% of the share capital of the Company and carrying the right to 71,174,126 (not in millions) votes at the general meeting of the Company, which is equivalent to 8.69% of votes at the general meeting of the Company.

After the settlement of transactions, the Company holds 88,842,485 (not in millions) own treasury shares, representing in total 13.89% of the share capital of the Company and carrying the right to 88,842,485 (not in millions) votes at the general meeting of the Company, which is equivalent to 10.85% of votes at the general meeting of the Company.

Sale of shares in Modivo S.A.

On 28 September 2022 the Company entered into the agreement with Embud 2 Sp. z o.o. S.K.A. (Company's related entity) for the sale of shares in Modivo S.A. The total sale price amounted to PLN 600.

Sale of shares in CKS Ossa Sp. z o.o. and Ossa Medical Center Sp. z o.o.

On 28 September 2022 Polkomtel Sp. z o.o. sold 100% of shares in CKS Ossa Sp. z o.o. (formerly TMS Ossa Sp. z o.o.) to Embud 2 Sp. z o.o. S.K.A.

On 28 September 2022 Polkomtel Sp. z o.o. sold 100% of shares in Ossa Medical Center Sp. z o.o. (formerly Horest, Hotel pod Żaglami Sp. z o.o.) to Embud 2 Sp. z o.o. S.K.A.

Execution of a joint venture agreement with HB Reavis Holding Cz a.s. by subsidiaries of Cyfrowy Polsat S.A. and a share purchase agreement for 50% of shares in Port Praski City II Sp. z o.o. and Port Praski Medical Center Sp. z o.o.

On 21 July 2022 the Company's subsidiaries executed:

- a joint venture agreement ("Joint Venture Agreement") by Port Praski City II Sp. z o.o., Port Praski Medical Center Sp. z o.o. and Pantanomo Limited, of the one part, and HB Reavis Holding Cz a.s., of the other part; and
- a share purchase agreement for shares in Port Praski City II Sp. z o.o. and Port Praski Medical Center Sp. z o.o. ("Joint Venture Companies") by Pantanomo Limited and Port Praski City III Sp. z o.o., of the one part, and HB Reavis Holding Cz a.s., of the other part.

The joint venture will be implemented by the Joint Venture Companies and will involve the construction and development of a property located in Warsaw, including a joint construction of high-end office buildings, with additional retail space ("Project").

The Joint Venture Agreement governs the rules of operation of the Joint Ventures Companies that will implement the Project, including, in particular, the rules of corporate governance, financing operations as well as implementation and commercialization of the Project.

The Joint Venture Companies will be jointly controlled by Pantanomo Limited and HB Reavis Holding Cz a.s. ("Shareholders"). Pursuant to the Joint Venture Agreement, each Shareholder will directly hold 50% of shares in the Joint Venture Companies. The Shareholders have agreed to finance capital and operating expenditures of the Joint Venture Companies and other Project-related expenses within the time limits and in the amounts specified in the development plan and business plan to be adopted for the Project. The Shareholders will provide financing to the Joint Venture Companies on a 50:50 basis, in the form of share capital increases and shareholder loans.

The acquisition of shares in the Joint Venture Companies by HB Reavis Holding Cz a.s. was subject to the satisfaction of, among other, conditions precedent such as:

- an approval of the Office of Competition and Consumer Protection for HB Reavis Holding Cz a.s. and Pantanomo Limited to establish a joint venture, and
- an in-kind contribution of the property by Port Praski City III Sp. z o.o. to Port Praski City II Sp. z o.o. to cover the shares in an increased share capital of this company.

On 24 October 2022 agreements were concluded pursuant to which HB Reavis Holding Cz a.s. acquired:

- 50% of shares in Port Praski City II Sp. z o.o. in total from Port Praski City III Sp. z o.o. and Pantanomo Limited; and
- 50% of shares in Port Praski Medical Center Sp. z o.o. from Pantanomo Limited

for the aggregate purchase price of mEUR 24.3 (not in million), that shall be adjusted for the amount of working capital of the Joint Venture Companies at the Transaction closing date, and the total office and retail usable floor area actually constructed on the property as part of the Project.

The agreements were executed following the satisfaction of all conditions precedent, including in particular approval by the Office of Competition and Consumer Protection to establish a joint venture.

As the next step, the Shareholders intend to apply for the relevant administrative decisions aimed at obtaining a construction permit, after which they will proceed to determine the precise cost and timing of the project's implementation.

Decision of the Head of the Małopolska Tax Office in Cracow

On 15 February 2018 the Head of the Małopolska Tax Office in Cracow ("Tax Office") issued the decision assessing the tax liability from uncollected withholding corporate income tax in 2012 in the amount of PLN 24.2 increased by interest on tax arrears.

In the issued decision the Tax Office contested the Company's right to an exemption from the obligation to withhold income tax on certain interest payments in 2012. The Company appealed against the decision of the Tax Authority on the basis of acquired opinions issued by renowned entities. The Company has not created any provisions encumbering its financial results.

On 10 July 2018 the Tax Office upheld the previous decision dated 15 February 2018. The Company does not agree with the decision of the Tax Office in question and appealed against it to the Voivodship Administrative Court in Cracow. The Voivodship Administrative Court in Cracow dismissed the complaint in the ruling as of 21 February 2019. The Company does not agree with this decision and filed a cassation complaint to the Supreme Administrative Court in Warsaw. The Supreme Administrative Court upheld the complaint and transferred the case to the Voivodship Administrative Court for re-examination in its decision dated 17 August 2022.

The Tax Office control activities in the aforesaid matter were in progress in relation to 2013 and 2014.

The Head of the Małopolska Tax Office in Cracow issued a decision on 19 July 2019 in respect to the year 2013. The decision assessed the Company's tax liability from uncollected withholding corporate income tax in 2013 in the amount of PLN 25.1 increased by interest on tax arrears. The Company appealed against the decision, but on 14 February 2020 the Tax Authority maintained its position. The Company filed a complaint against the decision to the Administrative Court. On 15 October 2020, the Voivodship Administrative Court in Cracow dismissed the complaint. The Company, based on the opinions of reputable advisers, does not agree with the court's decision and filed a cassation appeal to the Supreme Administrative Court in Warsaw. The date of the hearing has not been set. The Company has not created any provisions encumbering its financial results.

The Head of the Małopolska Tax Office in Cracow issued a decision on 20 September 2019 in respect to the year 2014. The decision assessed the Company's tax liability from uncollected withholding corporate income tax in 2014 in the amount of PLN 1.7 increased by interest on tax arrears. The Company appealed against the decision of the Tax Authority. In a second instance decision issued on 8 June 2020, the Tax Authority fully maintained its position. The Company filed a complaint against the decision to the Administrative Court. On 20 October 2020, the Voivodship Administrative Court in Cracow dismissed the complaint. The Company, based on the opinions of reputable advisers, does not agree with the court's decision and filed a cassation appeal to the Supreme Administrative Court in Warsaw. The date of the hearing has not been set. The Company has not created any provisions encumbering its financial results.

Influence of the political and economic situation in Ukraine on the Group's operations and financial prospects

In the Management Board's view, the Company and Group's core business is relatively resistant to the adverse impact of the political and economic situation in Ukraine. More information is presented in the Management Report in note 4.4.1.

23. Events subsequent to the reporting date

In the period until the approval of these interim condensed financial statements there were no material events after the reporting date other than those disclosed in the notes to the interim condensed financial statements.

24. Other disclosures

Security relating to loans and borrowings

The Group entered into a series of agreements establishing collateral under the loan agreements. Detailed information in respect to the agreements is presented in the Management Report in note 3.2.6.

Other securities

The Company provided guarantees to its subsidiaries and other related parties in respect to purchase contracts. Information regarding the amounts of guarantees provided was not separately disclosed, as in the opinion of the Group's Management, such disclosure could have a negative impact on the relations with the third parties.

Commitments to purchase programming assets

As at 30 September 2022 the Group had outstanding contractual commitments in relation to purchases of programming assets. The table below presents a maturity analysis for such commitments:

	30 September 2022 unaudited	31 December 2021
within one year	265.2	205.0
between 1 to 5 years	302.1	366.1
more than 5 years	13.6	35.5
Total	580.9	606.6

The table below presents commitments to purchase programming assets from related parties not included in the consolidated financial statements:

	30 September 2022 unaudited	31 December 2021
within one year	39.2	9.7
Total	39.2	9.7

Contractual liabilities related to purchases of non-current assets

Total amount of contractual liabilities resulting from agreements on the production and purchasing of property, plant and equipment was PLN 212.8 as at 30 September 2022 (PLN 243.7 as at 31 December 2021). Total amount of contractual liabilities resulting from agreements for the purchases of intangible assets was PLN 69.5 as at 30 September 2022 (PLN 31.0 as at 31 December 2021).

Future contractual obligations

As at 30 September 2022 and 31 December 2021 the Group had future liabilities due to transponder capacity agreements.

The table below presents future payments (total):

	30 September 2022 unaudited	31 December 2021
within one year	130.1	125.6
between 1 to 5 years	292.7	376.7
Total	422.8	502.3

25. Judgments, financial estimates and assumptions

The preparation of consolidated financial statements in conformity with IFRS EU requires the Management Board to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and costs. Estimates and underlying assumptions are based on historical data and other factors considered as reliable under the circumstances, and their results provide grounds for an assessment of the carrying amounts of assets and liabilities which cannot be based directly on any other sources. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Detailed description of the accounting estimates is presented below and in the annual consolidated financial statements.

Presentation of the result from disposal of shares in associates accounted for using the equity method

Management Board considered facts and circumstances related to investments accounted for using the equity method. In Management Board's opinion, disposal of the shares in Modivo S.A. does not have any characteristics of an one-off transaction. Consequently, the result of this transaction is presented as operational activity.

Pursuant to obtaining control over the Port Praski Group additional description of accounting principles is presented below:

Inventories

Inventories also include real estate built for sale (work in progress) and ready-to-sell properties (finished products) as part of development activities. Capitalised expenditures include, but are not limited to, construction planning and design costs, costs of land acquisition or perpetual usufruct of land for construction, remuneration payable to contractors and construction financing costs.

Revenue

Other revenue includes, among others revenue from the rental of premises and equipment, revenue from interest on installment sales, revenue from the sale of electricity, revenue from the sale of real estate and other sales revenue. Revenues from the sale of real estate (apartments, commercial, office space) are recognized when the performance obligation is met, in which the customer obtains control over the promised good. Based on the Group's assessment, the client obtains control over the property upon signing the notarial deed. In practice, the date of the notarial deed is usually after the date of handing over the property to the client.