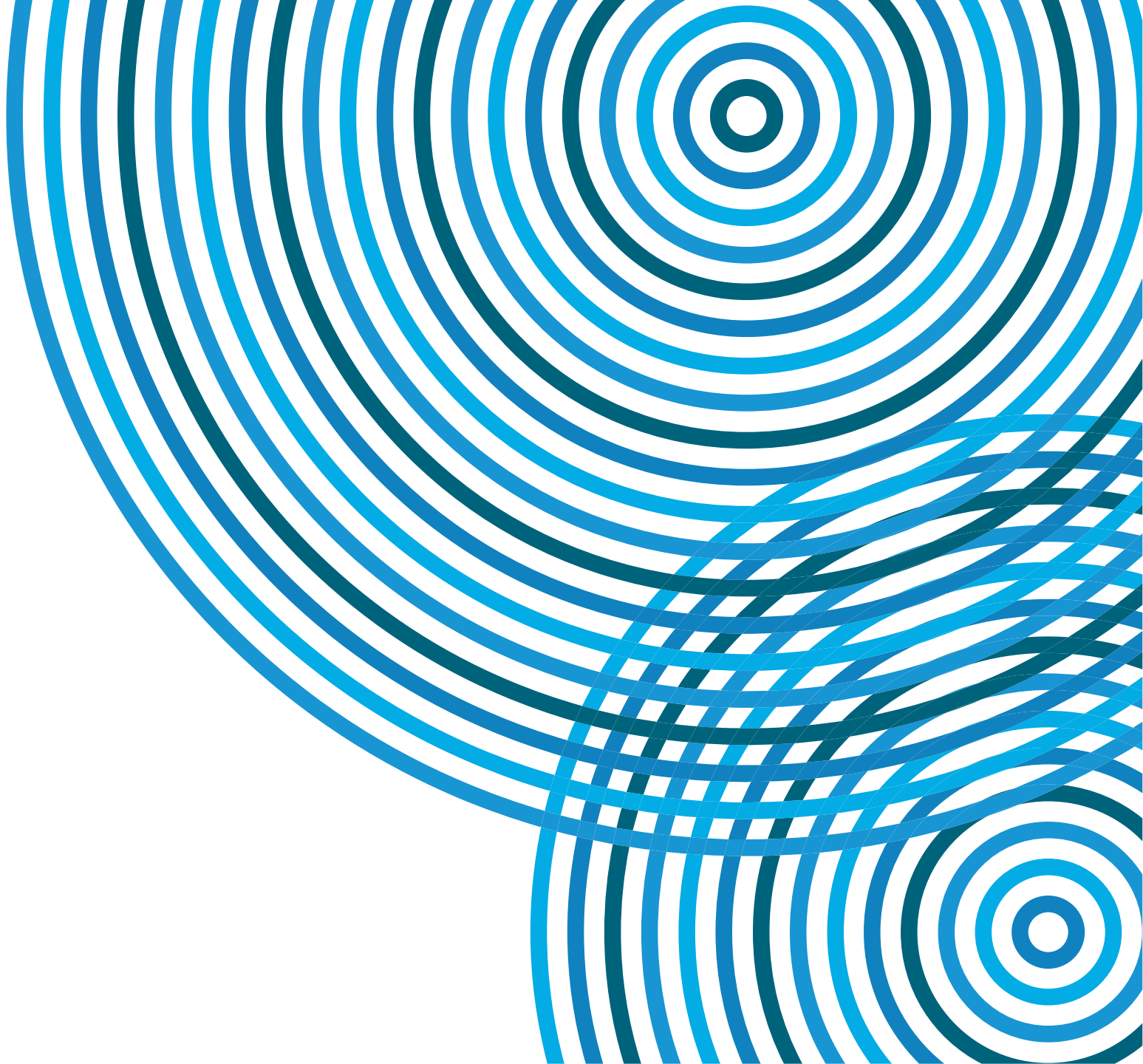


10 January 2022

IR Newsletter 1/2022



Press review

Puls Biznesu, 28 December 2021

By Kamil Zatoński

NN PTE makes a shareholding disclosure in Cyfrowy Polsat

Nationale-Nederlanden PTE has increased its shareholding in Cyfrowy Polsat above the threshold of 5% of votes at the General Meeting.

Following the transactions concluded on 23 December 2021, the funds managed by Nationale-Nederlanden PTE hold 41.066 million shares of Cyfrowy Polsat which account for 6.42% of the company's share capital and represent 5.02% of votes at the General Meeting.

Earlier Nationale-Nederlanden PTE held 6.38% of shares which represented 4.98% of votes at the General Meeting.

Press review

Telepolis, 31 December 2021

Światłowód Inwestycje will connect Polsat Plus Group customers to the Internet

Światłowód Inwestycje telecommunications company and Netia telecom operator (a Polsat Plus Group company) have signed an agreement according to which Polsat Plus Group customers will gain access to fixed-line broadband services using Światłowód Inwestycje network based on a Bitstream Access (BSA) agreement.

Commercial launch of the service is planned for the beginning of 2022. Thanks to the agreement Polsat Plus Group companies will be able to reach more than 800 thousand addresses via fiber-optic lines, while over the next 4 years the total coverage offered by the above-mentioned agreement will increase to 2.4 million addresses.

“The reach of Netia’s own gigabit network is ca. 2 million households. Thanks to the cooperation with partners who offer wholesale access, our coverage potential has doubled. While as a result of our investment into network upgrades, along with the investments made by our wholesale partners, Polsat Plus Group - whose fixed-line arm we are – will be able to offer access based on fiber-optic technologies at more than 7 million addresses. Our ambition is to add further partners, thus increasing the coverage of our services,” **said Andrzej Abramczuk, the CEO of Netia.**

Światłowód Inwestycje is a nationwide FTTH fiber-optic network operator who currently manages a fiber-optic network reaching some 800 thousand households and office locations across the country. During the next few years it has a plan of rolling out further 1.6 million fiber-optic lines, thus increasing the network’s coverage to 2.4 million FTTH lines. These new lines will be mainly rolled-out in the areas which currently lack advanced infrastructure.

Press review

Rzeczpospolita, 2 January 2022

By Urszula Zielińska

Mobile services and high speed Internet will drive the telecom industry in 2022

According to analysts and experts 2022 will be less turbulent on the telecommunication market than 2021. They expect that operators will be rearranging their groups following the transactions from 2020-2021.

As analysts and experts say, mobile networks will continue looking for savings by simplifying their tariff offers and introducing new, more expensive subscriptions with 5G phones.

PMR analytics firm forecasts that the value of the telecom market in Poland will remain practically unchanged, at PLN 34.5 billion (-0.2% yoy). It will be the outcome of such factors as growth of revenue from sale of retail services and decrease of wholesale revenues due to gradual reduction of interconnection rates, driven by the recent EU regulation.

According to PMR, the number of telecommunication services (RGUs) will be substantially above 83 million in 2022 (compared to ca. 82 million at the end of 2021). Vast majority of these will be postpaid services: mobile, pay TV and Internet access (including in particular the services based on fiber-optic lines and 5G technologies).

As regards the pay TV market, experts expect some interesting developments, including the coming of new streaming platforms (e.g. Disney+, HBO Max) whose launch will converge with the change of the broadcasting standard for terrestrial TV.

Press review

Wirtualnemedi.pl, 3 January 2022

By ag

UPC Polska increases the offered Internet access speed. Higher charges can however be avoided

Wirtualnemedi.pl web portal informed that UPC Polska cable operator (an Iliad Group member) has submitted proposals, to some of its customers, of increasing the offered Internet access speeds to 500 Mbps or 750 Mbps from February 2022. The change entails growth of the monthly access fee by 8 PLN.

Customers will have the possibility of staying with their existing Internet access option (upon submitting a relevant declaration), testing the new option with a possibility of withdrawing from it within 6 months and receiving the repayment of the difference generated by the higher monthly access fee during the trial period, as well as the possibility of terminating the agreement altogether.

Press review

Parkiet, 10 January 2022

By Urszula Zielińska

Mobile number porting figures for 2021

In Q4 2021 ca. 372 thousand phone numbers (MSISDNs) were ported between mobile networks (compared to ca. 333 thousand MSISDNs in Q3 2021).

T-Mobile was the only operator from among the “Big Four” who achieved a positive net balance (+15 thousand MSISDNs), while other operators posted negative balances: Orange (-0.5 thousand), Play

(-18 thousand), Plus (-28 thousand).

The best overall results for the quarter were achieved by T-Mobile (+15 thousand), UPC Polska (+9 thousand) and Premium Mobile, a Polsat Plus Group member (+5 thousand).

As many as 1.42 million phone numbers were ported between mobile networks during the entire 2021.

The best net MNP net result was achieved by Premium Mobile, a company which is a Polsat Plus Group member (+34 thousand MSISDNs), with Orange Polska (+30 thousand) taking the second spot and UPC (+29 thousand) being third.

Recent events

Current report

Event

[36/2021](#)

Adoption of the new strategy of Polsat Plus Group and the new dividend policy of Cyfrowy Polsat S.A.

[37/2021](#)

Disclosure of delayed inside information regarding the commencement by Cyfrowy Polsat of talks concerning the contemplated capital engagement in selected assets used for electric energy production and selected real estate assets

[38/2021](#)

Cyfrowy Polsat S.A. signs preliminary share purchase agreements concerning PAK-Polska Czysta Energia sp. z o.o., Port Praski sp. z o.o. and Pantanomo Limited

[39/2021](#)

Decision of Cyfrowy Polsat S.A. to acquire shares in Cyfrowy Polsat S.A. from Embud 2

[40/2021](#)

Information on the change of the share in the total number of votes at the General Meeting of Cyfrowy Polsat S.A.

[41/2021](#)

Notification of a transaction on financial instruments issued by Cyfrowy Polsat S.A. under article 19 of the MAR Regulation

[42/2021](#)

Information on the change of the share in the total number of votes at the General Meeting of Cyfrowy Polsat S.A.

[43/2021](#)

Information on the change of the share in the total number of votes at the General Meeting of Cyfrowy Polsat S.A.

[44/2021](#)

Information on the change of the share in the total number of votes at the General Meeting of Cyfrowy Polsat S.A.

The current shareholder structure of Cyfrowy Polsat S.A. is available at the following [link](#)

Strategy 2023+ Polsat Plus Group

(basic information)



Full version of the presentation is available at the [link](#)

We expand our multiplay strategy by the key energy component and take advantage of the investment opportunity

Multiplay strategy

Connectivity



Business growth driven organically, generating **strong recurring cash flows** financing stable dividends for our shareholders

Content



Energy



Planned investments will translate into **PLN 500-600 million of incremental recurring EBITDA** in 2026

Investment opportunity

Port Praski



Decisions concerning a time schedule and the scale of the investment as well as an expected rate of return to be determined in the future

Our strategic goals and investments



Connectivity

Goals

- Develop our multiplay strategy
- Build customer value
- Maintain customer loyalty

Strategic projects

- Construction of the 5G network with Cellnex
- Development of the fiber optic network

Financing the investments

- Within the current cash flow



Content

Goals

- Produce attractive content
- Acquire attractive rights
- Maintain our TV market position
- Develop online business around Interia.pl

Strategic projects

- Organic growth of pay TV services
- Content monetization

Financing the investments

- Within the current cash flow



Energy

Goals

- Produce cheap and clean energy
- ~1000 MW of installed capacity
- >2TWh of production capacity
- CO₂ emissions reduction by >2m tons per year

Strategic projects

- Investment in green assets of ZE PAK
- Additional clean energy projects

Investments






- PLN 0.8 bn to purchase 67% of green assets
- ~PLN 5 bn in 5 years in green energy
- PLN 0.5 bn in 5 years in green hydrogen
- Attractive debt financing for even 75% of the investment

Goal #1: We want – jointly with ZE PAK – to become a leading producer of clean, green energy

biomass	solar	wind on-shore	thermal waste treatment	wind off-shore	SMR
Goal: 100 MW	Goal: 600 MW	Goal: 250 MW	Goal: 2 installations	Goal: support	Goal: support
					
In operation	In operation	In construction	Initiated	Initiated	In analysis phase

~PLN 5 billion worth of investments in 5 years (2022-2026)
 ~1000 MW of installed capacity to produce clean, green energy
 >2 TWh of production capacity
 >2 million tons of CO₂ emissions reduction per year

Goal #2: We want – jointly with ZE PAK – to become a leading producer of green hydrogen

green energy	production of green hydrogen	storage and transportation	distribution of green hydrogen	products for users
<p>Solar energy Wind energy Biomass energy</p> 	<p>Goal: Electrolysis plant 100 MW</p> <p>Production of 40t of green H₂ per day</p> 	<p>Goal: Storage and transportation using cylinder manifolds</p> <p>40t H₂ per day</p> 	<p>Goal: Construction of a chain of green hydrogen refueling stations</p> <p>30 refueling stations</p> 	<p>Goal: Production of Polish hydrogen buses</p> <p>>100 buses per year</p> 
In operation	The first electrolyzer in Q2'22	First storage rooms under testing	First stations in the construction permits phase	Prototype of the bus ready Manufacturing plant in preparation

Hydrogen is the fuel of the future – a strategic project for Poland and Europe
Investment of ca. PLN 0.5 billion in 5 years phased in line with the pace of market creation for green hydrogen

Phased investments will allow to continuously distribute dividends to investors

Main goals

Taking advantage of emerging market chances and investment opportunities

- Investments targeted to ensure further development of Polsat Plus Group to the benefit of its shareholders

Paying stable dividends to the Company's shareholders

- Ensuring an attractive, predictable return from engaged capital to the shareholders of the Company

Additional goals

Maintaining Polsat Plus Group's debt on a safe level

- Management Board of the Company is obligated to meet the shareholders' requirements expressed in the Company's Articles of Association
- Given the ambitious investment plan within the Strategy 2023+, the Management Board will be persuading the shareholders to revise the currently binding target of 2.0x net debt/EBITDA after 2024

Share buy-back as an additional tool of shareholder remuneration and allocation of own cash resources

Main assumptions of the dividend policy for the years 2022-2024

dividend per share	year of payment
at least PLN 1.00	2022
at least PLN 1.00	2023
at least PLN 1.00	2024

- Each time the Management Board assesses net profit, financial standing and liquidity of the Group, existing and future liabilities, the Group's perspectives, development plans, exceptional factors and binding law regulations
- Each time the proposals of the Management Board are subject to evaluation and acceptance by the General Meeting of Shareholders

Summary of the ESG strategy of Polsat Plus Group

E

We take responsibility for preventing further climate changes and actively undertake steps to improve air quality in Poland.

- **New investments** – by producing over 2 TWh of green energy per year we will contribute to reducing CO₂ emissions in Poland by more than 2 million tons yearly.
- **Renewable energy sources** – by 2023 we will use energy solely from low- and zero-emission sources¹.
- **Fleet** – we steadily increase the share of low-emission cars in Polsat Plus Group's fleet (at present over 5%).
- **Circular economy** – set-top boxes used by our customers are coming back to the market after they are returned and refurbished while other equipment is being recycled.

S

We are an active member of the local society; in parallel we stimulate Poland's economic and social development through our investments in digitization.

- **Counteracting digital divide** – we dynamically develop the reach of modern, fast 5G Internet.
- **Polsat Foundation** – we are a key partner for the Foundation which over the last 25 years helped to finance medical treatment and rehabilitation for 40 thousand suffering children.
- **Responsible employer** – we provide a friendly and safe workplace as well as equality and diversity to all our employees.
- **Protection and safety of children** – we are committed to safety of children and young people using media (safety in the Internet and TV content).

G

We develop our business in a transparent and sustainable manner to the benefit of all our stakeholders.

- **Codes of business ethics** – codes of business conduct as well as internal systems and procedures implemented by us guarantee the highest standard of integrity.
- **Transparency** – we ensure high quality financial and ESG reporting in combination with regular, transparent and direct communication with all our stakeholders.
- **Cybersecurity** – while being aware of challenges in this area, we aim at the best possible data security and protection for our customers and employees (ISO 27001 certificate).
- **Experience, trust and reputation** – our companies' Management Boards are served by individuals with many years of work experience in the Group.

Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2021-12-20	35.02	34.12	34.40	- 1.60	20.68
2021-12-21	34.40	33.60	34.06	- 0.99	16.03
2021-12-22	34.68	33.82	34.66	1.76	13.07
2021-12-23	35.06	34.40	34.70	0.12	16.92
2021-12-24	34.70	34.70	34.70	0.00	0.00
2021-12-27	34.96	34.32	34.60	- 0.29	3.55
2021-12-28	34.88	34.38	34.76	0.46	8.19
2021-12-29	35.28	34.60	34.80	0.12	7.91
2021-12-30	34.80	34.60	34.72	- 0.23	7.74
2021-12-31	34.72	34.72	34.72	0.00	0.00
2022-01-03	35.02	34.26	34.82	0.29	6.39
2022-01-04	34.88	33.76	33.90	- 2.64	10.08
2022-01-05	34.38	33.82	34.18	0.83	8.24
2022-01-07	34.26	32.76	33.34	- 2.46	22.74
2022-01-10	33.56	32.90	33.02	- 0.96	8.75



Investor's calendar

Date

Event

24 – 26 January 2022

TOP Picks 2021 by Trigon (online)