

21 August 2023

IR Newsletter 23/2023



Press review

PAP Biznes, 9 August 2023

by epo/ doa/ ana/

Polkomtel, Orange Polska, P4 and T-Mobile Polska have submitted initial bids in 5G auction – UKE

UKE has announced that Poland's four major mobile operators: Polkomtel (Polsat Plus Group), Orange Polska, P4 and T-Mobile Polska, have submitted initial bids in the President of UKE's auction of frequencies in the 3.6 GHz band (the so-called C-band).

The starting price for each of the four frequency reservations put up for auction is PLN 450 million.

According to the auction requirements, its winners will be required, among other things, to launch at least 3,800 base stations within 48 months from the date of delivery of the reservation, to cover 85% of the country's area with 30 Mbps capacity within 12 months, and then to increase capacity and coverage to 95 Mbps and 90% of the country's area, respectively, within 60 months.

Press review

PAP Biznes, 10 August 2023

by epo/ ana/

T-Mobile Polska's Q2 '23 revenue increased by 2.7 percent and EBITDAaL by 0.2 percent

T-Mobile Polska reported Q2 2023 revenues of PLN 1.66 billion (+2.7% YoY) and EBITDA after lease costs (EBITDAaL) of PLN 466 million (+0.2%).

The operator pointed out in a press release the impact of continued significant cost increases on operations, which resulted in a discrepancy between revenue growth and EBITDAaL. At the same time, it highlighted the stabilization of the result in the second quarter of this year thanks to the commissioning of the first green energy farms, which partially mitigated the effect of rising electricity costs, and a good commercial performance.

At the end of June 2023, T-Mobile Polska's customer base totaled 12.460 million customers (+2.9% YoY). This included a contract customer base of 8.092 million (+2.0% YoY), and a prepaid customer base of 4.368 million (+4.6% YoY).

Press review

Wirtualnemedi.pl, 16 August 2023

by tw

Polsat closes down free streaming service

The free streaming platform Polsat Go will end its operations at the end of August this year.

Existing Polsat Go users will get free access to the new Polsat Box Go Start package for two months.

"We have decided to shut down Polsat Go, and our content will be offered, among others, in the new Polsat Box Go Start package in the subscription-advertising model - a low promotional fee of PLN 30 for the whole year and a small number of commercials. This is in line with the current trend in the streaming market," said **Stanislaw Janowski, president of Polsat Television, quoted in the press release.**

Press review

PAP Biznes, 17 August 2023

by epo/ ana/

Cyfrowy Polsat expects net debt/EBITDA to increase in '23 and '24 due to investments

During a conference call on the results of the second quarter of this year, the management of Cyfrowy Polsat (Polsat Plus Group) said that due to ongoing investments in the renewables segment, it expects the net debt/EBITDA ratio to increase further in 2023 and 2024.

"We are in the midst of very large investments, which are expected to bring us EBITDA and considerable profits in the future.(...) As long as these investments last, this ratio will grow. We expect it to grow next year as well. On the other hand, starting in 2025, we expect to start deleveraging and see this ratio decline," reported **Katarzyna Ostap-Tomann, Management Board member for Finance.**

At the end of the first half of the year, the group's net EBITDA LTM debt increased to 3.26x from 2.86x at the end of 2022.

In the second half of 2023, the group expects a positive contribution to the results from PAK-PCE Group.

In line with its strategy, Polsat Plus Group is making investments in clean energy production, particularly from the sun, wind, biomass and thermal waste treatment, as well as entering the hydrogen economy. The Group intends to invest about PLN 5 billion to achieve a total of 1,000 MW of clean energy generation capacity, and PLN 0.5 billion in hydrogen technologies.

In the second quarter of this year, test production was launched at wind farms in Miłosław and Kazimierz Biskupi.

Serial production at a new hydrogen bus factory (with an annual output of 100 buses) is expected to start in September. Also in September, the commercial opening of the first hydrogen station in Warsaw is planned.



Press review

Wirtualnemedi.pl, 17 August 2023

by *tw*

Increasing number of Poland's population in range of 5G Ultra network from Plus

Plus network (Polsat Plus Group) has announced that more than 4.2 million Polish residents in 171 towns and cities are already within the range of the 5G Ultra network launched about a month ago, and the number of 5G Ultra base stations is close to 700.

Users of 5G Ultra are able to enjoy mobile Internet at fiber-optic speeds. The technology used uses aggregation of three radio bands - two in 5G technology (2600 MHz and 2100 MHz) and additionally a 4G layer (1800 MHz) - for high-speed data transmission.

In total, there are more than 20 million people nationwide in the Plus network's 5G coverage.



Press review

Telko.in, 21 August 2023

by *Łukasz Dec*

Broadband market is less price-sensitive

The Telko.in portal conducted an interview with **Jolanta Dudek, Orange Polska's Vice President for Mass Market**, which shows that the entire market - operators, customers and the regulator - are coping with the difficult macroeconomic environment and the problem of inflation with the widespread price increase trend continuing in the market for the fifth year.

In an interview with the portal, Jolanta Dudek pointed out that while price is and will continue to be an important criterion for customers in choosing a provider and the service itself, their approach looks slightly different depending on the service segment.

Mobile services have been under far greater price pressure for many years. Fixed services are treated by customers on a long-term basis due to the need for installation. Therefore, in their case, quality parameters such as bandwidth, reliability and stability are more important selection criteria. Orange estimates that in the mix of purchasing factors, price is about 3 times more important for mobile services. In the mobile segment, on the other hand, the element of benefits considered against the market such as good network coverage or a high mobile data package is important in customers' purchasing decisions.

According to Jolanta Dudek, the prices of telecommunications services have been raised by all the major operators on the Polish market for a number of years, which does not collide with customer disapproval as long as the level of increases is not exorbitant. She also pointed out that telecommunications services have become a necessity good, and their prices in Poland are, despite the increases, relatively cheaper compared to other European Union countries.

The challenge for the market is to find a balance between large cost increases in a high-inflation environment and slower service price increases. Hence the need to constantly improve the efficiency of operators and pay attention to opportunities to reduce costs.

Recent events

Press release, 16 August 2023

Plus Champions Offer - Two subscriptions for the price of one and two smartphones for the price of one

Plus is introducing a new Champions Offer for individual customers and businesses. Starting August 17, customers can purchase two subscriptions for the price of one and two smartphones for the price of one. All this on the occasion of the European Women's and Men's Volleyball Championships, the 25th anniversary of supporting Polish volleyball and the upcoming start of the school year.

Both promotions: subscription and hardware can be combined - one can have both two subscriptions for the price of one, and two smartphones for the price of one. This makes the Champions Offer an ideal proposition for, among others, the time of increased expenses related to the return to school.

The "Champions' 25 GB for 25th Anniversary" promotion is also ongoing. In addition, Plus offers Samsung smartphones at lower prices.

Surprises from Plus:

- Two subscriptions for the price of one for residential and business customers.
- Two smartphones for the price of one for residential and business customers.
- The possibility of combining subscription and hardware promotions - two subscriptions and two smartphones for the price of one.
- Ongoing promotion "Champions 25 GB for the 25th anniversary".
- Samsung-branded smartphones at lower prices.



Recent events

Press release, 16 August 2023

New streaming package Start in Polsat Box Go now for PLN 30 for the whole year, or only PLN 2.5 per month. Polsat Go service is ending its operations

The Polsat Box Go streaming service is launching a new package called Start at a promotional price of only PLN 30 for an entire year, or PLN 2.5 per month. The Polsat Box Go Start package will offer access to more than 40,000 hours of your favorite series, reality shows, unique entertainment and many exciting new releases from more than 20 TV Polsat channels.

At the same time, the Polsat Go service will cease operations at the end of August. All existing Polsat Go users will get free access for 2 months to the new Start package in the Polsat Box Go service. All Polsat Go account holders will get information on how to get free two-month access to the Start package in Polsat Box Go easily and quickly.

"We want to focus on content production," says **Stanislaw Janowski, CEO of TV Polsat**. "We have decided to shut down Polsat Go and our content will be offered, among others, in the new Polsat Box Go Start package in a subscription-advertising model - a low promotional fee of PLN 30 for the whole year and a small number of commercials. This is in line with the current trend in the streaming market."

"We have decided that as a Group we want to develop a single streaming service - Polsat Box Go," says **Maciej Stec, Vice President for Strategy at Polsat Plus Group**. "In addition to the Polsat Box Go Premium and Sport packages, we are introducing a new streaming package that is unique on the Polish market - Polsat Box Go Start for just PLN 30 for an entire year, or PLN 2.5 per month. In one package, we give you access to more than 40,000 hours of your favorite cult series, crazy and hot reality shows and hit entertainment. You can watch easily, pleasantly and enjoyably what, where, when, how you want on any device," adds **Maciej Stec**.

All those who had Polsat Go accounts will get Polsat Box Go access for free for 2 months just for the Start package. And everyone will be able to order access for the next 12 months for only PLN 30 for the whole year - PLN 30 per year, or PLN 2.5 per month.



[More>>](#)

Recent events

Press release, 17 August 2023

Super attractive promotion from Polsat Box - up to 12 months of TV free at the start

Polsat Box is launching a new promotion called "TV for up to 12 months without fees to start." The offer applies to TV in all technologies: satellite, cable IPTV and Internet with a set-top box. Customers will not pay for the S package with 55 TV channels for the first year, and for the M and L packages for the first 3 months. The new promotion can also be selected as a variant with Disney+ and one year's access to this platform as a gift.

TV from Polsat Box guarantees access to entertainment for the whole family: a rich variety of TV channels, major sports events, movies and series, entertainment content and news and children's programs, as well as channels in 4K quality.

The new promotion from Polsat Box is a special opportunity to enjoy the best entertainment in a super-attractive offer with a 24-month contract:

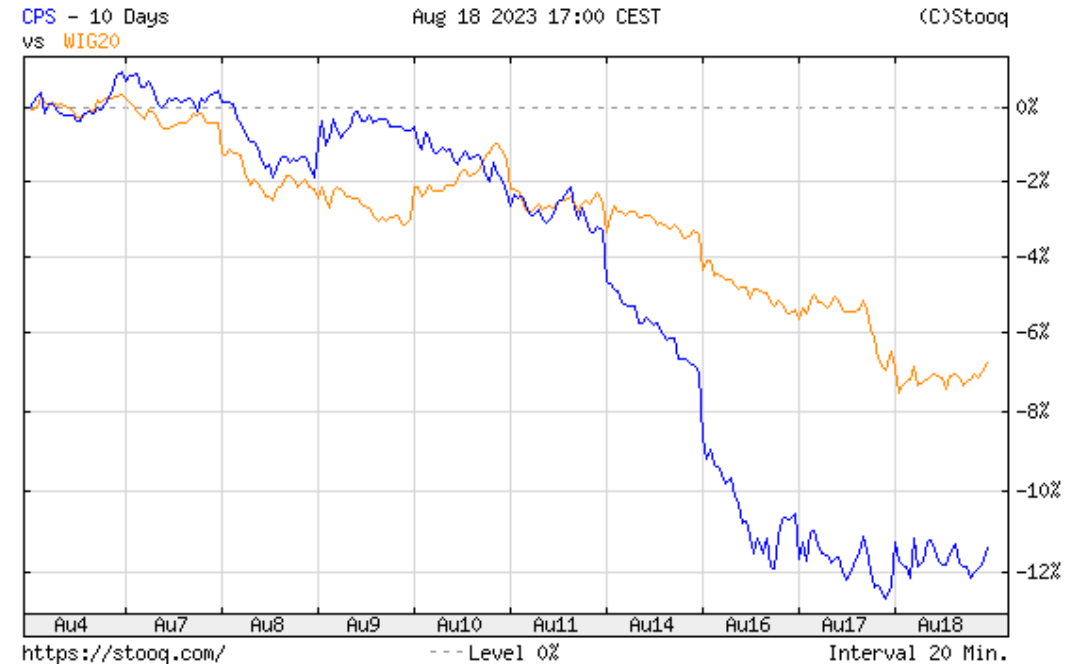
- **12 months free of charge for the S package** available on satellite and cable IPTV technologies, with 55 TV channels, including thematic channels of Telewizja Polsat, general public channels and 5 channels in 4K quality. In the second year, the package price is PLN 30/month.
- **3 months free for higher packages: M** (77 TV channels, price from the 4th month - PLN 40/month), M Sport (83 channels, price from the 4th month - PLN 70/month) and L (136 channels, price from the 4th month - PLN 70/month).
- Each of the basic packages can be selected in a **variant with Disney+, which is available as a gift for a year under the promotion.** The fee for the service in the second year of the contract will be PLN 28.99 per month.

[More>>](#)



Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2023-08-07	16.20	15.98	16.10	- 0.53	4.51
2023-08-08	16.09	15.72	15.72	- 2.36	11.18
2023-08-09	16.01	15.77	15.93	1.30	7.35
2023-08-10	15.94	15.64	15.65	- 1.73	7.60
2023-08-11	15.77	15.47	15.49	- 1.02	7.03
2023-08-14	15.50	14.89	14.90	- 3.81	11.50
2023-08-15	-	-	-	-	-
2023-08-16	14.93	14.08	14.33	- 3.83	21.88
2023-08-17	14.49	13.99	14.05	- 1.95	17.10
2023-08-18	14.28	14.04	14.20	1.03	9.78



Investor's calendar

Date

Event

9 – 11 October 2023

The Finest CEElection Investor Conference 2023 - ERSTE. Vienna

26 October – 8 November 2023

Closed period prior to the publication of Q3 2023 results

8 November 2023

Quarterly report for Q3 2023