

19 December 2022

# IR Newsletter 41/2022



# Press review

Telko.in, 13 December 2022

by Tomasz Świderek

## Two banks and IFC contemplate buying Cyfrowy Polsat's bonds

Cyfrowy Polsat informed of concluding an agreement with EBRD (a framework agreement) as well as with IFC and BGK regarding contemplated bond issue with a nominal value of up to PLN 4 billion.

The signed agreements neither create contractual obligations on the part of the financial institutions to buy the Company's bonds, nor do they obligate Cyfrowy Polsat to actually issue the bonds.

However, the agreements define the way in which the funds obtained from the potential bond issue are to be spent, while obligating Cyfrowy Polsat to inform on the manner in which the potential financing will be utilized.

# Press review

**Dziennik Gazeta Prawna, 14 December 2022**

*by Elżbieta Rutkowska*

## 5G spectrum auction is back after three years

The Office of Electronic Communications (UKE) has announced that on 20 December 2022 it will start the process of consultations of the documentation associated with auction of the so-called band C (3.4 GHz-3.8 GHz) spectrum, i.e. the main frequency band designed for nationwide mobile 5G network.

Telecommunication operators expressed their satisfaction with the announcement, while stressing how important the distribution of the 5G spectrum was for their customers and for the development of modern economy, including the development of cloud solutions.

It will be the second attempt to carry out the band C auction which, as a result there being no amendment of the National Cyber-Security Act (KSC), will be organized practically in the same legal situation as the previously cancelled auction.

Since the new auction has to be carried out in accordance with the currently valid regulations, the documentation must not include, for example, the provisions found in the draft resolutions which have not been adopted yet. Thus UKE will be able to comment on the wording of the amended National Cyber-Security Act (KSC) law only once it is adopted, regardless of the auction itself.

The operators also pointed out that one of the main challenges of the auction would be how to reconcile the expectations related to the level of spectrum reservation fees and the ability to invest in 5G networks, due to the current heavy inflation pressures - the growth electricity prices in particular.

# Press review

Telko.in, 16 December 2022

by Tomasz Świderek

## Cyfrowy Polsat will issue bonds with a nominal value of PLN 2.67 billion

Cyfrowy Polsat announced it will issue series D bonds with a total nominal value of no more than PLN 2.67 billion.

The offering, addressed exclusively to qualified investors, will be conducted from December 16 to December 21, 2022.

The series D bonds will mature on January 11, 2030. The interest rate on the bonds is to be variable, based on 6-month WIBOR plus 385 bps and payable semi-annually.

Funds raised from the issuance of the series D bonds can be used, among others, for the early redemption of previously issued series B and series C bonds.

# Recent events

Current report 34/2022, 12 December 2022

## Side and Policy Agreement executed with the International Finance Corporation in relation to the Company's bonds program

**Not for release, publication or distribution directly or indirectly, in or into the United States of America, Australia, Canada, Japan or the United Kingdom, or any other jurisdiction where to do so would be restricted or prohibited by law.**

The Management Board of Cyfrowy Polsat S.A. (the "**Company**") informs that on 13 December 2022 the Company executed a Side and Policy Agreement (the "**Side Agreement**") with the International Finance Corporation (the "**IFC**").

The Side Agreement has been executed in relation to the IFC's contemplated acquisition of bonds that the Company may issue under a program for the issuance of the Company's bonds with the total maximum nominal value of PLN 4,000,000,000 (four billion zloty) (the "**Program**") announced by the Company in its current report No. 31/2022 dated 29 November 2022.

The execution of the Side Agreement does not impose a contractual obligation on the IFC to purchase any of the Company's bonds that may be issued under the Program. The Company does not commit to the IFC to issue any bonds under the Program. The Company will make the final decision on the issuance of bonds under the Program and on the terms of issue in a relevant resolution of the Company's Management Board which, if and when adopted, will be disclosed in a separate current report.

The Side Agreement provides for a commitment to spend specified amounts on clean energy projects on the terms described in detail in the Side Agreement (the "**Projects**").

# Recent events

According to the Side Agreement, the Company and certain other companies that will be authorized to develop the Projects under the Side Agreement (the “**Project Companies**”) will, within the timeframes set out in the Side Agreement, among other things, implement appropriate policies and take actions to meet the IFC’s environmental, community and workers safety requirements (the “**E&S Requirements**”) while putting in place and developing an appropriate system (the “**E&S Management System**”) to manage the environmental and community concerns and identify risks associated with the Project Companies’ implementation of the Projects.

The Side Agreement also imposes customary counter-terrorism, anti-money laundering and anti-corruption obligations on the Company.

According to its provisions, the Side Agreement will terminate, without limitation, if and when (i) the IFC is not allotted any bonds to be issued under the Program or (ii) the IFC ceases to hold any bonds to be issued by the Company under the Program.

## Disclaimer:

*This current report was prepared in accordance with Article 17 Section 1 of Regulation No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.*

*This current report is solely for information purposes and is published by the Company exclusively in order to provide essential information on the execution of the Side Agreement with the IFC. This current report is by no means intended, whether directly or indirectly, to promote the offering or the issuance of the Company’s bonds and does not constitute advertising material prepared or published by the Company for the purpose of promoting the offering or the issuance of the Company’s bonds soliciting, whether directly or indirectly, prospective investors.*

*This current report or any part hereof is not intended for distribution, whether directly or indirectly, within the territory of or in the United States of America or other jurisdictions where such distribution, publication or use may be subject to restrictions or may be prohibited by law. The securities referred to in this material have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and they cannot be offered or sold in the United States of America. The Company does not intend to register, or conduct any offering of the Bonds in the United States of America. Subject to the Company making its final decision on issuing the Bonds and their terms in a relevant resolution adopted by the Management Board of the Company, the Bonds are intended to be offered and sold solely outside the United States of America in offshore transactions in reliance on Regulation S under the U.S. Securities Act.*

# Recent events

Current report 35/2022, 16 December 2022

## Cyfrowy Polsat S.A.'s decision to issue Series D Bonds

**Not for release, publication or distribution directly or indirectly, in or into the United States of America, Australia, Canada, Japan or the United Kingdom, or any other jurisdiction where to do so would be restricted or prohibited by law.**

With reference to Current Report No. 31/2022 of 29 November 2022 in which Cyfrowy Polsat S.A. (the “**Company**”) announced the establishing of a bonds program (the “**Bonds Program**”), actions being taken to potentially refinance its indebtedness under Series B bearer bonds with the nominal value of PLN 1,000 each and the aggregate nominal value of PLN 1,000,000,000, maturing on 24 April 2026 (the “**Series B Bonds**”) and Series C bearer bonds with the nominal value of PLN 1,000 each and the aggregate nominal value of PLN 1,000,000,000, maturing on 12 February 2027 (the “**Series C Bonds**”) and the adoption of sustainable development objectives for Polsat Plus Group, the Management Board of the Company hereby gives notice that on 16 December 2022 it resolved, among other things, to issue no more than 2,670,000 (two million six hundred seventy thousand) unsecured Series D bearer bonds with the nominal value of PLN 1,000 (one thousand zloty) each and the aggregate nominal value of PLN 2,670,000,000 (two billion six hundred seventy million Polish zloty), (the “**Series D Bonds**”) under the Bonds Program. The Series D Bonds will be issued pursuant to Article 33 Section 1 of the Act of 15 January 2015 on Bonds (the “**Act on Bonds**”) by way of “offering of securities to the public” as defined in Article 2(d) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”) (the “**Offer**”).

The Offer will be addressed only to qualified investors within the meaning of Article 2(e) of the Prospectus Regulation and will be exempted from the obligation to publish a prospectus pursuant to Article 1(4)(a) thereof. Conducting the Offer will not require publishing an information memorandum or other offering documents.

# Recent events

## Basic parameters of the Offer:

Issue price of one Series D Bond	PLN 1,000
Planned issue date of the Series D Bonds	11 January 2023
Planned redemption date of the Series D Bonds	11 January 2030
Early redemption of the Series D Bonds	Possible at the request of the Company or the bondholder in accordance with the Series D Bond Indenture
Interest Rate	Variable (reference rate plus margin)
Reference Rate	6M WIBOR
Margin	385 bps
Commencement of interest accrual	The Series D Bonds issue date
Interest periods	Semi-annual

The Offer will be conducted in the period from 16 to 21 December 2022 by (i) Trigon Dom Maklerski S.A. with its registered office in Kraków, (ii) BNP Paribas Bank Polska S.A. with its registered office in Warsaw, (iii) Bank Polska Kasa Opieki S.A. with its registered office in Warsaw, (iv) Santander Bank Polska S.A. with its registered office in Warsaw and (v) Powszechna Kasa Oszczędności Bank Polski S.A. with its registered office in Warsaw, who will act as the joint offerors.



# Recent events

The Company's Management Board also resolved that the Company will purchase from the bondholders of the Series B Bonds and Series C Bonds issued by the Company, pursuant to Art. 76(1) of the Act on Bonds, some or all of the Series B Bonds and Series C Bonds for the purpose of their redemption, based on sale and set-off agreements to be entered into by the Company with those of the Series B Bonds and Series C Bonds bondholders who declare their intention to sell such bonds and have their receivables for the Series B Bonds and Series C Bonds sale credited against the purchase price of the Series D Bonds.

On 16 December 2022, the Supervisory Board of the Company resolved, among other things, to approve the issuance of the Series D Bonds and the Company contracting financial indebtedness by way of issuing the Series D Bonds, and to approve the purchase of some or all of the Series B Bonds and Series C Bonds and the potential early redemption of the Series B Bonds and Series C Bonds.

## **Disclaimer:**

*This current report was prepared in accordance with Article 17 Section 1 of Regulation No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.*

*This current report is for information only and is published by the Company solely in order to provide information regarding the decision to issue Series D Bonds. This current report is by no means intended, whether directly or indirectly, to promote the Offer or the issuance of the Series D Bonds, and does not constitute advertising material prepared or published by the Company for the purpose of promoting the Offer or the issuance of the Series D Bonds soliciting, whether directly or indirectly, prospective investors. No prospectus, information memorandum or other offering documents are required to be provided in connection with the Offer or with the issuance of Series D Bonds under the Prospectus Regulation or under the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies.*

*This current report or any part hereof is not intended for distribution, whether directly or indirectly, within the territory of or in the United States of America or other jurisdictions where such distribution, publication or use may be subject to restrictions or may be prohibited by law. The securities referred to in this material have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and they cannot be offered or sold in the United States of America. The Company does not intend to register the Series D Bonds or conduct any offering of the Series D Bonds in the United States of America. The Series D Bonds are only offered and sold outside the United States of America in offshore transactions in reliance on Regulation S under the U.S. Securities Act.*

# Cyfrowy Polsat shares

Date	Maximum price (PLN)	Minimum price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2022-12-12	18.44	18.00	18.31	0.83	5.43
2022-12-13	18.90	18.18	18.58	1.47	13.53
2022-12-14	18.60	17.95	17.95	- 3.39	11.90
2022-12-15	18.09	17.55	17.60	- 1.95	7.20
2022-12-16	17.60	17.03	17.20	- 2.27	14.93



# Investor's calendar

**Date**

**Event**

15 December 2022

Dividend payout