

Cyfrowy Polsat S.A. Capital Group

**Interim Condensed Consolidated Financial Statements
for the 9 months ended 30 September 2021**

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

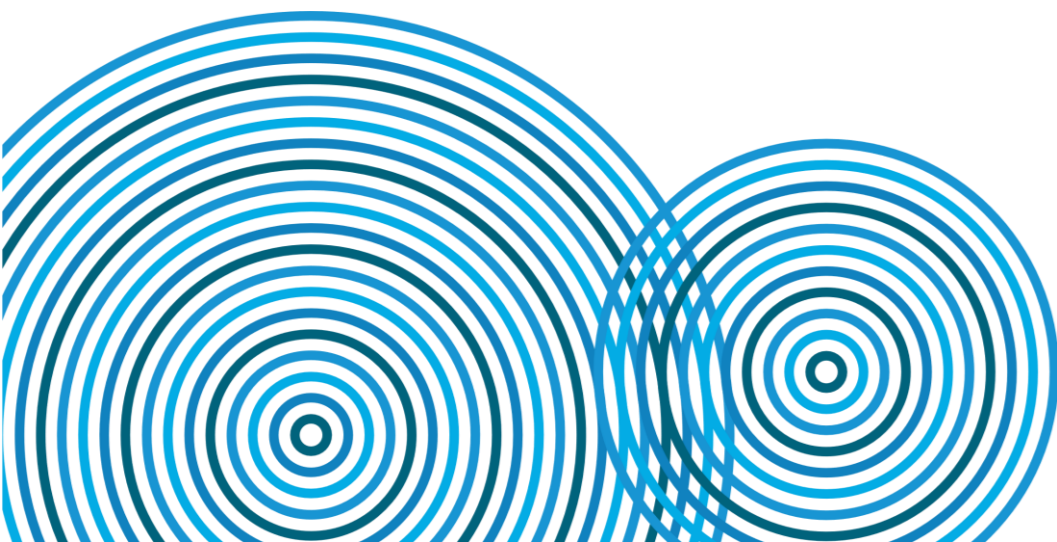


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Approval of the Interim Condensed Consolidated Financial Statements

On 9 November 2021, 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 2021 to 30 September 2021 showing a net profit for the period of: PLN 4,080.8

Interim Consolidated Statement of Comprehensive Income for the period

from 1 January 2021 to 30 September 2021 showing a total comprehensive income for the period of: PLN 4,088.0

Interim Consolidated Balance Sheet as at

30 September 2021 showing total assets and total equity and liabilities of: PLN 35,967.4

Interim Consolidated Cash Flow Statement for the period

from 1 January 2021 to 30 September 2021 showing a net increase in cash and cash equivalents amounting to: PLN 6,107.2

Interim Consolidated Statement of Changes in Equity for the period

from 1 January 2021 to 30 September 2021 showing an increase in equity of: PLN 3,053.7

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, 9 November 2021

Interim Consolidated Income Statement

		for the 3 months ended		for the 9 months ended	
	Note	30 September 2021 unaudited	30 September 2020 unaudited	30 September 2021 unaudited	30 September 2020 unaudited
Continuing operations					
Revenue	8	3,031.9	3,003.5	9,179.0	8,714.7
Operating costs	9	(2,595.9)	(2,494.8)	(7,494.9)	(7,342.5)
Gain on disposal of a subsidiary		3,690.8	-	3,690.8	-
Other operating income/(cost), net		4.6	(2.8)	1,7	(10.0)
Profit from operating activities		4,131.4	505.9	5,376.6	1,362.2
Gain/(loss) on investment activities, net	10	(16.5)	(26.2)	(31.1)	(101.6)
Finance costs, net	11	(54.7)	(66.6)	(172.3)	(268.1)
Share of the profit/(loss) of associates accounted for using the equity method		22.5	13.5	64.0	47.6
Gross profit for the period		4,082.7	426.6	5,237.2	1,040.1
Income tax		(934.0)	(81.6)	(1,156.4)	(220.6)
Net profit for the period		3,148.7	345.0	4,080.8	819.5
Net profit attributable to equity holders of the Parent		3,142.4	345.9	4,071.3	816.7
Net profit/(loss) attributable to non-controlling interest		6.3	(0.9)	9.5	2.8
Basic and diluted earnings per share (in PLN)		4.92	0.54	6.38	1.28

Interim Consolidated Statement of Comprehensive Income

	Note	for the 3 months ended		for the 9 months ended	
		30 September 2021 unaudited	30 September 2020 unaudited	30 September 2021 unaudited	30 September 2020 unaudited
Net profit for the period		3,148.7	345.0	4,080.8	819.5
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Valuation of hedging instruments	13	2.2	(0.2)	7.0	(8.9)
Share of other comprehensive income of associates		0.1	-	0.2	17.1
Other comprehensive income/(loss), net of tax		2.3	(0.2)	7.2	8.2
Total comprehensive income for the period		3,151.0	344.8	4,088.0	827.7
Total comprehensive income attributable to equity holders of the Parent		3,144.7	345.7	4,078.5	824.9
Total comprehensive income/(loss) attributable to non-controlling interest		6.3	(0.9)	9.5	2.8

Interim Consolidated Balance Sheet - Assets

	Note	30 September 2021 unaudited	31 December 2020
Reception equipment		279.9	293.4
Other property, plant and equipment		3,206.2	5,391.0
Goodwill	16	10,809.0	11,808.4
Customer relationships		1,110.0	1,412.7
Brands		2,078.5	2,031.7
Other intangible assets		2,400.1	2,616.4
Right-of-use assets		685.2	1,519.4
Non-current programming assets		542.3	282.5
Investment property		49.7	50.0
Non-current deferred distribution fees		77.1	93.5
Non-current trade receivables		751.8	832.0
Other non-current assets, includes:		1,820.5	1,283.6
<i>shares in associates accounted for using the equity method</i>		1,752.6	1,257.8
<i>derivative instruments</i>		6.5	0.4
Deferred tax assets		119.2	223.2
Total non-current assets		23,929.5	27,837.8
Current programming assets		925.1	413.2
Contract assets		438.7	537.7
Inventories		515.0	299.4
Trade and other receivables		2,413.9	2,390.4
Income tax receivable		4.6	9.0
Current deferred distribution fees		223.8	222.4
Other current assets, includes:		44.5	39.3
<i>derivative instruments</i>		3.6	2.0
Cash and cash equivalents		7,462.8	1,355.4
Restricted cash		9.5	10.4
Total current assets		12,037.9	5,277.2
Total assets		35,967.4	33,115.0

Interim Consolidated Balance Sheet - Equity and Liabilities

	Note	30 September 2021 unaudited	31 December 2020
Share capital	12	25.6	25.6
Share premium	12	7,174.0	7,174.0
Share of other comprehensive income of associates		21.4	21.2
Other reserves		(126.3)	99.7
Retained earnings		10,416.1	7,112.3
Equity attributable to equity holders of the Parent		17,510.8	14,432.8
Non-controlling interests		(6.6)	(6.6)
Total equity		17,504.2	14,426.2
Loans and borrowings	14	8,005.1	8,887.8
Issued bonds	15	1,960.6	1,959.2
Lease liabilities		495.3	1,140.5
UMTS license liabilities		-	136.7
Deferred tax liabilities		853.2	902.1
Other non-current liabilities and provisions, includes: <i>derivative instruments</i>		345.8 -	388.1 16.8
Total non-current liabilities		11,660.0	13,414.4
Loans and borrowings	14	1,924.5	753.0
Issued bonds	15	39.2	38.7
Lease liabilities		196.8	432.5
UMTS license liabilities		140.0	126.7
Contract liabilities		668.3	675.6
Trade and other payables, includes: <i>derivative instruments</i>		2,368.1 14.2	2,155.3 39.2
Liabilities to shareholders of the Parent Company related to dividend	22	511.7	415.7
Liabilities due to tender offer for shares in Netia S.A. ⁽¹⁾		-	548.0
Income tax liability		954.6	128.9
Total current liabilities		6,803.2	5,274.4
Total liabilities		18,463.2	18,688.8
Total equity and liabilities		35,967.4	33,115.0

⁽¹⁾ The announcement of the tender offer for Netia's shares dated 23 December 2020 resulted in a financial liability for the Group resulting from the put option, defined as the Netia's share price in the tender offer (PLN 4.80 (not in millions)) and the number of shares in the tender offer (114,173,459 shares (not in millions)). Subscriptions for 84,868 shares (not in millions) were accepted in the tender offer until 26 February 2021. As a result, on 8 March 2021, the financial liability in the amount of PLN 547.6 was derecognized from the balance sheet. See note 22.

Interim Consolidated Cash Flow Statement

		for the 9 months ended	
	Note	30 September 2021 unaudited	30 September 2020 unaudited
Net profit		4,080.8	819.5
Adjustments for:		(1,285.0)	1,835.8
Depreciation, amortization, impairment and liquidation	9	1,442.0	1,703.4
Payments for film licenses and sports rights		(557.1)	(311.4)
Amortization of film licenses and sports rights		394.1	372.4
Interest expense		223.0	285.7
Change in inventories		(215.3)	(96.4)
Change in receivables and other assets		76.1	194.2
Change in liabilities and provisions		(92.0)	(408.2)
Change in contract assets		99.0	71.2
Change in contract liabilities		(7.3)	(41.4)
Foreign exchange losses, net		0.2	35.9
Income tax		1,156.4	220.6
Net additions of reception equipment		(78.1)	(112.2)
Share of the profit of associates accounted for using the equity method		(64.0)	(47.6)
Gain on disposal of a subsidiary		(3,690.8)	-
Cumulative catch-up resulting from modification of the loan agreement		-	(44.8)
Other adjustments		28.8	14.4
Cash from operating activities		2,795.8	2,655.3
Income tax paid		(356.9)	(438.9)
Interest received from operating activities		3.8	6.7
Net cash from operating activities		2,442.7	2,223.1
Acquisition of property, plant and equipment		(728.5)	(648.3)
Acquisition of intangible assets		(173.3)	(139.4)
Concessions payments		(159.4)	(126.8)
Acquisition of subsidiaries, net of cash acquired	16	(938.2)	(474.6)
Acquisition of shares in associates	22	(500.0)	(18.8)
Proceeds from disposal of a subsidiary		7,111.9	-
Proceeds from sale of property, plant and equipment		4.8	5.5
Investment funds outflows		-	(30.0)
Investment funds inflows		-	30.0
Loans granted		(13.8)	(12.2)
Acquisition of bonds		(27.8)	(8.3)
Bonds redemption with interest		8.6	1.4
Dividends received from associate		59.2	57.2
Other inflows		2.5	3.3
Net cash from/(used in) investing activities		4,646.0	(1,361.0)

Interim Condensed Consolidated Financial Statements for the 9 months ended 30 September 2021
(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 2021 unaudited	30 September 2020 unaudited
Bonds issue (Series C Bonds)	15	-	1,000.0
Loans and borrowings inflows	14	1,665.0	35.0
Repayment of loans and borrowings	14	(1,472.4)	(857.9)
Payment of interest on loans, borrowings, bonds, and commissions ⁽¹⁾		(163.9)	(256.2)
Payment of lease liabilities		(280.9)	(304.4)
Payment of interest on lease liabilities		(27.6)	(35.1)
Dividend payment		(674.5)	(7.4)
Other outflows		(27.2)	(27.3)
Net cash used in financing activities		(981.5)	(453.3)
Net increase in cash and cash equivalents		6,107.2	408.8
Cash and cash equivalents at the beginning of the period		1,365.8⁽²⁾	753.1⁽³⁾
Effect of exchange rate fluctuations on cash and cash equivalents		(0.7)	2.3
Cash and cash equivalents at the end of the period		7,472.3⁽⁴⁾	1,164.2⁽⁵⁾

⁽¹⁾ Includes impact of derivative instruments and amount paid for costs related to the new financing

⁽²⁾ Includes restricted cash amounting to PLN 10.4

⁽³⁾ Includes restricted cash amounting to PLN 9.6

⁽⁴⁾ Includes restricted cash amounting to PLN 9.5

⁽⁵⁾ Includes restricted cash amounting to PLN 11.1

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 (see note 22)	-	-	-	(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

Interim Consolidated Statement of Changes in Equity for the 9 months ended 30 September 2020

	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 2020	25.6	7,174.0	-	1.5	6,610.2	13,811.3	653.2	14,464.5
Dividend approved	-	-	-	-	(639.5)	(639.5)	(7.4)	(646.9)
Acquisition of subsidiary	-	-	-	-	-	-	(2.0)	(2.0)
Total comprehensive income	-	-	17.1	(8.9)	816.7	824.9	2.8	827.7
<i>Hedge valuation reserve</i>	-	-	-	(8.9)	-	(8.9)	-	(8.9)
<i>Share of other comprehensive income of associates</i>	-	-	17.1	-	-	17.1	-	17.1
<i>Net profit for the period</i>	-	-	-	-	816.7	816.7	2.8	819.5
Balance as at 30 September 2020 unaudited	25.6	7,174.0	17.1	(7.4)	6,787.4	13,996.7	646.6	14,643.3

⁽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 2020 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 two 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.

2. Composition of the Management Board of the Company

- | | |
|--------------------------|---|
| • 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. |

3. Composition of the Supervisory Board of the Company

Composition of the Supervisory Board from 24 June 2021:

- | | |
|---------------------|---|
| • 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 Szelaąg | Member of the Supervisory Board, |
| • Piotr Żak | Member of the Supervisory Board. |

Composition of the Supervisory Board to 24 June 2021:

- | | |
|----------------------|------------------------------------|
| • Marek Kapuściński | Chairman of the Supervisory Board, |
| • Józef Birka | Member of the Supervisory Board, |
| • Marek Grzybowski | Member of the Supervisory Board, |
| • Robert Gwiazdowski | Member of the Supervisory Board, |
| • Aleksander Myszk | Member of the Supervisory Board, |
| • Leszek Rek | Member of the Supervisory Board, |
| • Tomasz Szela | Member of the Supervisory Board, |
| • Paweł Ziółkowski | 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 2021 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 2020, 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 2020, except for the adoption of new, amended Standards or Interpretations that apply to the annual reporting periods beginning on or after 1 January 2021.

During the nine-month period ended 30 September 2021 the following become effective:

- a) Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2,
- b) Amendment to IFRS 16 – Covid-19-Related Rent Concessions.

Amendments and interpretations that apply for the first time in 2021 do not have a material impact on the interim condensed consolidated financial statements of the Group.

Standards published but not yet 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",
- e) Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current,
- f) Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies,
- g) Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates,
- h) 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 2021 include the following entities:

	Share in voting rights (%)			
	Entity's registered office	Activity	30 September 2021	31 December 2020
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%
Towerlink Poland Sp. z o. o. (formerly Polkomtel Infrastruktura Sp. z o.o.) ^(h)	Konstruktorska 4, 02-673 Warsaw	telecommunication activities	-	100%
Polsat Investments Ltd. (formerly Polsat Brands AG) ^(g)	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. ^(e)	Al. Stanów Zjednoczonych 61, 04-028 Warsaw	telecommunication activities	100%	100%

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2021	31 December 2020
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	*	*
Aero 2 Sp. z o.o.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	telecommunication activities	100%	100%
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%
Lemon Records Sp. z o.o.	Ostrobramska 77, 04-175 Warsaw	media	100%	100%

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2021	31 December 2020
Subsidiaries accounted for using full method (cont.):				
Coltex ST Sp. z o.o. ^(e)	Al. Stanów Zjednoczonych 61, 04-028 Warsaw	telecommunication activities	-	100%
Netia S.A. ^(c)	Poleczki 13, 02-822 Warsaw	telecommunication activities	99.999%	65.98%
Netia 2 Sp. z o.o. ^(c)	Poleczki 13, 02-822 Warsaw	telecommunication activities	99.999%	65.98%
TK Telekom Sp. z o.o. ^(c)	Kijowska 10/12A, 03-743 Warsaw	telecommunication activities	99.999%	65.98%
Petrotel Sp. z o.o. ^(c)	Chemików 7, 09-411 Płock	telecommunication activities	99.999%	65.98%
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. ^(d)	Kielecka 5, 81-303 Gdynia	retail sales	75.96%	75.96%
Pure Omni Wework Sp. z o.o. Sp.k. ^(d)	Kielecka 5, 81-303 Gdynia	retail sales	-	75.96%
Wework Sp. z o.o. ^(d)	Kielecka 5, 81-303 Gdynia	administrative services	-	75.96%
MESE Sp. z o.o.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	movie and TV production	100%	100%
ISTS Sp. z o.o. ^(c)	Bociana 4a/68a, 31-231 Cracow	wired communication	99.999%	65.98%
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.	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.	Broniwoja 3/85, 02-655 Warsaw	wholesale	26.14%	26.14%

	Share in voting rights (%)			
	Entity's registered office	Activity	30 September 2021	31 December 2020
Subsidiaries accounted for using full method (cont.):				
Alledo Parts Sp. z o.o. Sp.k.	Broniwoja 3/85, 02-655 Warsaw	wholesale	26.40%	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. ^(c)	Księcia Janusza I 3, 18-400 Łomża	wired communication	99.999%	65.98%
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.	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.) ^(a)	Ludwika Solskiego 55, 52-401 Wrocław	consulting	60%	60%
Polot Media Sp. z o.o. Sp.k. (formerly Tako Media Sp. z o.o. Sp.k.) ^(b)	Ludwika Solskiego 55, 52-401 Wrocław	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. ^(f)	Ostrobramska 77, 04-175 Warsaw	cooperation with artists and presenters	100%	-
Premium Mobile Sp. z o.o. ⁽ⁱ⁾	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	telecommunication activities	100%	-
Visignio Sp. z o.o. ⁽ⁱ⁾	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	sales network management	100%	-
Saveadvisor Sp. z o.o. ⁽ⁱ⁾	Warszawska 18, 35-205 Rzeszów	call center services	100%	-
Mobi Dealer Sp. z o.o. ⁽ⁱ⁾	Warszawska 18, 35-205 Rzeszów	sales network management	100%	-

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			Share in voting rights (%)	
	Entity's registered office	Activity	30 September 2021	31 December 2020
Subsidiaries accounted for using full method (cont.):				
TMS Ossa Sp. z o. o. (j)	Al. Stanów Zjednoczonych 61, 04-028 Warsaw	hotel services	100%	-
Horest, Hotel pod Żaglami Sp. z o. o. (k)	Al. Stanów Zjednoczonych 61, 04-028 Warsaw	tourism activity	100%	-
Logitus Sp. z o. o. (l)	Orzechowa 5, 80-175 Gdańsk	wired communication	99.999%	-
Market Software Sp. z o. o. (l)	Startowa 11D, 80-461 Gdańsk	wired communication	99.999%	-

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

(a) On 2 February 2021 company's name change to Polot Media Sp. z o.o. was registered.

(b) On 18 February 2021 company's name change to Polot Media Spółka z ograniczoną odpowiedzialnością Sp. k. was registered.

(c) On 8 March 2021 Cyfrowy Polsat S.A. acquired 0.0253% shares of Netia S.A.. On 23 April 2021 acquired approx. 3.40% shares. On 19 May 2021 acquired 0.02% shares. On 23 June 2021 acquired 4.87% shares. On 6 July 2021 acquired approx. 23.54% shares. On 6 August 2021 acquired additional 2.18% shares of Netia S.A. Consequently, Cyfrowy Polsat held 99.999% of the Netia S.A. share capital as at 30 September 2021.

(d) On 19 March 2021 merger of TVO Sp. z o.o. with Pure Omni Wework Sp. z o.o. Sp.k. and Wework Sp. z o.o. was registered. The company remaining is TVO Sp. z o.o.

(e) On 30 April 2021 merger of Liberty Poland S.A with Coltex ST Sp. z o.o. was registered. The company remaining is Liberty Poland S.A.

(f) On 18 May 2021 Polsat Talenty Sp. z o.o. was registered by the court.

(g) On 9 June 2021 a change of name from Polsat Brands AG to Polsat Investments Ltd. was registered.

(h) On 8 July 2021 Cyfrowy Polsat S.A. sold 74.98% shares, while Polkomtel Sp. z o.o. sold 25.01% shares of Polkomtel Infrastruktura Sp. z o.o.. After closing of the transaction Polkomtel Sp. z o. o. retains approx. 0.01% shares of Polkomtel Infrastruktura Sp. z o.o.. On 12 July 2021 company's name change from Polkomtel Infrastruktura Sp. z o.o. to Towerlink Poland Sp. z o. o. was registered.

(i) On 2 July 2021 Polkomtel Sp. z o.o. acquired 28.01% shares in Premium Mobile Sp. z o.o.. On 9 July 2021 Polkomtel Sp. z o.o. acquired additional 53.69% shares. After closing of the transaction Polkomtel Sp. z o.o. and Aero2 Sp. z o.o. jointly hold 100% shares in Premium Mobile Sp. z o. o. and its subsidiaries.

(j) On 6 August 2021 Polkomtel Sp. z o.o. acquired 100% shares in TMS Ossa Sp. z o.o.

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

(l) On 29 July 2021 Netia acquired 100% shares in Logitus Sp. z o. o. gaining control over Logitus Sp. z o.o. and its subsidiary.

Investments accounted for under the equity method:

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2021	31 December 2020
Polsat JimJam Ltd.	33 Broadwick Street Soho London W1F 0DQ, United Kingdom	media	50%	50%
Polski Operator Telewizyjny Sp. z o.o.	Wiernicza 159 02-952 Warsaw	technical services	50%	50%
Premium Mobile Sp. z o.o. ^(c)	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	telecommunication activities	-	24.47%
Vindix S.A.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	other financial services	46.27%	46.27%
Asseco Poland S.A.	Olchowa 14, 35-322 Rzeszów	software activities	22.95%	22.95%
eObuwie.pl S.A. ^(a)	Nowy Ksielin-nowa 9, 66-002 Zielona Góra	retail sales	10%	-
Polsat Boxing Promotion Sp. z o.o. (formerly TMS Kraków Sp. z o.o.) ^(b)	Ostrobramska 77, 04-175 Warsaw	movie and TV production	24%	-

^(a) On 22 June 2021 Cyfrowy Polsat S.A. acquired 10% shares of eObuwie.pl S.A.

^(b) On 20 April 2021 Telewizja Polsat Sp z o.o. acquired 24% shares in TMS Kraków. On 28 September 2021 company's name change from TMS Kraków Sp. z o.o. to Polsat Boxing Promotion Sp. z o.o. was registered.

^(c) On 2 July 2021 Polkomtel Sp. z o.o. acquired 28.01% shares in Premium Mobile Sp. z o.o.. On 9 July 2021 Polkomtel Sp. z o.o. acquired additional 53.69% shares. After closing of the transaction Polkomtel Sp. z o.o. and Aero2 Sp. z o.o. jointly hold 100% shares in Premium Mobile Sp. z o.o. and its subsidiaries.

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Additionally, the following entities were included in these interim condensed consolidated financial statements for the 9 months ended 30 September 2021:

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2021	31 December 2020
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⁾
InPlus Sp. z o.o. ^(c)	Wilczyńskiego 25E, 216, 10-686 Olsztyn	infrastructure projects advisory	-	1.5% ⁽³⁾
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.) ^(a)	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	production of electrical equipment	10%	-
Towerlink Poland Sp. z o.o. (formerly Polkomtel Infrastruktura Sp. z o.o.) ^(b)	Konstruktorska 4, 02-673 Warszawa	telecommunication activities	0.01%	-

⁽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⁾ Altalog Sp. z o.o. held 1.75% share in voting rights in InPlus Sp. z o.o.

^(a) On 23 April 2021 Cyfrowy Polsat S.A. acquired 10% shares of PLCOM Sp. z o.o. On 31 May 2021 company's name change from PLCOM Sp. z o.o. to Exion Hydrogen Polskie Elektrolizery Sp. z o.o. was registered.

^(b) On 8 July 2021 Cyfrowy Polsat S.A. sold 74.98% shares, while Polkomtel Sp. z o.o. sold 25.01% shares of Polkomtel Infrastruktura Sp. z o.o.. After closing of the transaction Polkomtel Sp. z o.o. retains approx. 0.01% shares of Polkomtel Infrastruktura Sp. z o.o.. On 12 July 2021 company's name change from Polkomtel Infrastruktura Sp. z o.o. to Towerlink Poland Sp. z o.o. was registered.

^(c) On 11 August 2021 Altalog Sp. z o.o. sold all shares held in InPlus Sp. z o.o.

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 9 November 2021.

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 2021 unaudited	30 September 2020 unaudited	30 September 2021 unaudited	30 September 2020 unaudited
Retail revenue	1,707.4	1,623.8	5,036.3	4,820.3
Wholesale revenue	827.1	856.6	2,672.0	2,482.8
Sale of equipment	359.1	433.7	1,042.2	1,172.3
Other revenue	138.3	89.4	428.5	239.3
Total	3,031.9	3,003.5	9,179.0	8,714.7

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 and revenue from the sale of photovoltaic installations.

9. Operating costs

	Note	for the 3 months ended		for the 9 months ended	
		30 September 2021 unaudited	30 September 2020 unaudited	30 September 2021 unaudited	30 September 2020 unaudited
Technical costs and cost of settlements with telecommunication operators		790.3	609.0	2,048.0	1,845.9
Depreciation, amortization, impairment and liquidation		463.6	573.0	1,442.0	1,703.4
Cost of equipment sold		297.6	361.6	863.5	978.7
Content costs		426.9	396.7	1,295.5	1,154.4
Distribution, marketing, customer relation management and retention costs		280.6	247.4	740.2	703.8
Salaries and employee-related costs	a)	210.8	208.0	675.6	640.1
Cost of debt collection services, bad debt allowance and receivables written off		30.4	22.8	82.9	103.7
Other costs		95.7	76.3	347.2	212.5
Total		2,595.9	2,494.8	7,494.9	7,342.5

a) Salaries and employee related costs

	for the 3 months ended		for the 9 months ended	
	30 September 2021 unaudited	30 September 2020 unaudited	30 September 2021 unaudited	30 September 2020 unaudited
Salaries	173.9	173.2	555.9	526.9
Social security contributions	26.9	27.5	92.5	89.7
Other employee-related costs	10.0	7.3	27.2	23.5
Total	210.8	208.0	675.6	640.1

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

	for the 3 months ended		for the 9 months ended	
	30 September 2021 unaudited	30 September 2020 unaudited	30 September 2021 unaudited	30 September 2020 unaudited
Interest on lease liabilities	(5.0)	(12.2)	(27.1)	(37.8)
Interest, net	0.5	(2.5)	1.1	(0.6)
Other foreign exchange gains/(losses), net	(22.6)	(8.5)	(10.6)	(51.9)
Other income/costs	10.6	(3.0)	5.5	(11.3)
Total	(16.5)	(26.2)	(31.1)	(101.6)

11. Finance costs, net

	for the 3 months ended		for the 9 months ended	
	30 September 2021 unaudited	30 September 2020 unaudited	30 September 2021 unaudited	30 September 2020 unaudited
Interest expense on loans and borrowings	47.6	52.4	150.3	205.2
Interest expense on issued bonds	10.4	10.4	30.9	33.6
Cumulative catch-up	-	-	-	(44.8)
Valuation and realization of hedging instruments	1.4	0.5	4.1	0.8
Valuation and realization of derivatives not used in hedge accounting – relating to interest	(6.3)	2.2	(16.6)	69.6
Guarantee fees, bank and other charges	1.6	1.1	3.6	3.7
Total	54.7	66.6	172.3	268.1

12. Equity

Share capital

Presented below is the structure of the Company's share capital as at 30 September 2021 and 31 December 2020:

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 2021 was as follows:

	Number of shares*	Nominal value of shares	% of share capital held	Number of votes*	% of voting rights
TiVi Foundation ² , incl. through:	309,574,244	12.4	48.41%	474,351,799	57.92%
Reddev Investments Ltd. ¹	309,574,234	12.4	48.41%	474,351,779	57.92%
Embud 2 Sp. z o.o. S.K.A. ²	64,011,733	2.6	10.01%	64,011,733	7.82%
Tipeca Consulting Limited ³	2,152,388	0.1	0.34%	2,152,388	0.26%
Others	263,807,651	10.5	41.25%	278,447,597	34.00%
Total	639,546,016	25.6	100%	818,963,517	100%

* not in millions

¹ Reddev Investments Ltd. is an indirect subsidiary of Mr. Zygmunt Solorz.

² Entity is controlled by Mr. Zygmunt Solorz.

³ Entity is under the presumption of the existence of an agreement referred to in article 87 section 1 item 5 Act of the Public Offering Act.

The shareholders' structure as at 31 December 2020 was as follows:

	Number of shares*	Nominal value of shares	% of share capital held	Number of votes*	% of voting rights
TiVi Foundation ² , incl. through:	298,080,297	11.9	46.61%	457,797,808	55.90%
<i>Reddev Investments Ltd.</i> ¹	298,080,287	11.9	46.61%	457,797,788	55.90%
Embud 2 Sp. z o.o. S.K.A. ²	64,011,733	2.6	10.01%	64,011,733	7.82%
Tipeca Consulting Limited ³	2,152,388	0.1	0.34%	2,152,388	0.26%
Others	275,301,598	11.0	43.05%	295,001,588	36.02%
Total	639,546,016	25.6	100%	818,963,517	100%

* not in millions

¹ Reddev Investments Ltd. is an indirect subsidiary of Mr. Zygmunt Solorz.

² Entity is controlled by Mr. Zygmunt Solorz.

³ Entity is under the presumption of the existence of an agreement referred to in article 87 section 1 item 5 Act 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.

13. Hedge valuation reserve

Impact of hedging instruments valuation on other reserves

	2021	2020
Balance as at 1 January	(8.3)	(0.2)
Valuation of cash flow hedges	8.7	(11.0)
Deferred tax	(1.7)	2.1
Change for the period	7.0	(8.9)
Balance as at 30 September unaudited	(1.3)	(9.1)

14. Loans and borrowings

	30 September 2021 unaudited	31 December 2020
Short-term liabilities	1,924.5	753.0
Long-term liabilities	8,005.1	8,887.8
Total	9,929.6	9,640.8

Change in loans and borrowings liabilities:

	2021	2020
Balance as at 1 January	9,640.8	10,509.5
Loans and borrowings on acquisition of TMS Ossa Sp. z o.o. (note 16)	72.4	-
Loans and borrowings on acquisition of Alledo Sp. z o.o.	-	3.0
Loans and borrowings on acquisition of TV Spektrum Sp. z o.o.	-	33.1
Effect of obtaining control over TV Spektrum Sp. z o.o. and consolidation	-	(33.1)
Revolving facility loan	1,665.0	35.0
Repayment of capital	(1,472.4)	(857.9)
Repayment of interest and commissions	(127.5)	(216.4)
Cumulative catch-up	-	(44.8)
Interest accrued and commissions	151.3	202.8
Balance as at 30 September unaudited	9,929.6	9,631.2

15. Issued bonds

	30 September 2021 unaudited	31 December 2020
Short-term liabilities	39.2	38.7
Long-term liabilities	1,960.6	1,959.2
Total	1,999.8	1,997.9

Change in issued bonds:

	2021	2020
Balance as at 1 January	1,997.9	1,004.0
Bonds issue (Series C Bonds)	-	1,000.0
Repayment of interest and commissions	(29.0)	(36.7)
Interest accrued and commissions	30.9	32.6
Balance as at 30 September unaudited	1,999.8	1,999.9

Other notes

16. Acquisition of subsidiaries

Acquisition of shares in Interia Group – final purchase price allocation

On 30 April 2020 Telewizja Polsat (Company's subsidiary) executed with Bauer Media Invest GmbH and Bauer Polen Invest GmbH the Preliminary Share and Rights Purchase Agreement concerning:

- an acquisition from Bauer Media Invest GmbH of 100 shares in Grupa Interia.pl Sp. z o.o. ("GIGO"), representing 100% of the share capital of GIGO and carrying the right

to exercise 100% of the total number of votes at the shareholders' meeting of GIGO;
and;

- an acquisition from Bauer Polen Invest GmbH of all rights and obligations of a limited partner of Grupa Interia.pl Media Sp. z o.o. Sp.k. ("GIKO") (the "Preliminary Agreement").

The closing of the Transaction depended on the satisfaction of a condition precedent that Telewizja Polsat obtains consent of the President of the Office for Competition and Consumer Protection (UOKiK) (the "UOKiK President") for the concentration.

On 2 July 2020 Telewizja Polsat received a decision of the UOKiK President granting the unconditional consent for the concentration consisting of the acquisition by Telewizja Polsat the exclusive control over the Interia Group companies: GIGO, GIKO, Grupa Interia.pl Sp. z o.o. Sp.k., Mobiem Polska Sp. z o.o. and Mobiem Polska Sp. z o.o. Sp.k. The above consent concludes the satisfaction of the condition precedent set forth in the Preliminary Agreement.

On 8 July 2020 Telewizja Polsat executed with Bauer Media Invest GmbH and Bauer Polen Invest GmbH Final Share and Rights Purchase Agreement for the amount of PLN 420.

The above acquisition resulted in Telewizja Polsat acquiring exclusive control over Interia Group companies: GIGO, GIKO, Grupa Interia.pl Sp. z o.o. Sp.k., Mobiem Polska Sp. z o.o. and Mobiem Polska Sp. z o.o. Sp.k. (jointly the "Interia Group"), and an indirect acquisition of shares representing 16.67% of the share capital of Polskie Badania Internetu Sp. z o.o.

Taking into account the above mentioned circumstances Cyfrowy Polsat obtained control over Interia Group on 8 July 2020.

CONSIDERATION TRANSFERRED

	Final value of consideration transferred
Consideration	420.5
Final value as at 8 July 2020	420.5

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred	(420.5)
Cash and cash equivalents received	12.6
Cash decrease in the period of 12 months ended 31 December 2020	(407.9)

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 8 July 2020:

	Fair value as at the acquisition date (8 July 2020)
Net assets:	
Other property, plant and equipment	11.2
'Interia' brand	82.7
Self-developed software	71.2
Other intangible assets	1.9
Right-of-use assets	14.8
Other non-current assets	0.4
Trade and other receivables	17.0
Other current assets	0.7
Cash and cash equivalents	12.6
Lease liabilities	(14.8)
Deferred tax liabilities	(23.7)
Trade and other payables	(13.6)
Value of net assets (100%)	160.4
Consideration transferred	420.5
Goodwill	260.1

Goodwill is allocated to the "Media" 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 an umbrella brand 'Interia' and self-developed software.

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 brand 'Interia'. The fair value of the brand in the amount of PLN 82.7 as at the acquisition date was estimated on the basis of relief from royalty method (income approach). Management estimates that the brand 'Interia' has a definite useful life and thus the brand is amortized over 30 years, i.e. until 2050.

The fair value of the self-developed software in the amount of PLN 71.2 as at the acquisition date was estimated based on the cost approach.

The revenue and net profit included in the consolidated income statement for the reporting period since 8 July 2020 to 31 December 2020 contributed by Interia Group amounted to PLN 57.5 and PLN 16.6, respectively. Had it been acquired on 1 January 2020 the pro forma revenue and net income included in the consolidated income statement for the 12 months ended 31 December 2020 would have amounted to PLN 12,011.5 and PLN 1,160.4 respectively.

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

On 18 September 2020 Telewizja Polsat (Company's subsidiary) acquired 50.52% shares in TV Spektrum Sp. z o.o. After this transaction Telewizja Polsat holds 100% shares of TV Spektrum Sp. z o.o.

The consideration for 50.52% shares in TV Spektrum Sp. z o.o. amounted to PLN 19.3.

CONSIDERATION TRANSFERRED

	Final value of consideration transferred
Consideration	29.7
Final value as at 18 September 2020	29.7

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred	(19.3)
Cash and cash equivalents received	1.4
Cash decrease in the period of 12 months ended 31 December 2020	(17.9)

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 18 September 2020:

	Fair value as at the acquisition date (18 September 2020)
Net assets:	
Other intangible assets	11.4
Programming assets	15.4
Trade and other receivables	10.7
Other current assets	0.1
Cash and cash equivalents	1.4
Loans and borrowings	(33.1)
Trade and other payables	(42.6)
Value of net assets (100%)	(36.7)
Consideration transferred	29.7
Goodwill	66.4

Goodwill is allocated to the "Media" operating segment.

The revenue and net loss included in the consolidated income statement for the reporting period since 18 September 2020 contributed by TV Spektrum amounted to PLN 0.1 and PLN 10.3, respectively. Had it been acquired on 1 January 2020, the pro forma revenue and net income included in the consolidated income statement for the 12 months ended 31 December 2020 would have amounted to PLN 11,959.3 and PLN 1,133.0, respectively.

Acquisition of shares in Polot Media Sp. z o.o. (formerly Tako Media Sp. z o.o.) and joining to Polot Media Spółka z ograniczoną odpowiedzialnością Sp. k. (formerly Tako Media Spółka z ograniczoną odpowiedzialnością Sp. k.) as a limited partner

On 23 December 2020 Telewizja Polsat (Company's subsidiary) acquired 60% shares in Tako Media Sp. z o.o. for the purchase price of PLN 3,000 (not in million).

On 23 December 2020 Telewizja Polsat (Company's subsidiary) joined Tako Media Spółka z ograniczoną odpowiedzialnością Sp.k. as a new limited partner. After this transaction, Telewizja Polsat holds directly and indirectly (through Tako Media Sp. z o.o.) 60% share in the profit of Tako Media Spółka z ograniczoną odpowiedzialnością Sp.k. Cash contribution amounted to PLN 75,000 (not in million).

On 23 December 2020 partners of Tako Media Sp. z o.o. Sp.k. adopted a resolution concerning a new policy of share in profit/loss. According to this resolution, Telewizja Polsat has 58.2% share in profit since 1 December 2020.

On 2 February 2021 company's name change from Tako Media Sp. z o.o. to Polot Media Sp. z o.o. was registered. On 18 February 2021 company's name change from Tako Media Spółka z ograniczoną odpowiedzialnością Sp.k. to Polot Media Spółka z ograniczoną odpowiedzialnością Sp. k. was registered.

Taking into account the above mentioned circumstances Cyfrowy Polsat obtained control over Polot Media Sp. z o.o. and Polot Media Sp. z o.o. Sp.k. on 1 December 2020.

PROVISIONAL CONSIDERATION TRANSFERRED

	Provisional value of consideration transferred
Consideration	0.1
Provisional value as at 23 December 2020	0.1

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred	(0.1)
Cash and cash equivalents received	2.5
Cash increase in the period of 12 months ended 31 December 2020	2.4

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 1 December 2020:

	Provisional fair value as at the acquisition date (1 December 2020)
Net assets:	
Other property, plant and equipment	5.1
Other intangible assets	0.0
Other non-current assets	0.0
Programming assets	9.1
Trade and other receivables	4.9
Other current assets	0.2
Cash and cash equivalents	2.5
Trade and other payables	(9.2)
Contract liabilities	(10.3)
Provisional value of net assets (100%)	2.3
Provisional value of net assets attributable to non-controlling interest	2.3
Provisional value of net assets attributable to Cyfrowy Polsat S.A. Capital Group	0.0
Increase in share capital of purchased entities	(0.1)
Provisional consideration transferred	0.1
Provisional goodwill	0.0

Goodwill is allocated to the "Media" operating segment.

The revenue and net loss included in the consolidated income statement for the reporting period since 1 December 2020 contributed by Polot Media Sp. z o. o. and Polot Media Spółka z ograniczoną odpowiedzialnością Sp. k. amounted to PLN 0.4 and PLN 2.3. Had it been acquired on 1 January 2020, the pro forma revenue and net income included in the consolidated income statement for the 12 months ended 31 December 2020 would have amounted to PLN 12,000.5 and PLN 1,150.4, respectively.

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

On 25 March 2020 the Company acquired 69.13% shares in BCAST Sp. z o.o. for the purchase price of PLN 7.4. From the date of acquisition of the shares, the Company had a significant influence over BCAST.

On 23 December 2020 the Company acquired additional 0.89% shares in BCAST Sp. z o.o. for the purchase price of PLN 0.1 and obtained control over the entity. As at 31 December 2020 the Company holds a total of 70.02% of BCAST Sp. z o.o. shares.

PROVISIONAL CONSIDERATION TRANSFERRED

	Provisional value of consideration transferred
Consideration	7.3
Provisional value as at 23 December 2020	7.3

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred for 69.13% shares	(7.4)
Cash transferred for 0.89% shares	(0.1)
Cash and cash equivalents received	0.5
Cash decrease in the period of 12 months ended 31 December 2020	(7.0)

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 23 December 2020:

	Provisional fair value as at the acquisition date (23 December 2020)
Net assets:	
Other property, plant and equipment	4.4
Right-of-use assets	4.0
Deferred tax assets	0.1
Trade and other receivables	0.7
Cash and cash equivalents	0.5
Loans and borrowings	(3.6)
Lease liabilities	(4.2)
Trade and other payables	(0.8)
Income tax liability	(0.1)
Provisional value of net assets (100%)	1.0
Provisional value of net assets attributable to non-controlling interest	0.3
Provisional value of net assets attributable to Cyfrowy Polsat S.A. Capital Group	0.7
Provisional consideration transferred	7.3
Provisional goodwill	6.6

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

The revenue and net loss for the reporting period since 23 December 2020 contributed by BCAST Sp. z o.o. amounted to PLN 0.0 and PLN 0.0, respectively. Had it been acquired on 1 January 2020, the pro forma revenue and net income included in the consolidated income statement for the 12 months ended 31 December 2020 would have amounted to PLN 11,968.1 and PLN 1,146.2, respectively.

Acquisition of shares in Premium Mobile Sp. z o.o. – provisional 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")

PROVISIONAL CONSIDERATION TRANSFERRED

	Provisional value of consideration transferred
Consideration	125.1
Provisional 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 9 months ended 30 September 2021	(95.0)

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 9 July 2021:

	Provisional fair value as at the acquisition date (9 July 2021)
Net assets:	
Other property, plant and equipment	0.2
Other intangible assets	0.1
Right-of-use assets	2.1
Deferred tax assets	1.1
Inventories	0.1
Trade and other receivables	5.0
Other current assets	0.5
Cash and cash equivalents	8.6
Lease liabilities	(2.1)
Contract liabilities	(4.4)
Trade and other payables	(18.0)
Provisional value of net assets	(6.8)
Provisional consideration transferred	125.1
Provisional goodwill	131.9

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

The revenue and net loss for the reporting period since 9 July 2021 contributed by Premium Mobile Group amounted to PLN 23.6 and PLN 3.5, respectively. Had it been acquired on 1 January 2021, the pro forma revenue and net income included in the consolidated income statement for the 9 months ended 30 September 2021 would have amounted to PLN 9,222.6 and PLN 4,082.0, respectively.

Acquisition of shares in Logitus Sp. z o.o. – provisional 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 holds 100% of shares in Market Software Sp. z o.o.

PROVISIONAL CONSIDERATION TRANSFERRED

	Provisional value of consideration transferred
Cash transferred for the 100% shares of Logitus	12.2
Liability to pay in accordance with purchase agreement	0.7
Provisional 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 9 months ended 30 September 2021	(12.1)

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

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

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

	Provisional 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)
Provisional value of net assets	7.4
Provisional consideration transferred	12.9
Provisional 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 30 September 2021 contributed by Logitus amounted to PLN 0.6 and PLN 0.1, respectively. Had it been acquired on 1 January 2021 the pro forma revenue and net income included in the consolidated income statement for the 9 months ended 30 September 2021 would have amounted to PLN 9,181.1 and PLN 4,080.3, respectively.

Acquisition of shares in TMS Ossa Sp. z o.o. – provisional 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.

PROVISIONAL CONSIDERATION TRANSFERRED

	Provisional value of consideration transferred
Consideration	47.0
Provisional 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 9 months ended 30 September 2021	(44.1)

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 6 August 2021:

	Provisional 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)
Provisional value of net assets	40.7
Provisional consideration transferred	47.0
Provisional 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 contributed by TMS Ossa Sp. z o.o. amounted to PLN 0.9 and PLN 1.2, respectively. Had it been acquired on 1 January 2021, the pro forma revenue and net income included in the consolidated income statement for the 9 months ended 30 September 2021 would have amounted to PLN 9,179.5 and PLN 4,073.3 respectively.

Acquisition of shares in Horest, Hotel pod Żaglami Sp. z o.o. – provisional 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.

PROVISIONAL CONSIDERATION TRANSFERRED

	Provisional value of consideration transferred
Consideration	2.2
Provisional 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 9 months ended 30 September 2021	(1.6)

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 6 August 2021:

	Provisional 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
Provisional value of net assets	1.8
Provisional consideration transferred	2.2
Provisional 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 contributed by Horest, Hotel pod Żaglami Sp. z o.o. amounted to PLN 0.0 and PLN 0.0, respectively. Had it been acquired on 1 January 2021, the pro forma revenue and net income included in the consolidated income statement for the 9 months ended 30 September 2021 would have amounted to PLN 9,179.0 and PLN 4,080.8 respectively.

17. Investment in associates

Acquisition of Asseco Poland S.A. shares

The transfer of ownership of the Asseco Polans S.A. (Asseco) shares was settled through the depositary 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 2021
Revenue	6,791.0
Profit from operating activities	672.0
Net profit	502.4
Other comprehensive income, net	(24.0)
Total comprehensive income	478.4
	30 June 2021
Non-current assets	10,018.6
Current assets	6,729.3
Total assets	16,747.9
Non-current liabilities	3,156.6
Current liabilities	4,621.8
Total liabilities	7,778.4

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.

18. Operating segments

The Group operates in the following two 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, and
- Media segment.

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, settlements with mobile network operators and subscription fees,
- mobile telecommunication prepaid services which generate revenues mainly from interconnection revenues and settlements with mobile network operators,
- fixed telecommunication services, which generate revenues mainly from subscription fees, interconnection and settlements with operators,
- 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,
- 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.

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 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.

All material revenues are generated in Poland.

It should be noted that the data for 9 months ended 30 September 2021 allocated to the "B2C and B2B services" segment are not comparable to the 9 months ended 30 September 2020 as 100% shares in IST Sp. z o. o. were acquired by Netia S.A. on 14 February 2020, shares of Asseco Poland S.A. were purchased from Reddev Investments Limited on 31 July 2020 (consequently, the Company holds 22.95% shares), additional 0.89% shares in BCAST Sp. z o.o. were acquired on 23 December 2020 (thus increasing shares held to 70.02%), additional 0.0253% shares of Netia S.A. were purchased on 8 March 2021 (consequently, the Company held 66% shares), additional 3.4% shares of Netia S.A. were purchased on 23 April 2021 (consequently, the Company held 69.4% shares), additional 0.02% shares of Netia S.A. were purchased on 19 May 2021 (consequently, the Company held 69.42% shares) and additional 4.87% shares of Netia S.A. were purchased on 23 June 2021 (consequently, the Company held 74.29% shares), additional approx. 23.54% shares of Netia S.A. were acquired on 6 July 2021 (consequently, the Company held 97.82% shares) and additional approx. 2.18% shares of Netia S.A. were acquired on 6 August 2021 (consequently, the Company held 99.999% shares as at 30 September 2021), 10% shares in Exion Hydrogen Polskie Elektrolizery Sp. z o.o. were acquired on 23 April 2021, 10% shares of eObuwie.pl S.A. were acquired on 22 June 2021, additional 28.01% shares in Premium Mobile Sp. z o.o. were acquired by Polkomtel Sp. z o.o. on 2 July 2021 (consequently, Polkomtel Sp. z o.o. held 45.71% shares and Aero2 Sp. z o.o. held 0.6% shares) and additional 53.69% shares in Premium Mobile Sp. z o.o. were acquired by Polkomtel Sp. z o.o. on 9 July 2021 (consequently, Polkomtel Sp. z o.o. held 99.4% shares and Aero2 Sp. z o.o. held 0.6% shares as at 30 September 2021), 74.98% shares in Towerlink Poland Sp. z o.o. were sold by the Company on 8 July 2021 and 25.01% shares in Towerlink Poland Sp. z o.o. were sold by Polkomtel Sp. z o.o. on 8 July 2021 (consequently, Polkomtel Sp. z o.o. retained approx. 0.01% shares), 100% shares in Logitus Sp. z o.o. were acquired by Netia S.A. on 29 July 2021, 100% shares in TMS Ossa Sp. z o.o. were acquired by Polkomtel Sp. z o.o. on 6 August 2021 and 100% shares in Horest, Hotel pod Żaglami Sp. z o.o. were acquired by Polkomtel Sp. z o.o. on 6 August 2021.

It should be noted also that the data for 9 months ended 30 September 2021 allocated to the "Media" segment are not comparable to the 9 months ended 30 September 2020 as 100% shares in Grupa Interia.pl Sp. z o.o. and all rights and obligations of limited partner in Grupa Interia.pl Media Sp. z o.o. Sp.k. were acquired on 8 July 2020 as well as additional 50.52% shares in TV Spektrum Sp. z o.o. were acquired on 18 September 2020 (thus increasing shares held to 100%), 60% shares in Polot Media Sp. z o.o. were acquired on 23 December 2020, 60% shares (directly and indirectly) in Polot Media Sp. z o.o. Sp. k. were acquired on 23 December 2020 and 24% shares in TMS Kraków Sp. z o.o. were acquired by Telewizja Polsat Sp. z o.o. (current name Polsat Boxing Promotion Sp. z o.o.) on 20 April 2021.

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 2020:

the 9 months ended 30 September 2020 (unaudited)	B2C and B2B services	Media: TV and online	Consolidation adjustments	Total
Revenues from sales to third parties	7,517.4	1,197.3	-	8,714.7
Inter-segment revenues	44.8	157.4	(202.2)	-
Revenues	7,562.2	1,354.7	(202.2)	8,714.7
EBITDA adjusted (unaudited)	2,705.8	404.6	-	3,110.4
Costs related to COVID (including donations)	41.0	3.8	-	44.8
EBITDA (unaudited)	2,664.8	400.8	-	3,065.6
Depreciation, amortization, impairment and liquidation	1,655.8	47.6	-	1,703.4
Profit from operating activities	1,009.0	353.2	-	1,362.2
Acquisition of property, plant and equipment and other intangible assets	730.0	57.8	-	787.8
Acquisition of reception equipment	112.5	-	-	112.5
Balance as at 30 September 2020 (unaudited)				
Assets, including:	27,305.0	5,567.6*	(58.5)	32,814.1
Investments in joint venture and shares in associates	1,298.2	5.9	-	1,304.1

* Includes non-current assets located outside of Poland in the amount of PLN 9.0.

Reconciliation of EBITDA and Net profit for the period:

	for the 9 months ended	
	30 September 2021 unaudited	30 September 2020 unaudited
EBITDA adjusted (unaudited)	3,127.8	3,110.4
Gain on disposal of a subsidiary	3,690.8	-
Costs related to COVID (including donations)	-	(44.8)
EBITDA (unaudited)	6,818.6	3,065.6
Depreciation, amortization, impairment and liquidation (note 9)	(1,442.0)	(1,703.4)
Profit from operating activities	5,376.6	1,362.2
Other foreign exchange rate differences, net (note 10)	(10.6)	(51.9)
Interest costs, net (note 10 and 11)	(194.7)	(347.6)
Share of the profit/(loss) of associates accounted for using the equity method	64.0	47.6
Cumulative catch-up (note 11)	-	44.8
Other	1.9	(15.0)
Gross profit for the period	5,237.2	1,040.1
Income tax	(1,156.4)	(220.6)
Net profit for the period	4,080.8	819.5

19. Transactions with related parties

RECEIVABLES

	30 September 2021 unaudited	31 December 2020
Joint ventures and associates	21.1	17.9
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.	12.5	7.5
Total *	33.6	25.4

* Amounts presented above do not include deposits paid (30 September 2021 – PLN 3.5, 31 December 2020 – PLN 3.5)

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

OTHER ASSETS

	30 September 2021 unaudited	31 December 2020
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.	1.2	2.3
Total	1.2	2.3

LIABILITIES

	30 September 2021 unaudited	31 December 2020
Joint ventures and associates	34.3	77.1
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.	501.5**	482.8*
Total	535.8	559.9

* Includes liabilities related to dividend paid on 11 January 2021 in the amount of PLN 236.8.

** Includes liabilities related to dividend for 2020 in the amount of PLN 299.8.

A significant portion of liabilities relates to liabilities for lease of premises and facilities.

LOANS GRANTED

	30 September 2021 unaudited	31 December 2020
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.	20.6	6.9
Total	20.6	6.9

LOANS RECEIVED

	30 September 2021 unaudited	31 December 2020
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.	5.6	5.4
Total	5.6	5.4

REVENUES

	for the 9 months ended	
	30 September 2021 unaudited	30 September 2020 unaudited
Subsidiaries	12.5*	3.8*
Joint ventures and associates	3.0	18.4
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.	128.8	17.8
Total	144.3	40.0

* Concerns transaction with subsidiaries executed prior to gaining control.

In the period of 9 months ended 30 September 2021 and 30 September 2020 the most significant transactions include photovoltaic installations.

EXPENSES AND PURCHASES OF PROGRAMMING ASSETS

	for the 9 months ended	
	30 September 2021 unaudited	30 September 2020 unaudited
Subsidiaries	0.7*	14.6*
Joint ventures and associates	7.6	9.9
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.	180.6	188.2
Total	188.9	212.7

* Concerns transaction with subsidiaries executed prior to gaining control.

In the period of 9 months ended 30 September 2021 and 30 September 2020 the most significant transactions include *inter alia* cost of electrical energy, lease costs and advertising services.

GAIN/(LOSS) ON INVESTMENT ACTIVITIES, NET

	for the 9 months ended	
	30 September 2021 unaudited	30 September 2020 unaudited
Subsidiaries	0.1*	1.4*
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.	(4.6)	(7.2)
Total	(4.5)	(5.8)

* Concerns transaction with subsidiaries executed prior to gaining control.

FINANCE COSTS, NET

	for the 9 months ended	
	30 September 2021 unaudited	30 September 2020 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.	0.1	0.2
Total	0.1	0.2

20. Contingent liabilities

Management believes that the provisions as at 30 September 2021 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 („UOKiK”)

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 Appeals 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 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 7 August 2019 the court dismissed the appeal of Cyfrowy Polsat. The Company appealed against the decision. Pursuant to the Court of Appeals 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 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 sale 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 SOKiK 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 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. The company plans to appeal against the SOKiK judgment.

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. The next hearing is scheduled for 11 May 2022.

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 date of next hearing is scheduled for 16 March 2022.

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 2020 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 2020. There have been no significant changes in any risk management policies since the end of year 2020.

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.

			30 September 2021 unaudited		31 December 2020	
			Fair value	Carrying amount	Fair value	Carrying amount
	Category according to IFRS 9	The level of the fair value hierarchy				
Loans granted	A	2	21.5	21.8	7.8	7.8
Trade and other receivables	A	*	3,067.9	3,067.9	3,121.6	3,121.6
Cash and cash equivalents and short-term deposits	A	*	7,462.8	7,462.8	1,355.4	1,355.4
Restricted cash	A	*	9.5	9.5	10.4	10.4
Loans and borrowings	B	2	(9,904.9)	(9,929.6)	(9,796.2)	(9,640.8)
Issued bonds	B	1	(2,037.3)	(1,999.8)	(2,023.1)	(1,997.9)
UMTS licence liabilities	B	2	(144.3)	(140.0)	(274.2)	(263.4)
Lease liabilities	B	2	(692.1)	(692.1)	(1,573.0)	(1,573.0)
Accruals	B	*	(853.0)	(853.0)	(970.4)	(970.4)
Liabilities to shareholders of the Parent Company related to dividend	B	*	(511.7)	(511.7)	(415.7)	(415.7)
Liabilities due to tender offer for shares in Netia S.A.	B	*	-	-	(548.0)	(548.0)
Trade and other payables and deposits	B	*	(1,563.6)	(1,563.6)	(969.9)	(969.9)
Total			(5,145.2)	(5,127.8)	(12,075.3)	(11,883.9)
Unrecognized loss				(17.4)		(191.4)

A – assets subsequently measured at amortised cost

B – liabilities subsequently 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 WIBOR 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 UMTS license liability, forecasted cash flows from the reporting date to September 2022 were discounted at EURIBOR market rate.

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 interest rate plus a margin regarding the credit risk.

As at 30 September 2021 and 31 December 2020 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 credit risk. When determining the fair value of bank loans as at 30 September 2021 and as at 31 December 2020, 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).

The fair value of issued bonds as at 30 September 2021 and 31 December 2020 was estimated as a last purchase price at the balance sheet date according to GPW Catalyst quotations.

As at 30 September 2021, the Group held the following financial instruments carried at fair value on the statement of financial position:

ASSETS MEASURED AT FAIR VALUE

	30 September 2021 unaudited	Level 1	Level 2	Level 3
Derivative instruments not designated as hedging instruments	-	9.5	-	-
Interest rate swaps	-	9.5	-	-
Hedging derivative instruments	-	0.6	-	-
Interest rate swaps	-	0.6	-	-
Investments in equity instruments	-	0.6	-	-
Total	-	10.7	-	-

LIABILITIES MEASURED AT FAIR VALUE

	30 September 2021 unaudited	Level 1	Level 2	Level 3
Derivative instruments not designated as hedging instruments	-	(12.1)	-	-
Interest rate swaps	-	(12.1)	-	-
Hedging derivative instruments	-	(2.1)	-	-
Interest rate swaps	-	(2.1)	-	-
Total	-	(14.2)	-	-

As at 31 December 2020, the Group held the following financial instruments carried at fair value on the statement of financial position:

ASSETS MEASURED AT FAIR VALUE

	31 December 2020	Level 1	Level 2	Level 3
Derivative instruments not designated as hedging instruments	-	2.4	-	-
Forward transactions	-	2.0	-	-
Interest rate swaps	-	0.4	-	-
Investments in equity instruments	-	0.2	-	-
Total	-	2.6	-	-

LIABILITIES MEASURED AT FAIR VALUE

	31 December 2020	Level 1	Level 2	Level 3
Derivative instruments not designated as hedging instruments		-	(45.8)	-
Interest rate swaps		-	(45.8)	-
Hedging derivative instruments		-	(10.2)	-
Interest rate swaps		-	(10.2)	-
Total		-	(56.0)	-

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

Acquisition of shares in Netia S.A.

On 23 December 2020, the Company announced a tender offer for 114,173,459 (not in million) shares issued by Netia S.A. entitling to 114,173,459 (not in million) votes at Netia's general meeting, representing ca. 34.02% of Netia's share capital and ca. 34.02% of the total number of votes at Netia's general meeting. The share price in the tender offer was set at PLN 4.80 (not in million) per Netia's share.

As a result of the tender offer, on 8 March 2021, the Company acquired 84,868 (not in million) Netia's shares for the amount of PLN 0.4, representing ca. 0.0253% of its share capital and carrying the right to ca. 0.0253% of total votes at Netia's general meeting. As of 8 March 2021 the Company held 221,489,753 (not in million) Netia's shares representing ca. 66.0024% of its share capital and carrying the right to ca. 66.0024% of total votes at Netia's general meeting. Due to the fact that the share price of PLN 4.80 (not in million) set in the tender offer was lower than the price for which the Company acquired Netia's shares in transactions described below, the Company made additional payment in September 2021 to Netia's shares sellers in the tender offer announced on 23 December 2020 in the amount of PLN 0.2.

In April 2021, the Company acquired 11,405,739 (not in millions) Netia's shares for the amount of PLN 65.8, representing ca. 3.40% of total votes at Netia's general meeting. After the change Cyfrowy Polsat held directly 232,895,492 (not in millions) Netia's shares representing ca. 69.40% Netia's share capital and carrying the right to ca. 69.40% of total votes at Netia's general meeting.

On 19 May 2021, the Company acquired 58,714 (not in millions) Netia's shares for the amount of PLN 0.3, representing ca. 0.02% of total votes at Netia's general meeting. After the change Cyfrowy Polsat held directly 232,954,206 (not in millions) Netia's shares representing ca. 69.42% of its share capital and carrying the right to ca. 69.42% of total votes at Netia's general meeting.

On 23 June 2021, the Company acquired 16,332,115 (not in millions) Netia's shares for the amount of PLN 114.4, representing ca. 4.87% of total votes at Netia's general meeting. After the change Cyfrowy Polsat held directly 249,286,321 (not in millions) Netia's shares representing ca. 74.29% of its share capital and carrying the right to ca. 74.29% of total votes at Netia's general meeting.

On 6 July 2021, the Company acquired 78,989,066 (not in millions) Netia's shares for the amount of PLN 552.9, representing ca. 23.54% of total votes at Netia's general meeting. After

the change Cyfrowy Polsat held directly 328,275,387 (not in millions) Netia's shares representing ca. 97.82% of its share capital and carrying the right to ca. 97.82% of total votes at Netia's general meeting.

On 6 August 2021, the Company acquired 7,298,980 (not in millions) Netia's shares for the amount of PLN 51.1, representing ca. 2.18% of total votes at Netia's general meeting. After the change Cyfrowy Polsat holds directly 335,574,367 (not in millions) Netia's shares representing ca. 99.999% of its share capital and carrying the right to ca. 99.999% of total votes at Netia's general meeting. The Company applied to the Management Board of Netia for the registration in the name of Cyfrowy Polsat of 3,977 (not in millions) ordinary bearer shares of Netia, which were not dematerialized and the binding force of which expired by law on 1 March 2021.

All above transactions as at 30 September 2021 were recognized in equity as transactions with non-controlling shareholders.

Execution of sale agreement for shares in subsidiary

On 26 February 2021 the Parent and its subsidiary Polkomtel Sp. z o. o. (together "Sellers") concluded a conditional sale agreement ("Sale Agreement") of shares in Polkomtel Infrastruktura Sp. z o. o. ("Polkomtel Infrastruktura"), currently Towerlink Poland Sp. z o.o. („Towerlink”).

According to the Sale Agreement, Sellers agreed to sell shares representing 99.99% of the share capital of Polkomtel Infrastruktura for the total price of PLN 7,070.3 The sale price was to be reduced by certain payments made by Polkomtel Infrastruktura to Group entities as well as by the amount of so-called profitability uplift related to the Master Service Agreement (as defined below) and increased by the interest accruing at 6% per annum.

The completion of the transaction was conditional on the fulfillment of the following conditions precedent: the buyer must obtain consent of the President of the Office of Competition and Consumer Protection for the concentration and the Sellers must obtain consents required under the financing documentation of the Sellers, as well as conditional or unconditional release of security interests encumbering the shares of Polkomtel Infrastruktura. On 9 June 2021 the President of the Office of Competition and Consumer Protection gave consent for concentration.

The transaction was completed on 8 July 2021. Total cash inflows related to the transaction amounted to PLN 7,111.9 and included adjusted price in the amount of PLN 7,026.9 and repayment of the borrowing by Polkomtel Infrastruktura in the amount of PLN 180.5 reduced by cash and cash equivalents held by Polkomtel Infrastruktura in the amount of PLN 95.5. After the transaction completion Polkomtel Sp. z o. o. retains 207 shares of Polkomtel Infrastruktura representing 0.01% of the share capital of Polkomtel Infrastruktura.

On 12 July 2021 company's name change from Polkomtel Infrastruktura Sp. z o.o. to Towerlink Poland Sp. z o.o. was registered.

Upon completion of the transaction, Group's entities (Polkomtel Sp. z o.o. and Aero 2 Sp. z o.o.) concluded a framework service agreement (Master Service Agreement) with Towerlink governing Towerlink's further cooperation with the Group for the next 25 years subject to renewals for successive 15-year periods, at the Group's discretion. The Master Service Agreement obliges Towerlink to continue providing for the Group the transmission of radio signals of a cellular telecommunication network, signal transmission services to the network's core and base stations, as well as providing access to Towerlink's passive and accompanying infrastructure. Master Service Agreement also defines required quality level of services provided by Towerlink, financial settlements as well as minimum contract services from Towerlink, resulting in Group's future payment commitments.

Polkomtel Infrastruktura's financial results were presented in the "B2C and B2B services" segment.

Acquisition of shares in eObuwie.pl S.A.

On 31 March 2021 Management Board decided to acquire 10% of the share capital in eObuwie.pl S.A. within the scope of a pre-IPO investment for PLN 500. As a result of the above, on 31 March 2021 the Company signed a preliminary agreement regarding acquisition of shares and a shareholders' agreement regulating, among others, the future corporate governance principles of eObuwie.pl S.A. This agreement had a conditional nature, in particular the seller was obliged to obtain relevant consents of banks financing the operating activities of the seller's capital group as well as the consent of the general shareholders meeting of eObuwie.pl S.A. for the sale of company's shares.

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

Acquisition of shares

On 23 April 2021 Cyfrowy Polsat acquired 10% of shares in PLCOM Sp. z o.o. for the amount of PLN 500 (not in millions). On 31 May 2021 company's name change to Exion Hydrogen Polskie Elektrolizery Sp. z o.o. was registered.

In July 2021 Polkomtel Sp. z o.o. (Company's subsidiary) acquired 81.7% of share capital in Premium Mobile Sp. z o.o. The transaction is described in note 16.

On 29 July 2021 Netia S.A. (Company's subsidiary) acquired 100% of share capital in Logitus Sp. z o.o. The transaction is described in note 16.

On 6 August 2021 Polkomtel Sp. z o.o. (Company's subsidiary) acquired 100% of share capital in TMS Ossa Sp. z o.o. and 100% of share capital in Horest, Hotel pod Żaglami Sp. z o.o. The transaction is described in note 16.

Distribution of profit and dividend payment

On 24 June 2021 the Annual General Meeting of the Company adopted a resolution on the distribution of the Company's net profit for the financial year 2020 and a part of the profits earned in the previous years for a dividend payout. In accordance with the provisions of the resolution, the dividend amounted to PLN 767.5. The dividend day was scheduled for 15 September 2021 and the dividend payout shall be made in two tranches as follows:

- Tranche I: PLN 255.8 on 28 September 2021,
- Tranche II: PLN 511.7 on 10 December 2021.

Merger of Liberty and Coltex

On 30 April 2021 a merger of Liberty Poland S.A. (acquiring company) and Coltex ST Sp. z o.o. (company being acquired) was registered by the court.

A tender offer for the sale of the shares in the Company

On 28 September 2021 the Company, in agreement with its parent entities, announced a tender offer for the sale of 263,807,651 (not in millions) shares, issued by Cyfrowy Polsat S.A. representing in total approximately 41.24% of the share capital of the Company and carrying the right to 278,447,597 (not in millions) votes at the general meeting of the Company, which is equivalent to approximately 34.00% votes at the general meeting of the Company.

Cyfrowy Polsat intends to acquire in the tender offer no more than 82,904,517 (not in millions) own shares. The tender offer price was set at PLN 35.00 (not in millions) per share.

The shares in the Company will be acquired under the tender offer under the condition that the Company's general meeting adopts a resolution authorizing the Management Board to acquire own shares and create a capital reserve for the purposes of the own shares buy-back program in an amount of at least PLN 2,910.0.

The Extraordinary General Meeting of the Company has been convened for 16 November 2021. The expected settlement date for the share purchase transaction is 24 November 2021.

Estimated impact of COVID-19 coronavirus disease pandemic on the operations and financial prospects of the Group

Immediately upon introducing by the Polish government the state of emergency due to an epidemic, in effect from 13 March 2020, the Group took actions to assure business continuity and reduce the negative impact of the pandemic on its operations. The priorities mainly included ensuring safety of the employees as well as guaranteeing high quality of services provided to the customers of the Group's companies.

In the Management Board's view, the Company and Group's core business is relatively resistant to the adverse impact of the pandemic, maintains a high level of liquidity and generates positive cash flows. Accordingly, no factors indicating impairment of the Group's assets were identified. More information in respect to the estimated impact is presented in the Management Report in note 4.4.1.

The ultimate impact that the COVID-19 coronavirus pandemic may have on the Company's, as well as the entire Group's operations and financial situation is impossible to foresee at present and depends on numerous factors which are beyond the Group's control and which include, among others, the duration of the pandemic and its further development as well as further potential measures that the Polish government may adopt.

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.

Commitments to purchase programming assets

As at 30 September 2021 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 2021 unaudited	31 December 2020
within one year	281.2	182.9
between 1 to 5 years	474.5	315.6
more than 5 years	35.5	45.1
Total	791.2	543.6

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

	30 September 2021 unaudited	31 December 2020
within one year	28.0	22.1
between 1 to 5 years	-	0.2
Total	28.0	22.3

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 215.1 as at 30 September 2021 (PLN 313.2 as at 31 December 2020). Total amount of contractual liabilities resulting from agreements for the purchases of intangible assets was PLN 87.1 as at 30 September 2021 (PLN 64.9 as at 31 December 2020).

Future contractual obligations

As at 30 September 2021 and 31 December 2020 the Group had future liabilities due to transponder capacity agreements.

The table below presents future payments (total):

	30 September 2021 unaudited	31 December 2020
within one year	126.5	126.0
between 1 to 5 years	411.1	503.9
Total	537.6	629.9

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 in the annual consolidated financial statements.