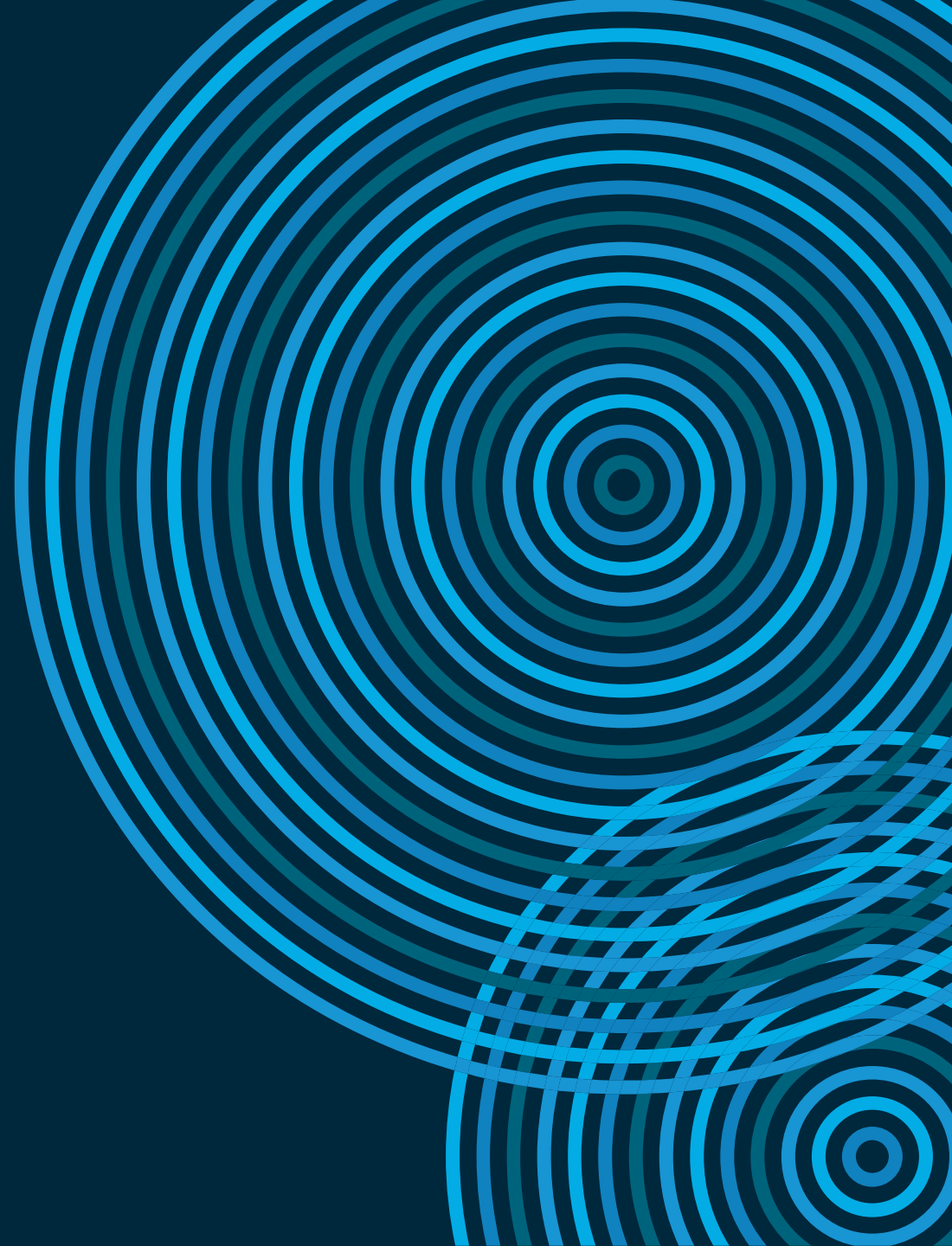


Financial results Q1'23

16 May 2023



Disclaimer

This presentation may include forward-looking statements, understood as all statements (other than statements of historical facts) regarding our financial results, business strategy, plans and objectives pertaining to our future operations (including development plans related to our products and services). Such forward-looking statements do not constitute a guarantee of future performance and involve risks and uncertainties which may affect the fulfilment of these expectations, as by their nature they are subject to many factors, risks and uncertainties. The actual results may be materially different from those expressed or implied by such forward-looking statements. Even if our financial results, business strategy, plans and objectives pertaining to our future operations are consistent with the forward-looking statements included herein, this does not necessarily mean that these statements will be true for subsequent periods. These forward-looking statements express our position only as at the date of this presentation.

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Speakers



MIROSŁAW BŁASZCZYK
PRESIDENT OF THE MGMT BOARD



MACIEJ STEC
VICE-PRESIDENT FOR STRATEGY



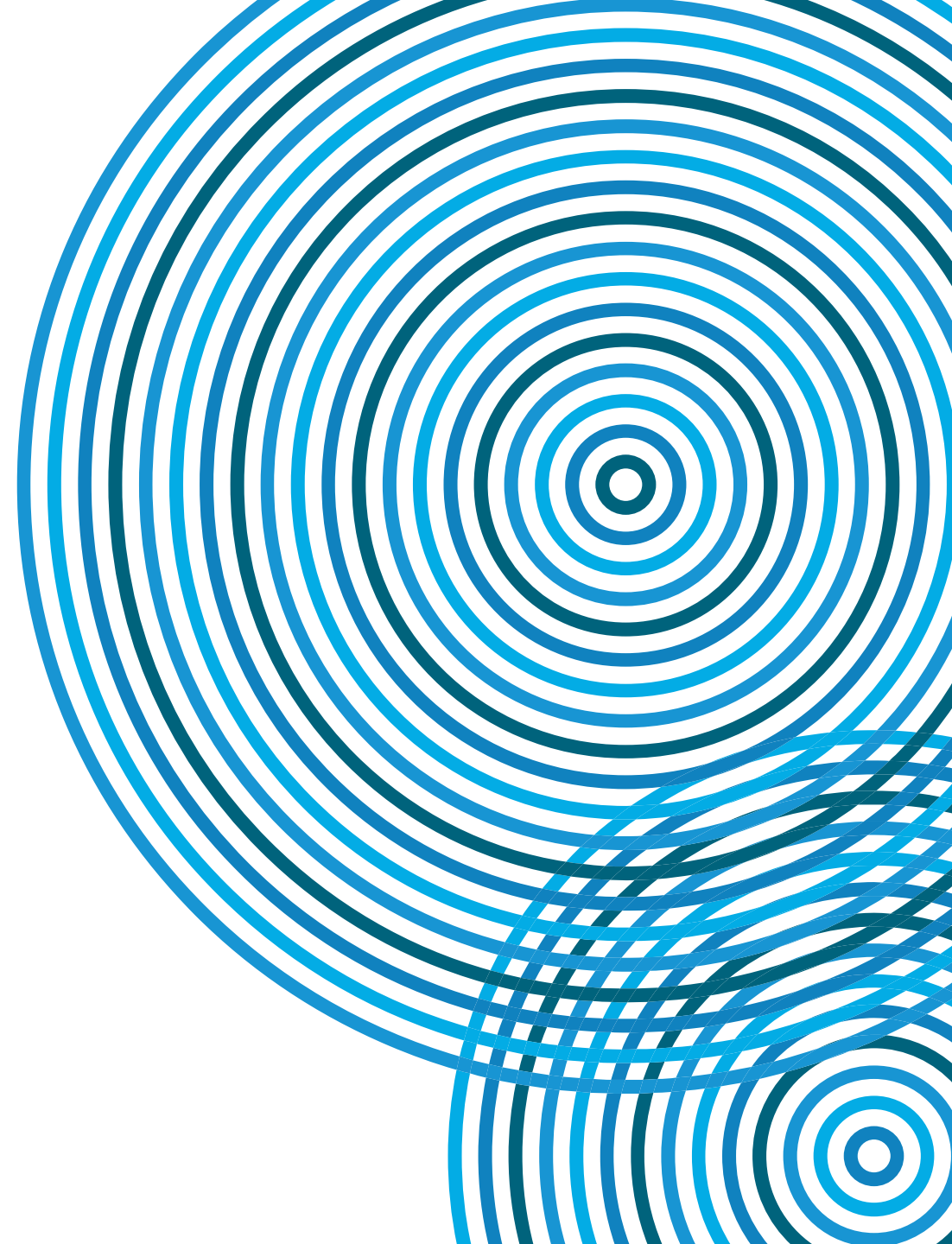
KATARZYNA OSTAP-TOMANN
MEMBER OF THE MGMT BOARD, CFO



STANISŁAW JANOWSKI
PRESIDENT, TELEWIZJA POLSAT

Agenda

1. Key events in Q1'23
2. Operating results
3. Financial results
4. Summary and Q&A



Key events in Q1'23



Mirosław Błaszczuk

President of the Management Board, Cyfrowy Polsat

Key events in Q1'23

- We signed senior facility agreements with a consortium of Polish and foreign financial institutions for term loans amounting to PLN 7.3 bn and EUR 0.5 bn and a revolving facility loan of PLN 1.0 bn
- We issued sustainability-linked bonds worth PLN 2.67 bn
- We continue the dynamic implementation of our *Strategy 2023+* in the area of green energy – currently tests are executed prior to the launch of electricity production in our first wind farms in Miłosław and Kazimierz Biskupi
- We expanded the coverage of Plus 5G network – over 20 million inhabitants of Poland have access to the fastest 5G network, based on 3.5 thousand base stations
- We modified our telecommunication services tariffs to continue building the value of our customer base



Operating results



Media segment: TV and online

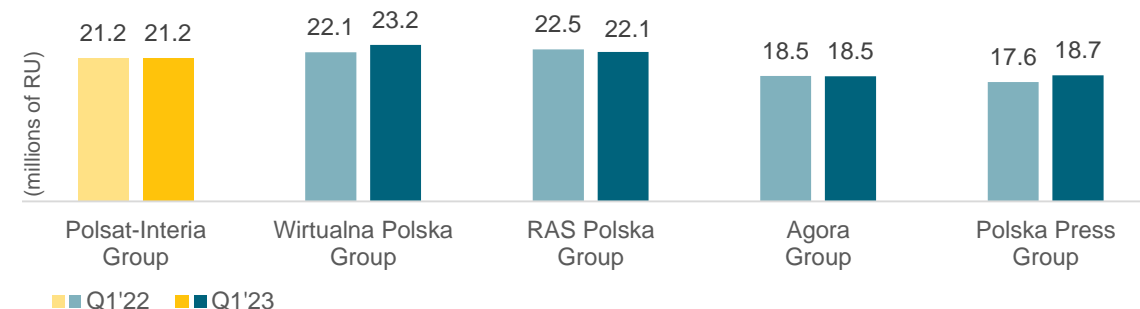


Stanisław Janowski
President of the Management Board, Telewizja Polsat

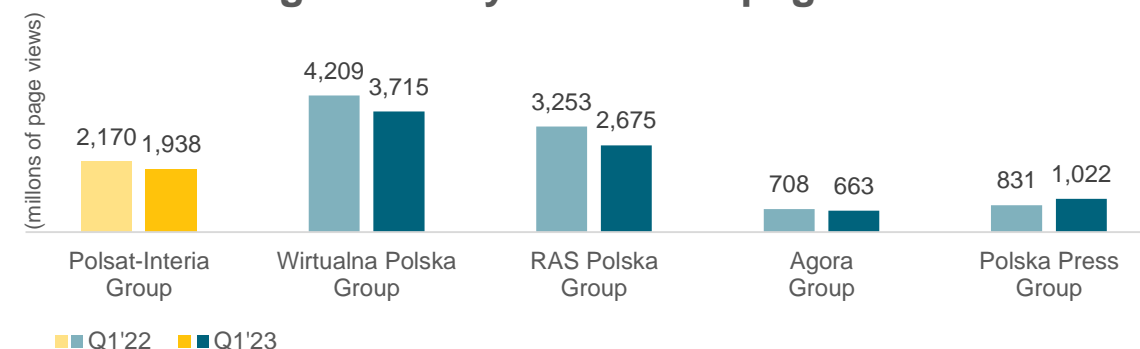
We effectively build our position in the market of Internet portals

- We are a leading Internet publisher in Poland thanks to the acquisition of Interia.pl
- Our leading position in the online media:
 - 21.2 m users and
 - 1.9 bn page views
- We delivered the announced synergies as planned and we continue to build our position in the market of Internet portals

Average monthly number of users



Average monthly number of page views

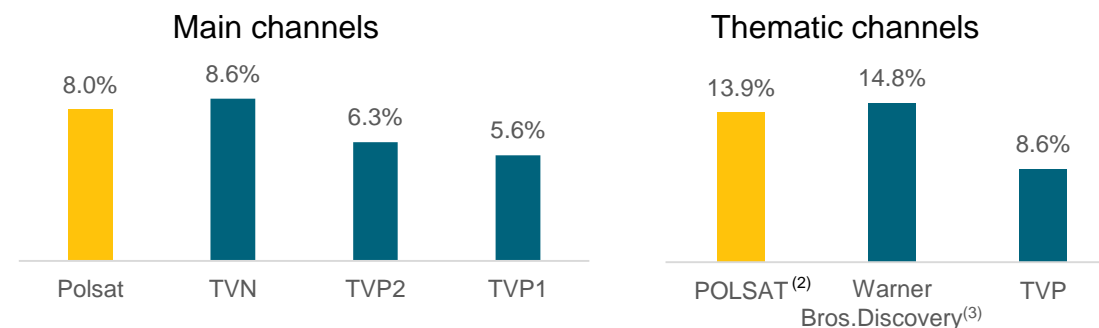


Source: Mediapanel, number of users – real users (RU) indicator, number of page views indicator

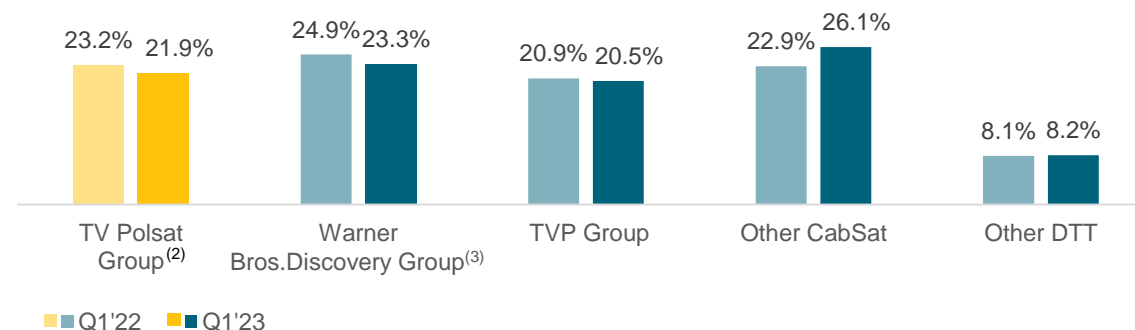
Viewership of our channels in Q1'23

- Good viewership results of TV Polsat Group channels in Q1'23 despite the negative impact of refarming to the DVB-T2 standard

Audience shares



Dynamics of audience share results



Source: NAM, All 16-59, all day, SHR%, including Live+2⁽¹⁾ as well as TV audience out of home (OOH – out of home viewing), internal analyses

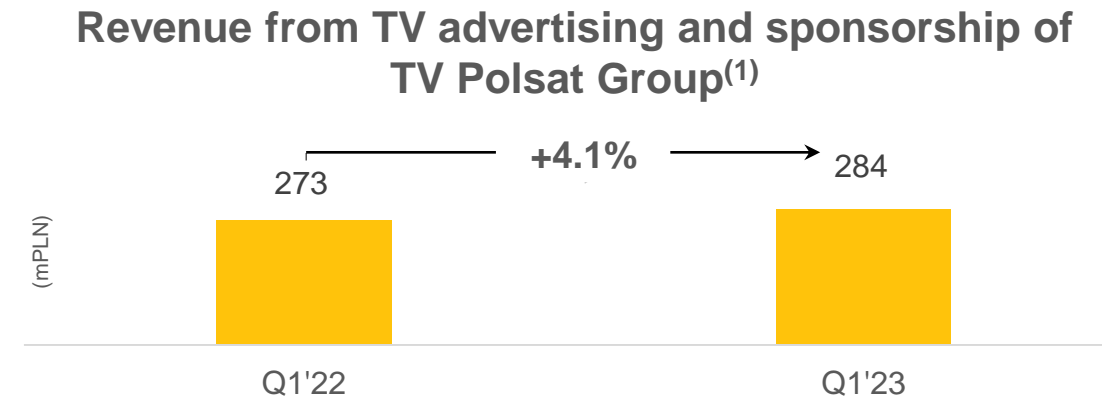
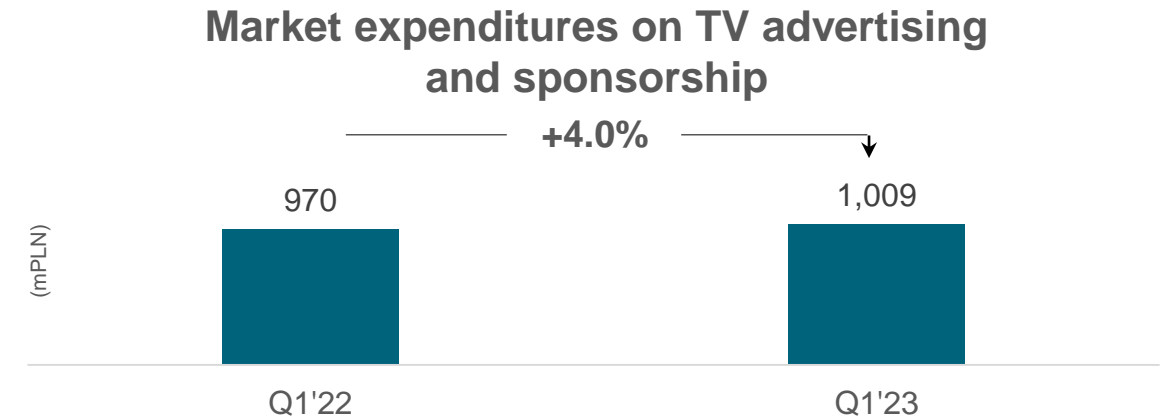
Note: (1) Audience shares include both live broadcasting and broadcasting during 2 consecutive days (i.e. Time Shifted Viewing)

(2) Excluding partnership channels: Polsat Viasat Explore, Polsat Viasat Nature, Polsat Viasat History, JimJam, CI Polsat, Polsat Comedy Central Extra

(3) The group was established on April 8, 2022 as a result of the merger of WarnerMedia and Discovery, data before that period refer to channels belonging to the Discovery Group

Position in the advertising market in Q1'23

- The dynamics of advertising and sponsorship revenues of TV Polsat Group in line with the market trend
- As a result, our share in the TV advertising and sponsorship market amounted to 28.2%



Source: market: Publicis Groupe, preliminary data, spot advertising and sponsorship;
TV Polsat Group: internal data

Note: (1) Revenue from TV advertising and sponsorship of TV Polsat Group's channels

B2C and B2B services segment

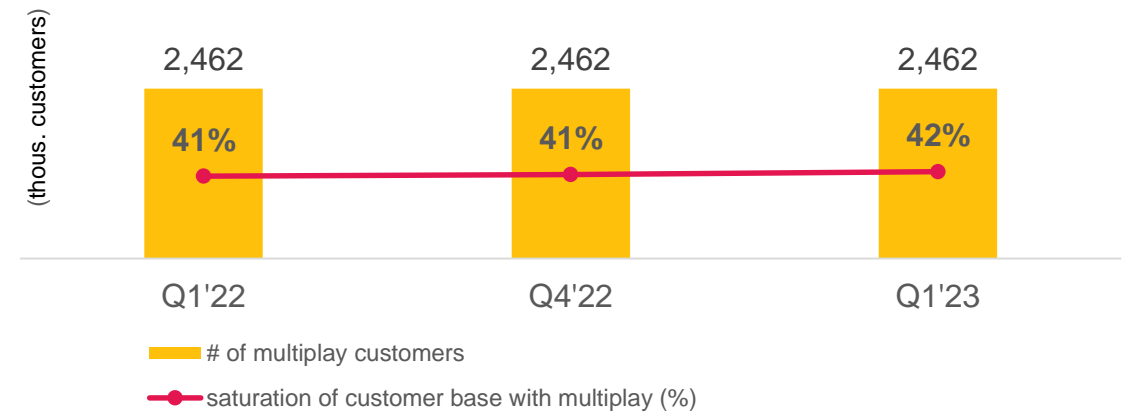


Maciej Stec
Vice President of the Management Board, Cyfrowy Polsat

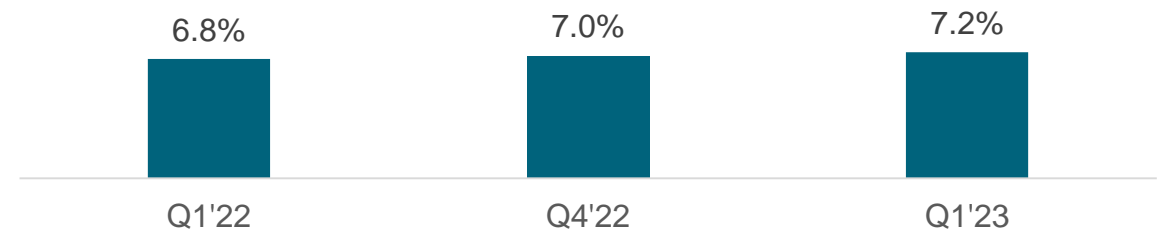
We maintain a high, stable base of multiplay customers

- High, stable base of multiplay customer despite unfavorable market conditions
- As a result of the consistent implementation of the multiplay strategy, already 2.5m of our customers use the multiplay offer – this represents 42% of our customer base
- The number of RGUs owned by these customers increased to 7.42m
- Consistently low churn – mainly due to our multiplay strategy

Number of multiplay customers¹



Churn

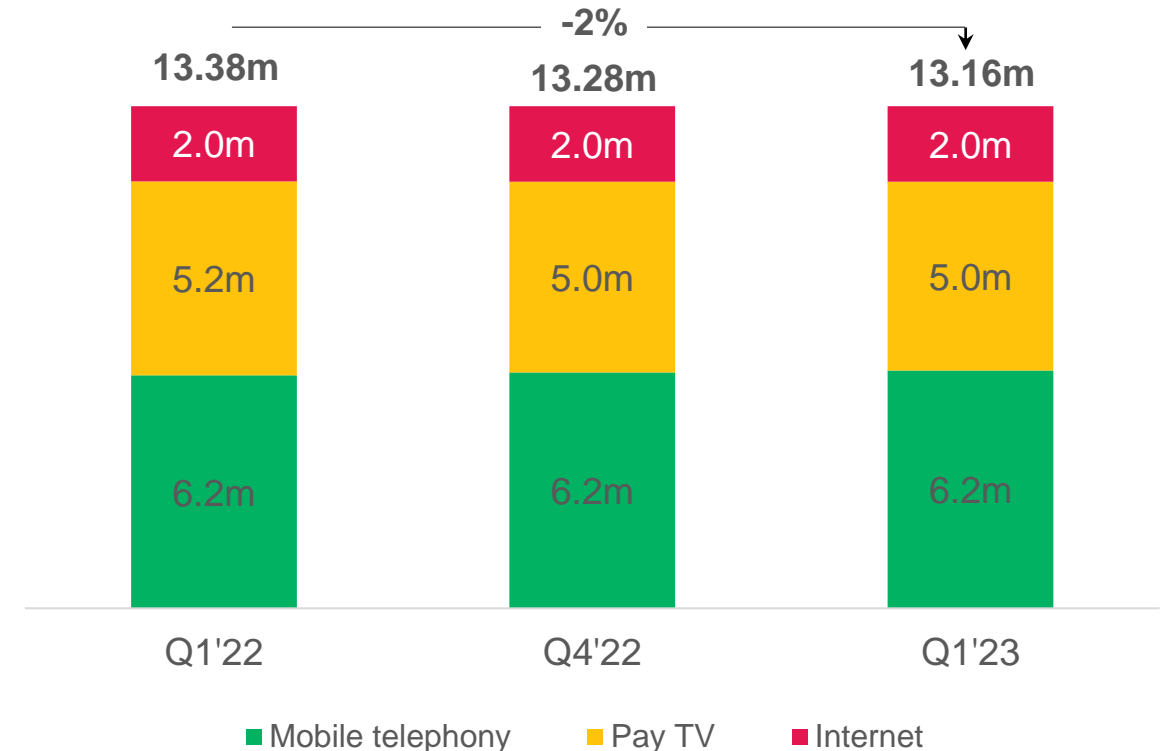


Note: (1) including customers of bundled services from Netia Group and Premium Mobile

We provide nearly 13.2m services to contract B2C customers

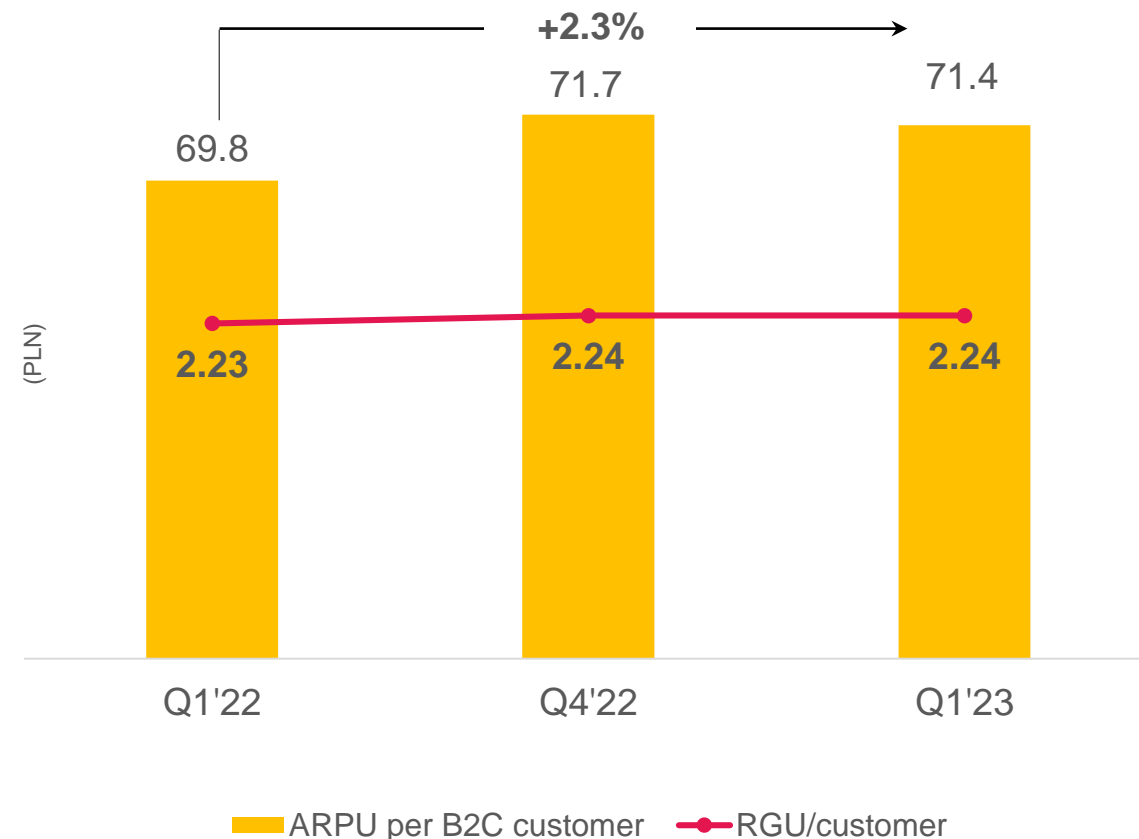
- We maintain a high, stable number of mobile telephony and Internet services
- At the same time – in line with our earlier statements – the number of provided pay TV services declined, which is mainly the outcome of our decision on price repositioning and changing the strategy of offering our video online services
- The decline was partially compensated for by a growing number of TV services provided over the Internet (IPTV/OTT)

Number of RGUs in the B2C contract segment



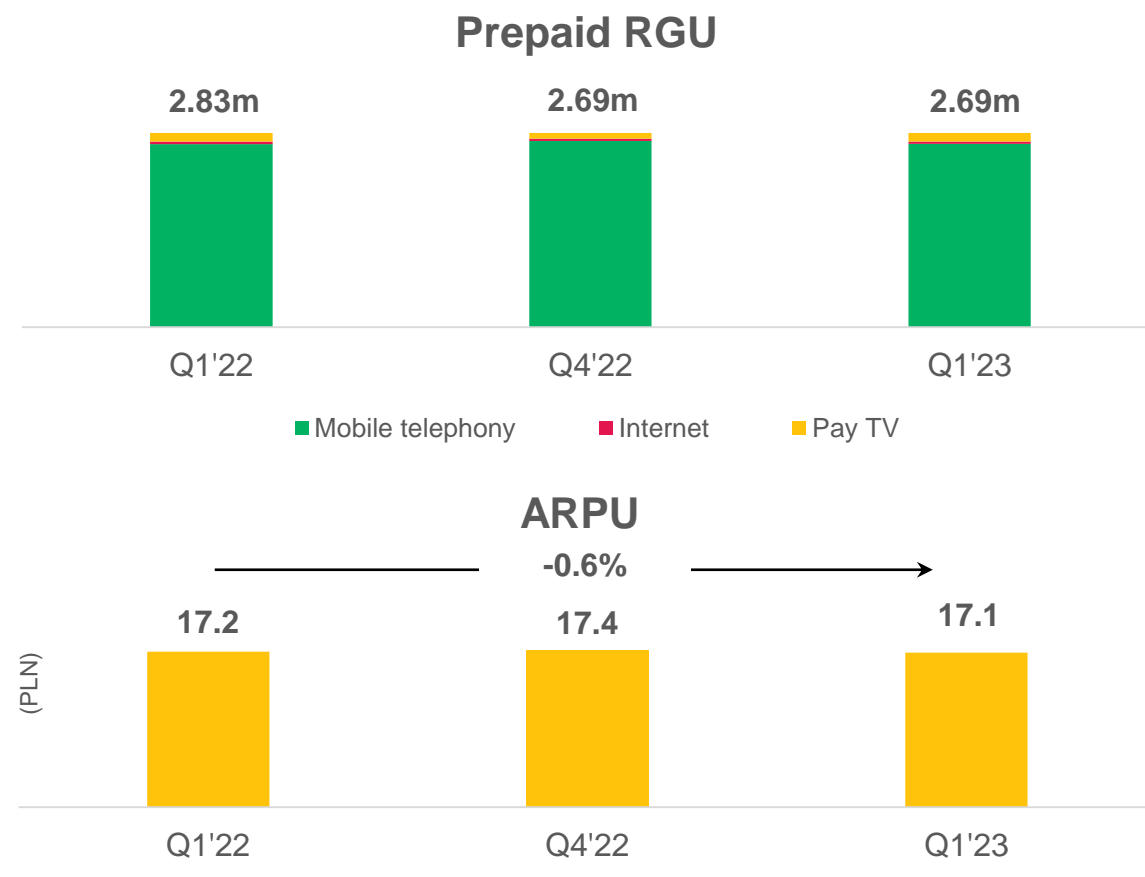
ARPU growth in B2C thanks to the consistent implementation of our multiplay strategy and popularization of 5G tariffs

- 2.3% YoY increase in ARPU resulting from the consistent building of the value of the existing customer base despite unfavorable market conditions
- Effective upselling of products under our multiplay strategy is reflected in the high RGU saturation per customer ratio



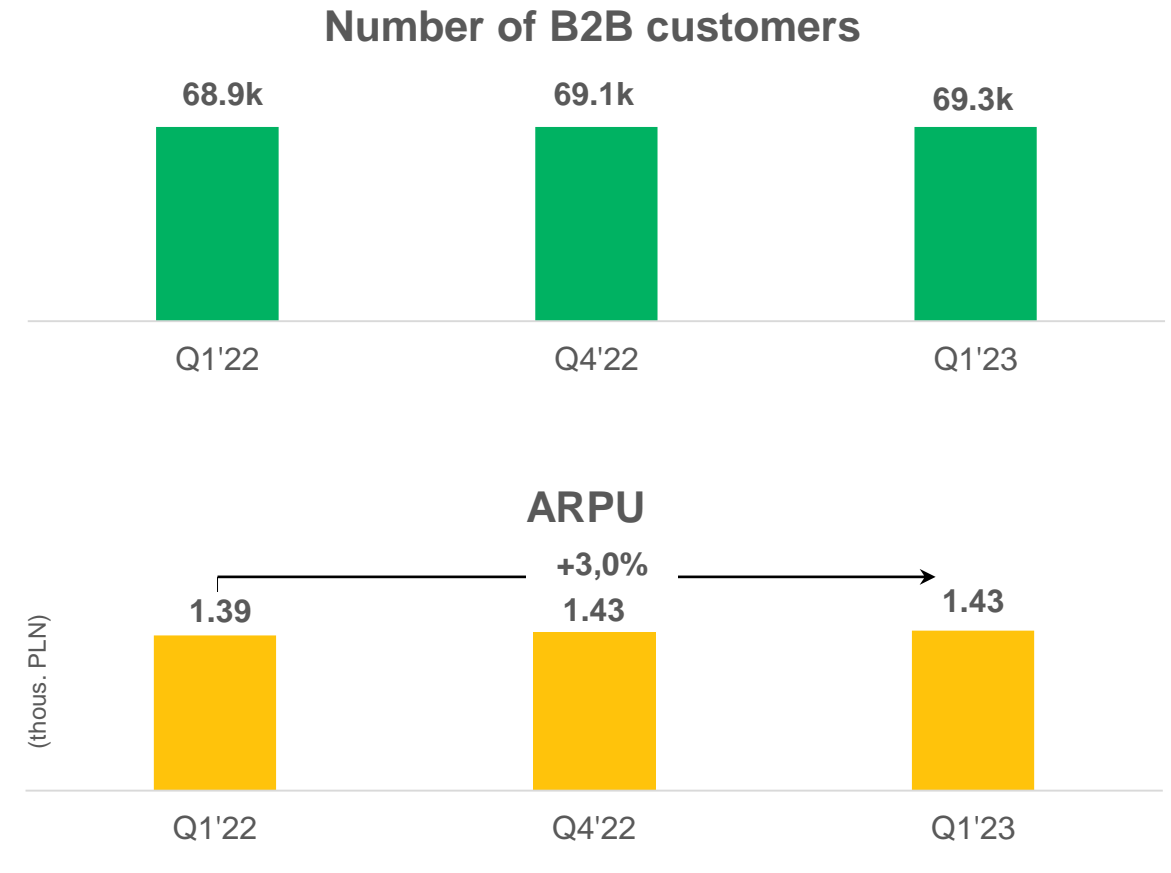
High base and stable ARPU of prepaid services

- YoY decrease in the number of mobile telephony RGUs is the effect of a high reference point resulting from the Q1'22 support campaign for newly-arrived refugees from Ukraine, consisting in the distribution of free Plus starters allowing free communication
- ARPU level stable YoY

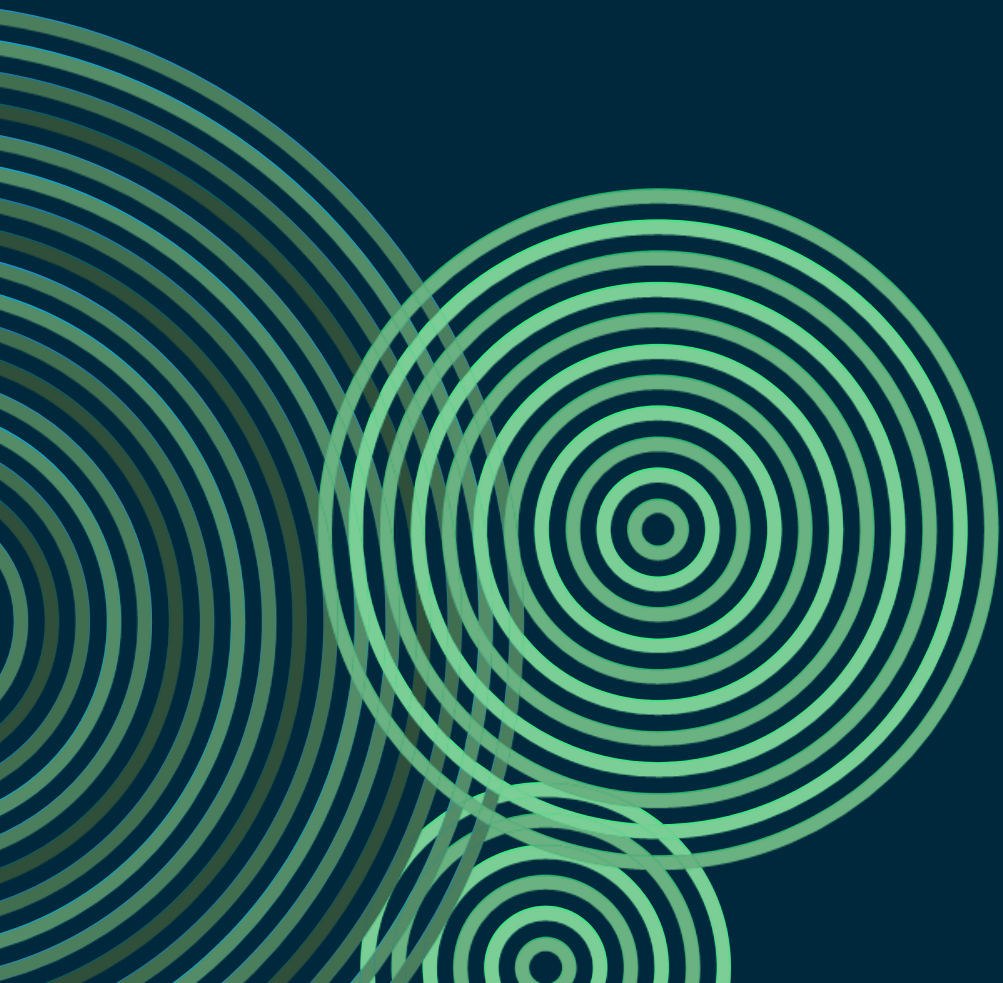


Stable base and growing ARPU of B2B customers

- Polsat Plus Group has 69.3 thous. B2B customers, successfully maintaining the scale of this base
- We successively expand our offer of communication and ICT services which enabled us to increase ARPU of our B2B customers to over PLN 1.4 thous. per month



Clean energy segment



Maciej Stec

Vice President of the Management Board, Cyfrowy Polsat

We want to become a leading producer of clean, green energy and green hydrogen

Goal #1:

We want to become a leading producer of clean, green energy



Goal #2:

We want to become a leading producer of green hydrogen



We dynamically implement strategic initiatives related to the production of clean energy



ENERGY FROM BIOMASS 100 MW

→ Turbine #1

Installed capacity: **50 MW**
Output: **350-400 GWh**

→ Turbine #2

Installed capacity: **50 MW**
Output: **350-400 GWh**



SOLAR ENERGY 280 MW

→ Brudzew

Installed capacity: **70 MWp**
Output: **78 GWh** in 2022

→ Cambria/Brudzew

Installed capacity: **12.4 MWp** / Output: **13 GWh**
Launch date: **Q3'23**

→ Przykona

Installed capacity: **180-200 MWp** / Output: **190 GWh**
Launch date: **15 months** after securing all permits



ON-SHORE WIND ENERGY >296 MW

→ Miłosław

Installed capacity: **9.6 MW** / Output: **38 GWh**
Launch date: **Q3'23**

→ Kazimierz Biskupi

Installed capacity: **17.5 MW** / Output: **60 GWh**
Launch date: **Q3'23**

→ Człuchów

Installed capacity: **72.6 MW** / Output: **230 GWh**
Launch date: **Q2'24**

→ Przyrów

Installed capacity: **50.4 MW** / Output: **105 GWh**
Launch date: **Q3'24**

→ Drzeżewo 1-4

Installed capacity: **138.6 MW** / Output: **ca. 410 GWh**
Launch date: **Q4'25**

→ Dobra

Installed capacity: **7.8 MW** / Output: **24 GWh**
Launch date: **Q1'25**



ENERGY FROM WASTE PROCESSING

→ Rybnik

Signed letter of intent
Launch date: **2026**

Installed capacity in green energy: ca. 330 MW in 2024 and ca. 680 MW in 2025

We are building the full value chain of an economy based on green hydrogen



GREEN HYDROGEN PRODUCTION

- **First 2.5 MW electrolyzer** from Cummins

Launch date: **Q2'23**

Output: **1000 kg H₂ daily**

- **Purchase of the second electrolyzer** from Cummins

Delivery: **Q4'23**

Output: **1000 kg H₂ daily**

- We have developed a prototype of the first **Polish 0.5MW electrolyzer**

Completion: **Q2-Q3'23**

Output: **200 kg H₂ daily**



STORAGE AND TRANSPORT

- **Hydrogen trailer with capacity of 371 kg**

In use

- **2 hydrogen trailers with capacity of 1024 kg**

In use

- **7 hydrogen trailers with capacity of 1024 kg**

Delivery: **Q2-Q4'23**



GREEN HYDROGEN DISTRIBUTION

- **H₂ refueling station in Warsaw**

Launch date: **Q2'23**

- **H₂ refueling station in Rybnik**

Launch date: **Q3'23**

- **PLN 20m subsidy from NFOŚ** for the construction of H₂ refueling stations in Rybnik, Gdańsk, Wrocław, Gdynia and Lublin



PRODUCTS FOR END-USERS

- **We won the tender for the delivery of 20 NesoBuses to Rybnik**

Execution: **Q3-Q4'23**

- **Hydrogen bus factory in Świdnik**

Launch date: **Q3'23**

Production: **>100 buses per year**



- **100 H₂ cars** are in use in Polsat Plus Group's car fleet

- We purchased **another 50 H₂ cars**

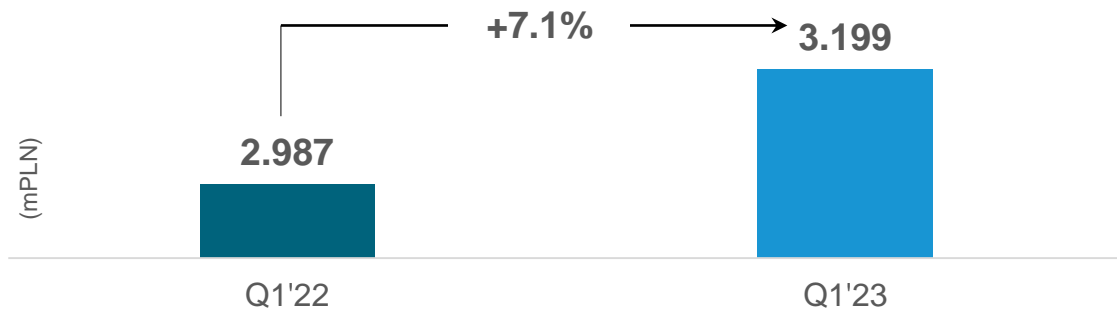
Financial results

Katarzyna Ostap-Tomann
CFO, Cyfrowy Polsat

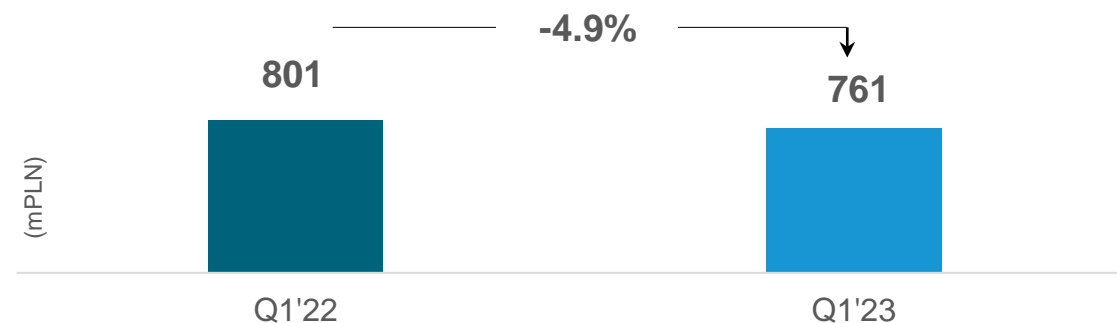


Results of the Group in Q1'23

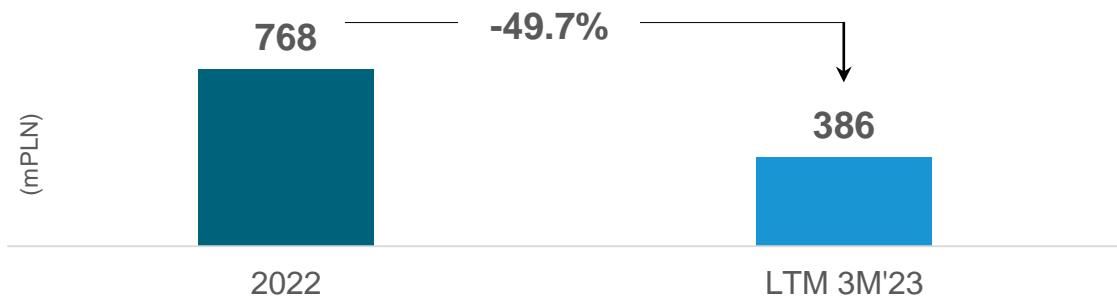
Revenue



Adjusted EBITDA¹



LTM FCF



Net debt/EBITDA LTM

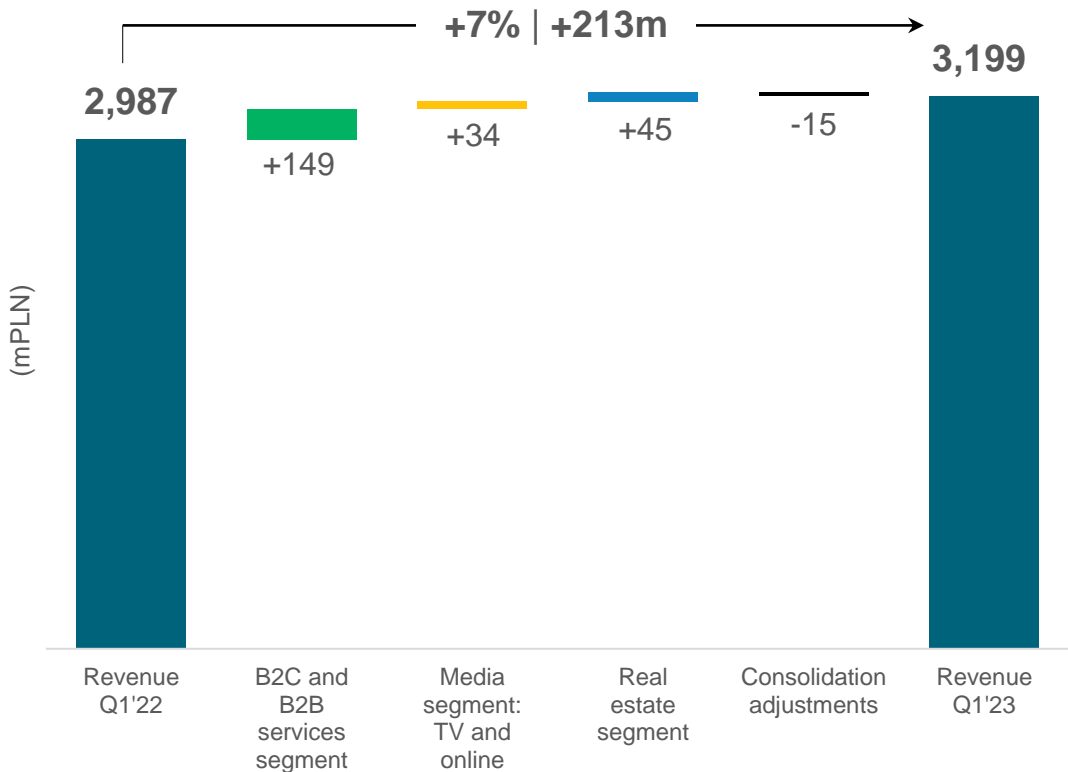


Source: Consolidated financial statements for the 3-month period ended 31 March 2023 and internal analyses

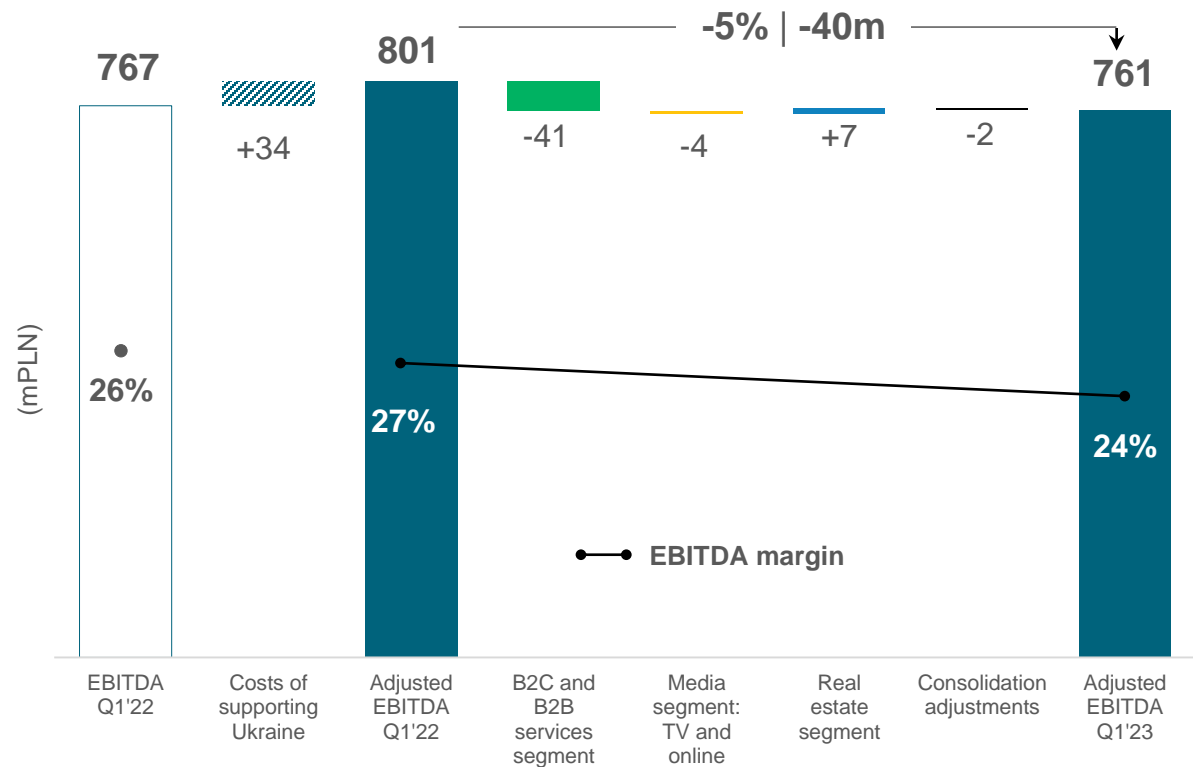
Note: (1) EBITDA excl. costs of supporting Ukraine (PLN 34.1m) in Q1'22

Revenue and EBITDA – change drivers

Revenue



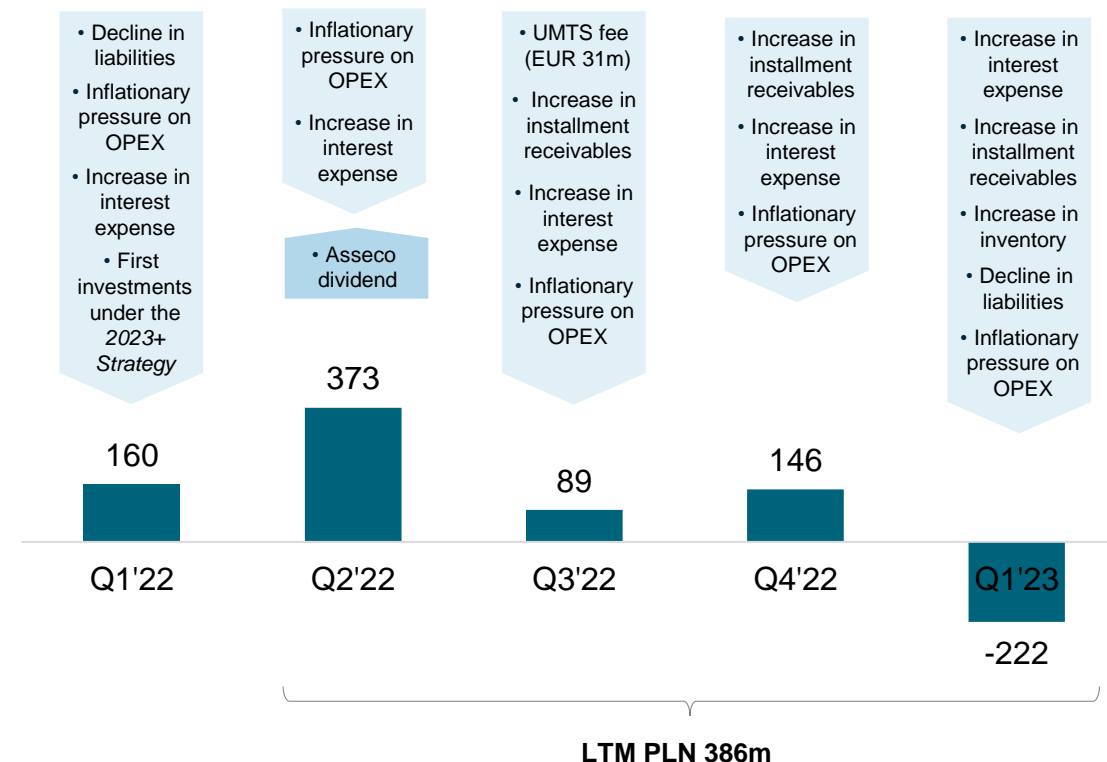
Adjusted EBITDA¹



FCF under strong pressure from increasing interest costs, installment receivables and inventory

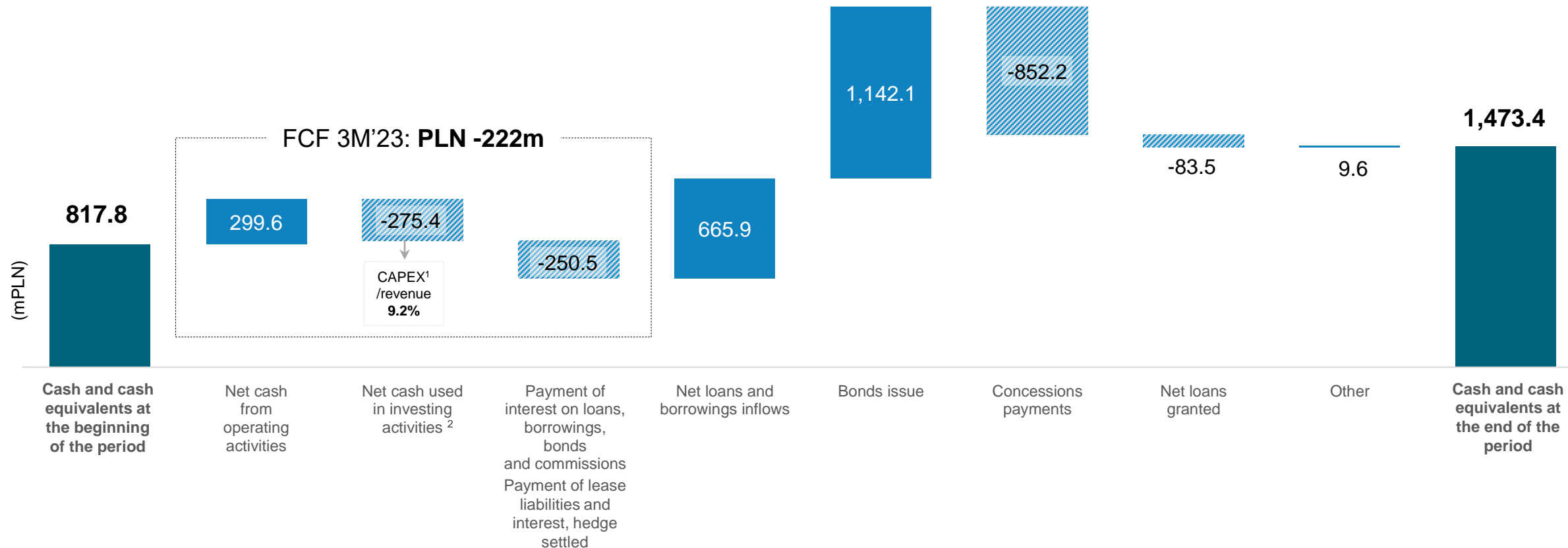
mPLN	Q1'23
Net cash from operating activities	300
Net cash from/used in investing activities	-1,211
Payment of interest on loans, borrowings, bonds and hedging instrument effect	-187
Payment of lease liabilities and interest	-64
FCF after interest	-1,162
Net loans granted	84
One-off payment for telecommunications licenses	847
Impact of bond early redemption	10
Adjusted FCF after interest	-222

Adjusted FCF after interest



Source: Consolidated financial statements for the 3-month period ended 31 March 2023 and internal analyses

High level of cash due to the issue of bonds



The Group's debt

mPLN

	Carrying amount as at 31 Mar 2023
SFA (Tranche A and B)	7,822
Revolving Credit Facility (RCF)	1,017
Bonds (Series B, C and D)	3,215
Leasing and other	530
Gross debt	12,584
Cash and cash equivalents ¹	(1,464)
Net debt	11,120
EBITDA LTM ²	3,416
Total net debt / EBITDA LTM	3.26x
Weighted average interest cost ³	9.0%

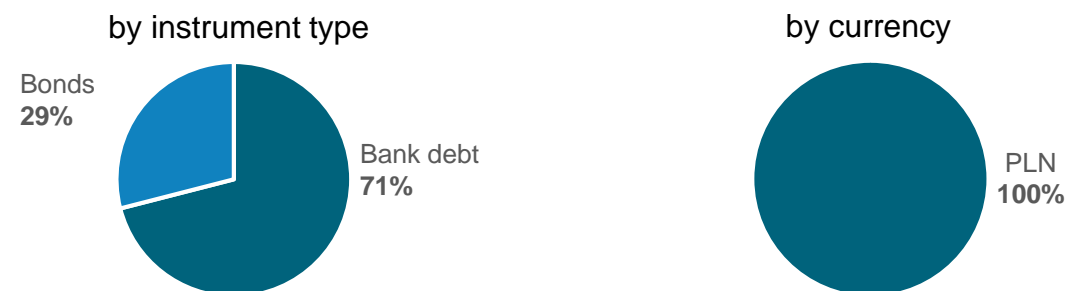
¹ This item comprises cash and cash equivalents

² EBITDA LTM adjusted in accordance with the requirements of the facility agreement

³ Prospective average weighted interest cost of the SFA (including the Revolving Credit Facility), Series B, Series C and Series D Bonds, excluding hedging instruments, as at 31 March 2023 at WIBOR 1M of 6.84% and WIBOR 6M of 6.95%

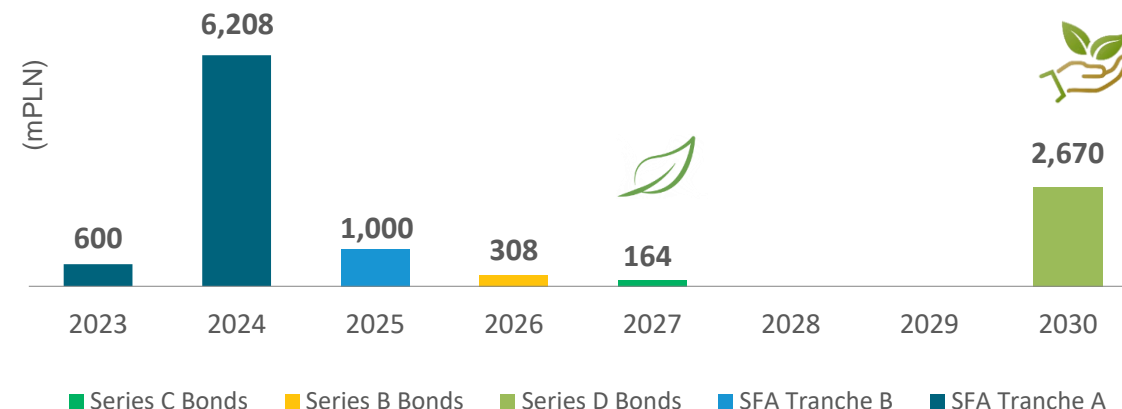
Debt structure

As at 31 Mar 2023



Debt maturing profile

As at 31 Mar 2023



Source: Consolidated financial statements for the 3-month period ended 31 March 2023 and internal analyses

We successfully refinanced the Group's debt

- On 11 January 2023 we issued series D bonds in a record amount of PLN 2.67 bn
- On 28 April 2023 we entered into a Senior Facilities Agreement with a consortium of Polish and foreign financial institutions, securing PLN 7.3 bn and EUR 0.5 bn in term loans and up to PLN 1.0 bn in a revolving loan
- All new debt is linked to sustainability targets in line with our Sustainability-Linked Financing Framework, with margins depending on the achievement of environmental targets:

	2025	2030
KPI 2		
Energy production from Renewable Energy Sources (RES) (GWh/year)	800 GWh/year	1,600 GWh/year
KPI 4		
Share of zero-emission energy in the energy mix used by GPP (%)	25%	50%



Key parameters of our new debt

	New Senior Debt	Series D bonds
Value / Currency	PLN 7.26 bn + PLN 1 bn (RCF) EUR 506 m	PLN 2.67 bn
Maturity Date	5 years, PLN tranche amortized, EUR tranche – bullet repayment	7 years, bullet repayment
Borrowers / Issuer	Cyfrowy Polsat, Polkomtel	Cyfrowy Polsat
Interest / Coupon	WIBOR/EURIBOR + margin <i>Margin depends on the net/EBITDA ratio defined in the SFA and two ESG KPIs</i>	WIBOR + 385 bps <i>Margin depends on the net/EBITDA ratio defined in the terms of bond issue and the ESG KPI</i>
Interest period	Monthly, quarterly or semi-annual	Semi-annual (January/July)
Collateral	Secured loan <i>Removal of collateral possible if net debt/EBITDA < 3.3x</i>	Unsecured
Financial covenants	Total leverage ⁽¹⁾ < 4.5x – 5.3x Secured leverage ⁽¹⁾ < 3.8x – 4.5x Interest cover > 2.0x Debt service cover > 1.1x	Leverage ratio ⁽¹⁾ < 5.5x; <5.0x Interest cover > 1.5x
Dividend payout	Total leverage (excl. project finance) < 3.5x	Leverage ratio <3.5x

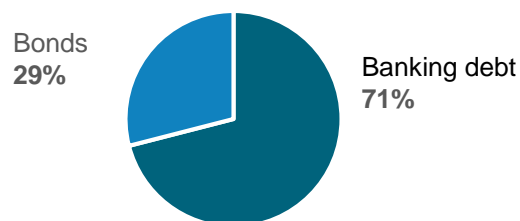
Note: (1) value variable in time

The new debt structure ensures flexibility in financing investments under the Strategy 2023+

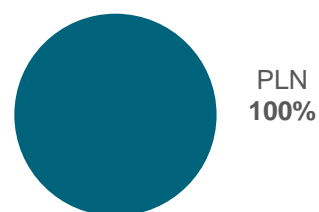
Debt structure

As at 31 Mar 2023

by instrument type

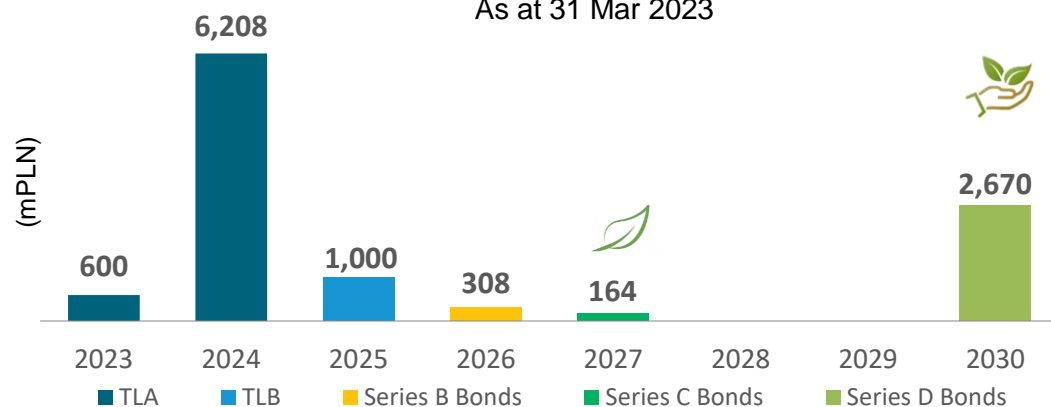


by currency



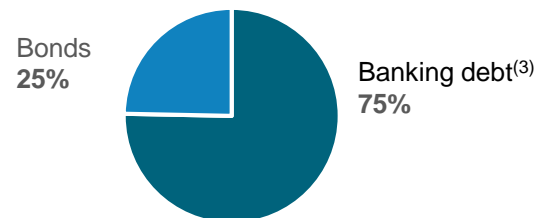
Debt maturing profile⁽¹⁾

As at 31 Mar 2023

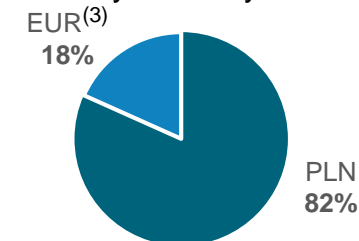


Debt structure after refinancing⁽²⁾

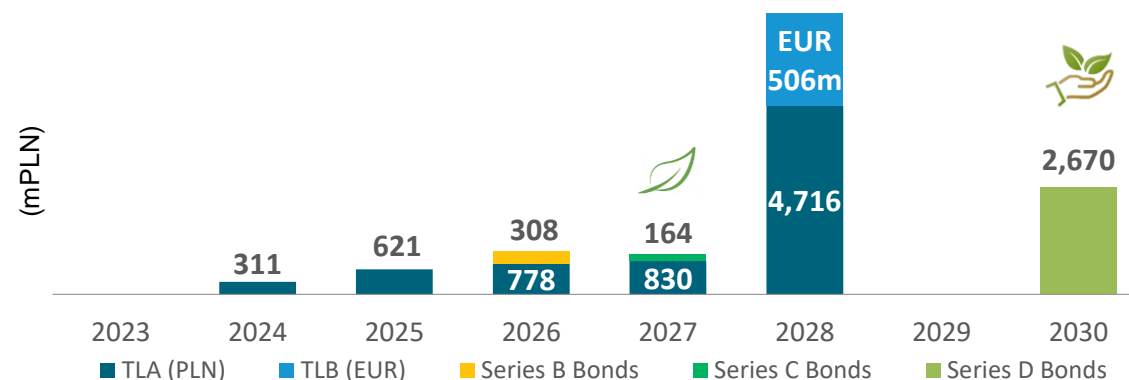
by instrument type



by currency



Debt maturing profile after refinancing⁽²⁾



Nota: (1) Excl. Leases

(2) Excl. leases and project finance debt

(3) The EUR tranche has been converted into euro at a rate of PLN 4.6039 per EUR 1

We invest in the future

Maciej Stec

Vice President of the Management Board, Cyfrowy Polsat



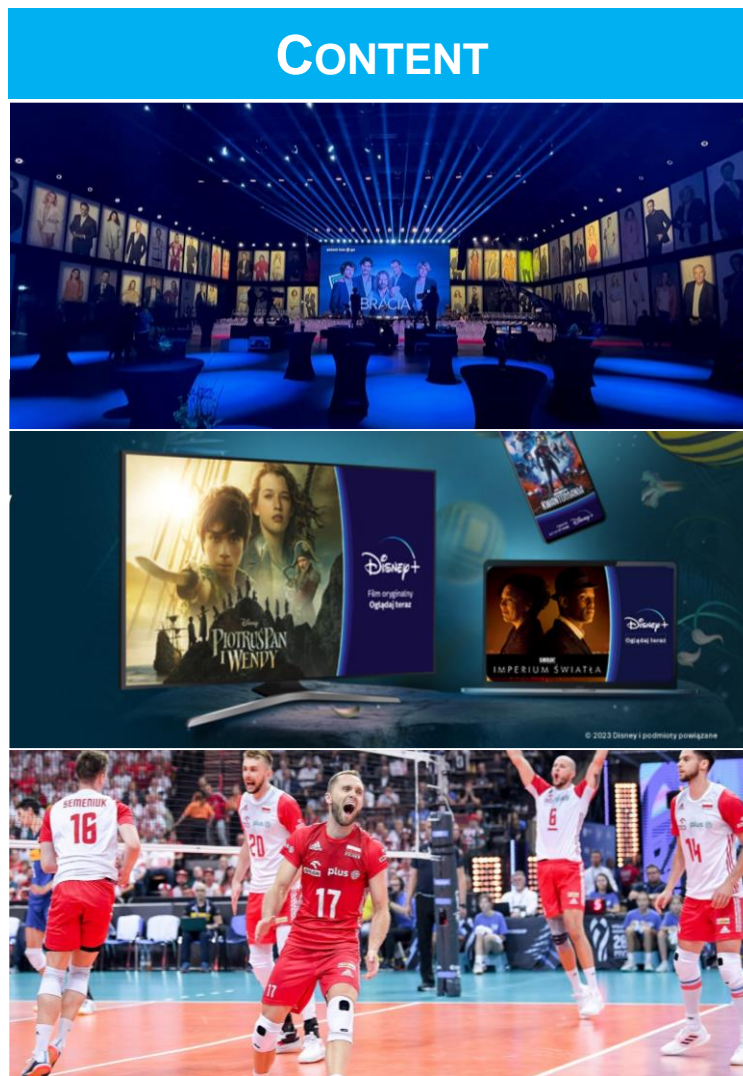
Strategy 2023+: we invest in practical innovations, we invest in the future!

CONNECTIVITY

The fastest 5G
in Poland will
accelerate to 1Gb/s



CONTENT



CLEAN ENERGY



Summary & Q&A



Mirosław Błaszczuk
President of the Management Board, Cyfrowy Polsat

Summary

- We have successfully refinanced the Group's debt on a difficult debt market and we have secured funding for investments under our *Strategy 2023+*
- We consistently pursue our multiplay strategy, which is reflected in growing ARPU and a low level of churn
- We are building wind and solar farms with almost 600 MW of installed capacity that will generate stable, high cash flows and EBITDA in the long-term
- We are developing the complete value chain based on green hydrogen – from production, through logistics and distribution, to use in everyday life
- We consistently and dynamically implement our *Strategy 2023+* in the area of Clean Energy and by doing so we invest in the future of Polsat Plus Group



Q&A

Additional information



Results of the segment of B2C and B2B services

mPLN	Q1'23	YoY change
Revenue	2,675	6%
Operating costs ⁽¹⁾	2,002	10%
Adjusted EBITDA ²	663	-6%
Adjusted EBITDA margin ²	24.8%	-3.1pp

- Increase in revenue supported by very strong sales of equipment and growing ARPU per B2C and B2B contract customer
- Inflationary pressure and increase in electricity costs are the main factors reflected in the increase in operating costs

Source: Consolidated financial statements for the 3-month period ended 31 March 2023 and internal analyses

Note: (1) Costs excl. depreciation, amortization, impairment and liquidation

(2) EBITDA excl. costs of supporting Ukraine (PLN 34.1m) in Q1'22

Results of the media segment

mPLN	Q1'23	YoY change
Revenue	568	6%
Operating costs ⁽¹⁾	474	9%
EBITDA	93	-4%
EBITDA margin	16.3%	-1.8pp

Source: Consolidated financial statements for the 3-month period ended 31 March 2023 and internal analyses

Note: (1) Costs excl. depreciation, amortization, impairment and liquidation

- Revenue under the positive impact of growing advertising revenue, revenue from cable/satellite operators and sales of licenses, sub-licenses and copyrights
- Content production is our competitive edge therefore we continue to invest in attractive programming, including premium sports, new TV series as well as attractive season scheduling

Results of the real estate segment

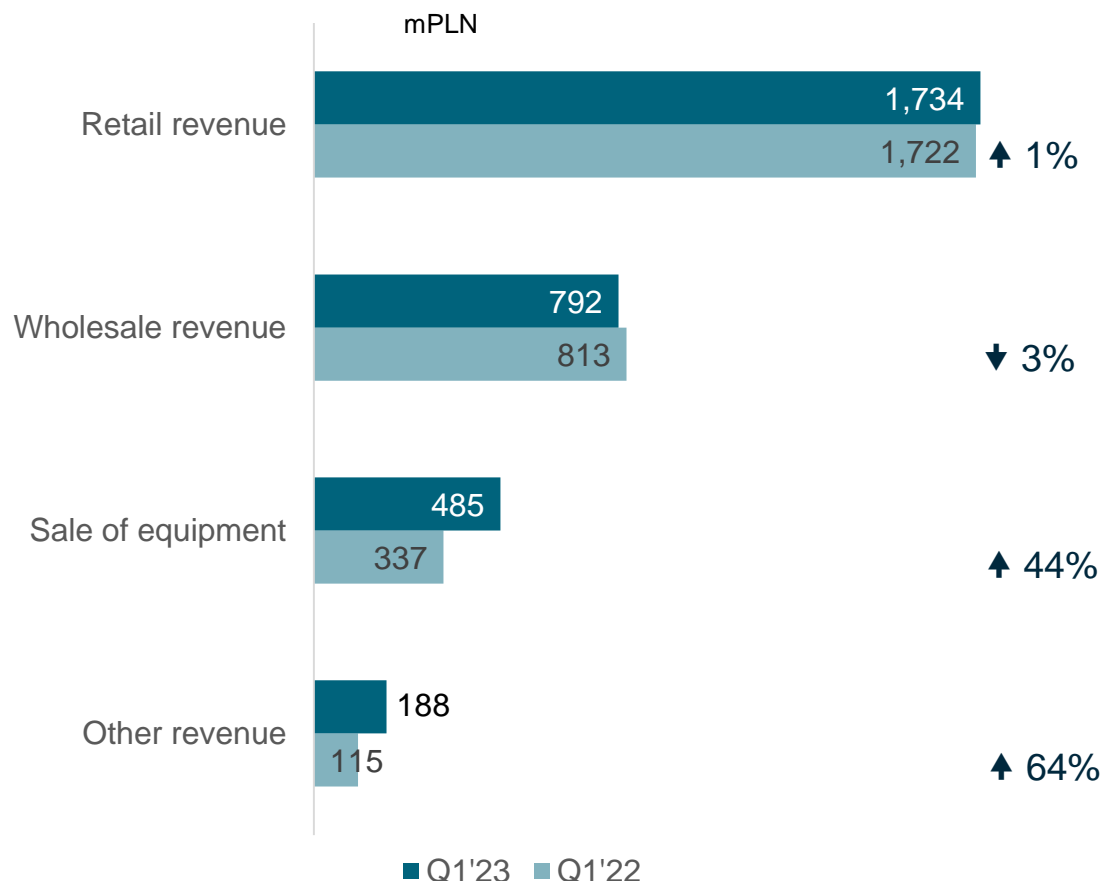
mPLN	Q1'23
Revenue	45
Operating costs ⁽¹⁾	39
EBITDA	7
EBITDA margin	15.6%

Source: Consolidated financial statements for the 3-month period ended 31 March 2023 and internal analyses

Note: (1) Costs excl. depreciation, amortization, impairment and liquidation

- The real estate segment mainly focuses on construction projects but it also includes sale, rental and management of own and leased property
- The sale of apartments in a new investment stage in Port Praski is underway. We also have an inventory of apartments that are ready for sale and we are working on construction projects for Polsat Plus Group companies
- Further real estate development projects are planned in the mid-term

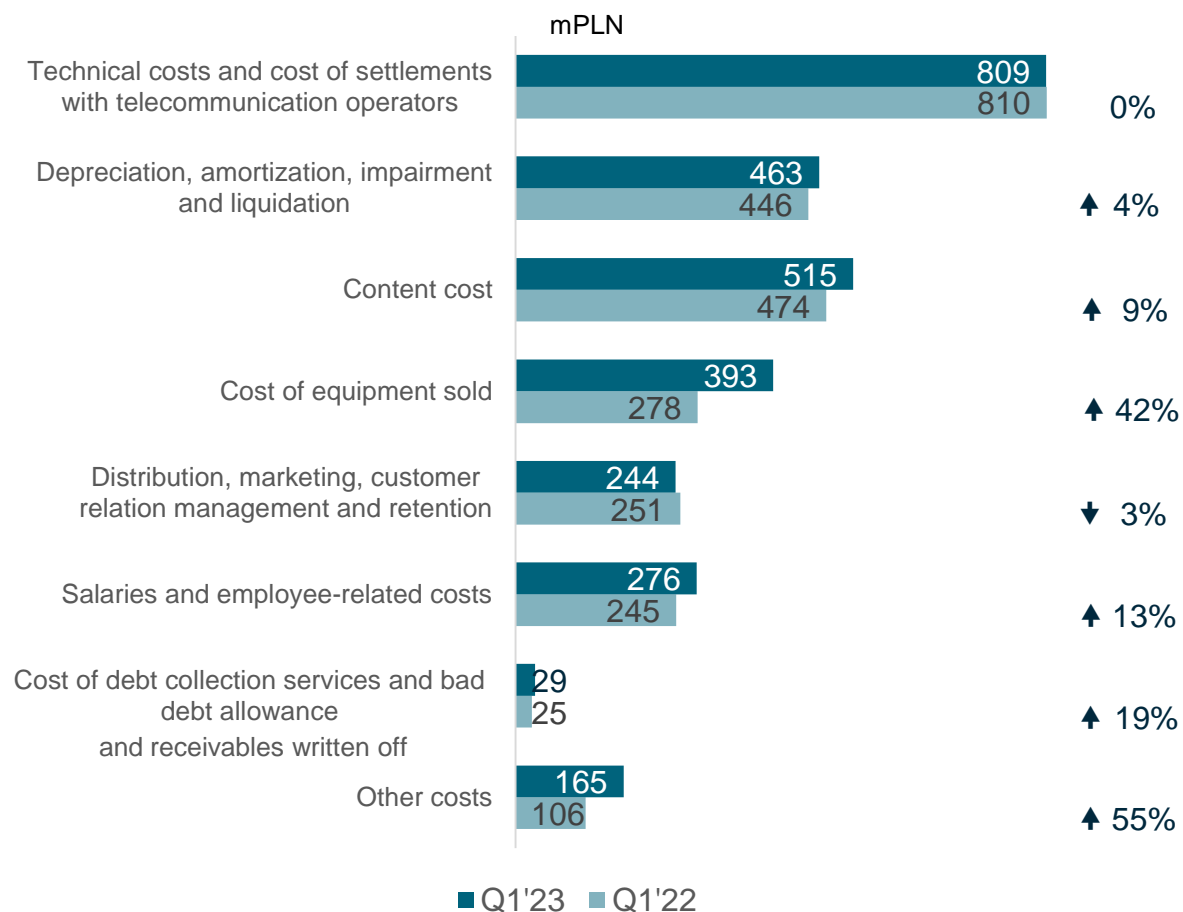
Revenue structure



- Increase in **retail revenue** as a result of the successful execution of our strategy aimed at building customer value, which is reflected in ARPU growth dynamics from contract B2C and B2B customers
- Significantly higher revenue from **sale of equipment** principally as a result of a higher share of more expensive smartphone models in the sales mix at stable YoY sales volumes
- Higher **other revenue** primarily due to the recognition of higher revenue from the sale and rent of premises in our real estate segment (no corresponding revenue in the comparative period), better result on gas and electricity sales, higher revenues from operations on the photovoltaic market and increasing interest revenue from installment sales

Source: Consolidated financial statements for the 3-month period ended 31 March 2023 and internal analyses

Operating costs structure



- Increase in the **cost of equipment sold** mainly as a result of a higher share of more expensive smartphone models in the sales mix
- Increase in **content cost** mainly as a result of higher costs of internal production and investments aimed at increasing the attractiveness of our TV channels' programming as well as higher costs of sports rights
- Increase in **salaries and employee-related costs** mainly due to the increased headcount and continuing inflationary pressure
- Increase in **other cost** related, among others, to the recognition of higher cost of operations in the photovoltaics market, cost of apartments sold in our real estate segment (no corresponding costs in the comparative period), higher property maintenance costs due to significantly higher electricity costs and inflationary pressure on rental fees, and higher legal, advisory and consulting costs

Source: Consolidated financial statements for the 3-month period ended 31 March 2023 and internal analyses

Glossary

RGU (Revenue Generating Unit)

Single, active and retail revenue generating service of pay TV provided in all types of access technologies, mobile or fixed-line Internet access, or mobile telephony provided in the contract or prepaid model.

Customer

A natural person, legal entity or an organizational unit without legal personality who has at least one active service provided in the contract model. A customer is identified by a unique national identification number (PESEL), tax identification number (NIP) or national business registry number (REGON).

ARPU per B2C/B2B customer

Average monthly revenue per customer generated in a given settlement period.

ARPU per prepaid RGU

Average monthly revenue per prepaid RGU generated in a given settlement period.

Churn

Termination of the contract with a B2C customer by means of a termination notice, collections or other activities resulting in the situation that after the termination of the contract the customer does not have any active services provided in the contract model.

Churn rate presents the relation of the number of customers for whom the last service has been deactivated (by means of a termination notice as well as deactivation as a result of collection activities or other reasons) within the last 12 months to the annual average number of customers in this 12-month period.

Usage definition (90-day for prepaid RGU)

Number of reported RGUs of prepaid services of mobile telephony and Internet access refers to the number of SIM cards which received or answered calls, sent or received SMS/MMS or used data transmission services within the last 90 days.

Investor Relations

Cyfrowy Polsat S.A.
Konstruktorska 4
02-673 Warsaw

Email: ir@cyfrowypolsat.pl

<https://grupapolsatplus.pl>

