



Cyfrowy Polsat S.A. Capital Group

**Interim Consolidated Report
for the three and nine month periods ended
September 30, 2024**

Warsaw, November 20, 2024

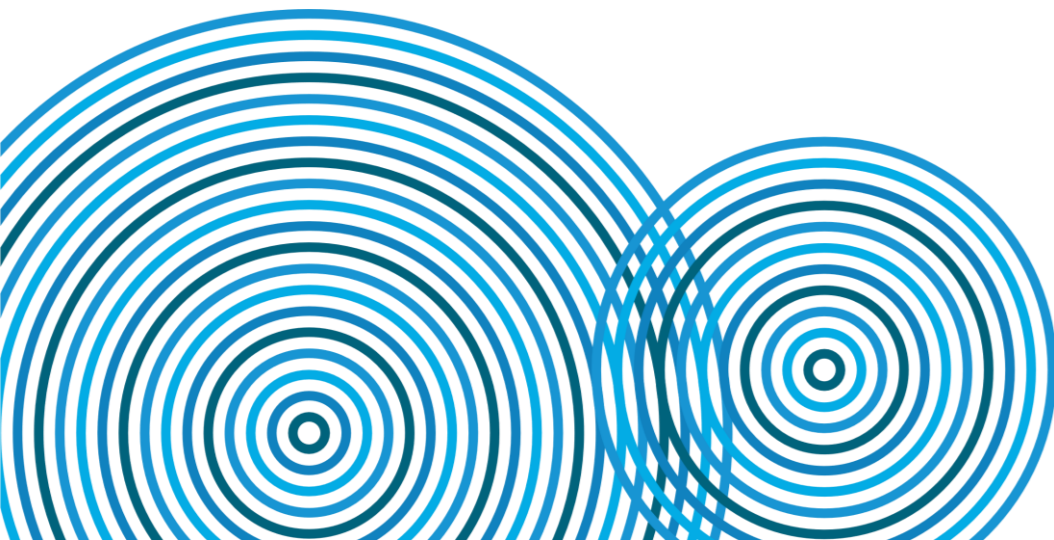




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Report of the Management Board on the activities of Cyfrowy Polsat S.A. Capital Group for the nine month period ended September 30, 2024



Cyfrowy Polsat S.A. Capital Group

**Interim Condensed Consolidated Financial Statements
for the 9 months ended 30 September 2024**

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

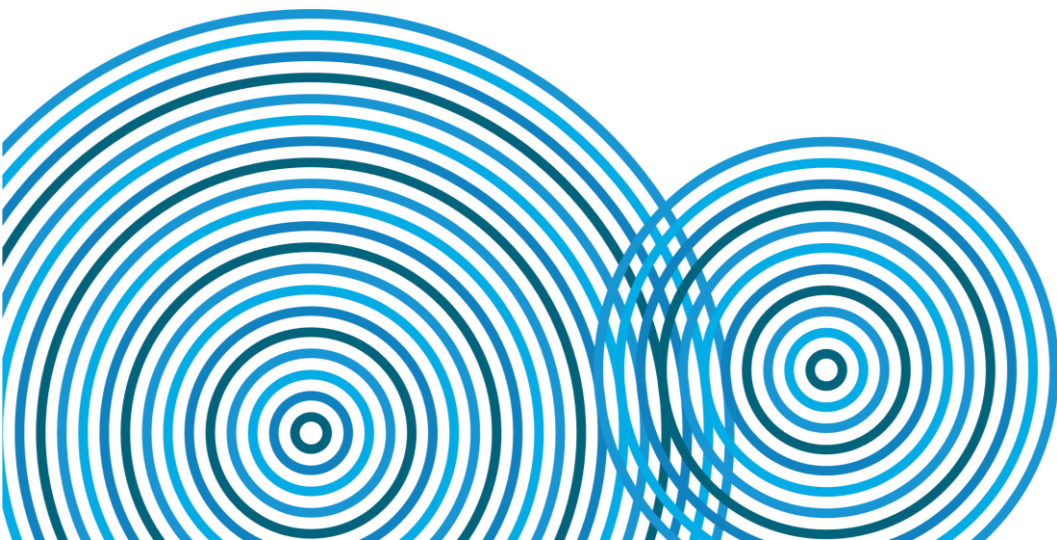


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Approval of the Interim Condensed Consolidated Financial Statements

On 20 November 2024, 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 2024 to 30 September 2024 showing a net profit for the period of: PLN 609.6

Interim Consolidated Statement of Comprehensive Income for the period

from 1 January 2024 to 30 September 2024 showing a total comprehensive income for the period of: PLN 603.5

Interim Consolidated Balance Sheet as at

30 September 2024 showing total assets and total equity and liabilities of: PLN 37,178.3

Interim Consolidated Cash Flow Statement for the period

from 1 January 2024 to 30 September 2024 showing a net decrease in cash and cash equivalents amounting to: PLN 215.6

Interim Consolidated Statement of Changes in Equity for the period

from 1 January 2024 to 30 September 2024 showing an increase in equity of: PLN 596.5

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 Błaszczuk
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, 20 November 2024

Interim Consolidated Income Statement

	Note	for the 3 months ended		for the 9 months ended	
		30 September 2024 unaudited	30 September 2023 unaudited	30 September 2024 unaudited	30 September 2023 unaudited
Continuing operations					
Revenue	8	3,579.5	3,455.7	10,438.8	9,944.8
Operating costs	9	(2,987.8)	(3,165.2)	(9,189.9)	(9,002.1)
Gain on disposal of a subsidiary and an associate		-	220.1	10.0	220.1
Other operating income/(cost), net		(22.2)	0.3	159.3	(23.4)
Profit from operating activities		569.5	510.9	1,418.2	1,139.4
Gain/(loss) on investment activities, net	10	81.8	39.9	185.2	81.7
Finance costs, net	11	(278.6)	(399.0)	(747.0)	(955.4)
Share of the profit/(loss) of associates accounted for using the equity method		(0.8)	19.3	(0.7)	29.7
Gross profit for the period		371.9	171.1	855.7	295.4
Income tax		(122.1)	(68.9)	(246.1)	(114.1)
Net profit for the period		249.8	102.2	609.6	181.3
Net profit/(loss) attributable to equity holders of the Parent		248.9	120.8	575.4	178.0
Net profit/(loss) attributable to non-controlling interest		0.9	(18.6)	34.2	3.3
Basic and diluted earnings per share (in PLN)		0.46	0.19	1.11	0.33

Interim Consolidated Statement of Comprehensive Income

	Note	for the 3 months ended		for the 9 months ended	
		30 September 2024 unaudited	30 September 2023 unaudited	30 September 2024 unaudited	30 September 2023 unaudited
Net profit for the period		249.8	102.2	609.6	181.3
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Valuation of hedging instruments	13	(9.5)	(10.1)	(5.2)	(24.4)
Share of other comprehensive income of subsidiaries and associates		-	(5.3)	(0.9)	(20.4)
Other comprehensive income/(loss), net of tax		(9.5)	(15.4)	(6.1)	(44.8)
Total comprehensive income/(loss) for the period		240.3	86.8	603.5	136.5
Total comprehensive income/(loss) attributable to equity holders of the Parent		239.3	105.1	569.5	135.8
Total comprehensive income/(loss) attributable to non-controlling interest		1.0	(18.3)	34.0	0.7

Interim Consolidated Balance Sheet - Assets

Note	30 September 2024 unaudited	31 December 2023
Property, plant and equipment	7,058.7	6,494.3
Goodwill	10,971.2	10,980.2
Customer relationships	131.9	300.2
Brands	1,926.7	1,979.7
Other intangible assets	4,699.0	4,835.8
Right-of-use assets	689.6	644.6
Non-current programming assets	304.5	304.8
Investment property	699.5	700.0
Non-current deferred distribution fees	77.7	85.0
Non-current trade receivables	891.3	968.1
Non-current loans granted	2.8	10.9
Other non-current assets, includes:	804.7	702.8
<i>shares in associates and joint ventures accounted for using the equity method</i>	9.4	10.1
<i>shares in third parties valued in fair value</i>	735.9	615.9
<i>derivative instruments</i>	22.9	35.2
Deferred tax assets	170.5	142.8
Total non-current assets	28,428.1	28,149.2
Current programming assets	833.9	678.2
Contract assets	337.7	349.0
Inventories	1,106.1	1,215.6
Trade and other receivables	2,910.3	2,947.1
Current loans granted	22.3	116.2
Income tax receivable	3.5	20.0
Current deferred distribution fees	251.8	227.4
Other current assets, includes:	177.9	139.7
<i>derivative instruments</i>	36.4	21.6
Cash and cash equivalents	3,073.3	3,306.0
Restricted cash	24.3	19.7
Total current assets	8,741.1	9,018.9
Assets held for sale, includes:	9.1	8.6
<i>cash and cash equivalents</i>	-	1.2
Total assets	37,178.3	37,176.7

Interim Consolidated Balance Sheet - Equity and Liabilities

	Note	30 September 2024 unaudited	31 December 2023
Share capital	12	25.6	25.6
Share premium	12	7,174.0	7,174.0
Share of other comprehensive income of associates		(0.1)	-
Other reserves		2,785.3	2,752.8
Retained earnings		8,909.5	8,334.1
Treasury shares		(2,854.7)	(2,854.7)
Equity attributable to equity holders of the Parent		16,039.6	15,431.8
Non-controlling interests		862.1	873.4
Total equity		16,901.7	16,305.2
Loans and borrowings	14	9,279.8	9,534.3
Issued bonds	15	3,583.1	3,955.4
Lease liabilities		460.2	444.6
Deferred tax liabilities		1,102.7	1,035.0
Other non-current liabilities and provisions, includes: <i>derivative instruments</i>		322.0 36.1	385.6 24.0
Total non-current liabilities		14,747.8	15,354.9
Loans and borrowings	14	1,292.7	1,069.7
Issued bonds	15	358.8	393.7
Lease liabilities		180.4	166.2
Contract liabilities		770.2	682.2
Trade and other payables, includes: <i>derivative instruments</i>		2,881.7 8.3	3,172.6 20.2
Income tax liability		45.0	31.4
Total current liabilities		5,528.8	5,515.8
Liabilities held for sale		-	0.8
Total liabilities		20,276.6	20,871.5
Total equity and liabilities		37,178.3	37,176.7

Interim Consolidated Cash Flow Statement

	Note	for the 9 months ended	
		30 September 2024 unaudited	30 September 2023 unaudited
Net profit		609.6	181.3
Adjustments for:		1,991.1	1,483.8
Depreciation, amortization, impairment and liquidation	9	1,279.5	1,415.1
Payments for film licenses and sports rights		(448.6)	(582.4)
Amortization of film licenses and sports rights		401.7	492.8
Interest expense		771.5	787.2
Change in inventories		125.9	(50.3)
Change in receivables and other assets		(14.9)	(246.2)
Change in liabilities and provisions		82.4	(122.4)
Change in contract assets		11.3	10.7
Change in contract liabilities		88.0	1.9
Foreign exchange gains, net		(32.8)	43.3
Income tax		246.1	114.1
Net additions of reception equipment		(109.6)	(89.5)
Share of the profit of associates accounted for using the equity method		0.7	(29.7)
Gain on disposal of a subsidiary and an associate		(10.0)	(220.1)
Premium for early redemption of bonds		0.4	10.1
Cumulative catch-up		(2.5)	(20.8)
One-time loans repayment		-	20.8
Valuation of hedging instruments		(6.4)	(30.1)
Profit on derivatives, net		(18.8)	(38.4)
Dividend income		(30.8)	-
Change in value of Asseco Poland S.A. shares		(116.0)	10.9
Gain on disposal of IP		(198.7)	-
Other adjustments		(27.3)	6.8
Cash from operating activities		2,600.7	1,665.1
Income tax paid		(177.9)	(266.5)
Interest received from operating activities		106.4	69.7
Net cash from operating activities		2,529.2	1,468.3

	Note	for the 9 months ended	
		30 September 2024 unaudited	30 September 2023 unaudited
Acquisition of property, plant and equipment		(933.8)	(765.0)
Acquisition of intangible assets		(240.4)	(239.5)
Concessions payments		(278.7)	(1,159.4)
Acquisition of subsidiaries, net of cash acquired		(133.2)	126.9
Proceeds from disposal of a subsidiary and an associate		12.0	913.8
Proceeds from sale of non-financial assets		223.5	12.9
Loans granted		(9.6)	(342.5)
Repayment of loans granted		95.9	132.8
Acquisition of bonds		-	(20.0)
Bonds redemption with interests		21.9	22.0
Dividends received		30.8	73.8
Other inflows		3.1	9.5
Net cash used in investing activities		(1,208.5)	(1,234.7)
Bonds issue	15	-	1,745.3
Loans and borrowings inflows	14	295.4	3,162.9
Repayment of loans and borrowings	14	(332.2)	(760.1)
Bonds redemption	15	(311.9)	-
Payment of interest on loans, borrowings, bonds, and commissions*		(1,000.9)	(942.3)
Payment of lease liabilities		(156.5)	(150.2)
Payment of interest on lease liabilities		(26.6)	(19.6)
Hedging instrument effect		16.0	56.5
Other inflows/(outflows)		(19.6)	(1.5)
Net cash from/(used) in financing activities		(1,536.3)	3,091.0
Net increase/(decrease) in cash and cash equivalents		(215.6)	3,324.6
Cash and cash equivalents at the beginning of the period		3,325.7⁽¹⁾	817.8⁽²⁾
Effect of exchange rate fluctuations on cash and cash equivalents		(12.5)	39.3
Cash and cash equivalents at the end of the period		3,097.6⁽³⁾	4,181.7⁽⁴⁾

* Includes amount paid for costs related to the new financing

⁽¹⁾ Includes restricted cash amounting to PLN 19.7

⁽²⁾ Includes restricted cash amounting to PLN 9.3

⁽³⁾ Includes restricted cash amounting to PLN 24.3

⁽⁴⁾ Includes restricted cash amounting to PLN 19.7

Interim Consolidated Statement of Changes in Equity for the 9 months ended 30 September 2024

	Share capital	Share premium	Share of other comprehensive income of associates	Other reserves	Retained earnings ⁽¹⁾	Treasury shares	Equity attributable to equity holders of the Parent	Non-controlling interests	Total equity
Balance as at 1 January 2024	25.6	7,174.0	-	2,752.8	8,334.1	(2,854.7)	15,431.8	873.4	16,305.2
Dividend approved and share of profits	-	-	-	-	-	-	-	(8.3)	(8.3)
Acquisition/disposal of subsidiaries/associates	-	-	-	(1.2)	-	-	(1.2)	2.5	1.3
Option valuation	-	-	-	39.5	-	-	39.5	(39.5)	-
Total comprehensive income/(loss)	-	-	(0.1)	(5.8)	575.4	-	569.5	34.0	603.5
<i>Hedge valuation reserve</i>	-	-	-	(5.2)	-	-	(5.2)	-	(5.2)
<i>Share of other comprehensive income of subsidiaries and associates</i>	-	-	(0.1)	(0.6)	-	-	(0.7)	(0.2)	(0.9)
<i>Net profit for the period</i>	-	-	-	-	575.4	-	575.4	34.2	609.6
Balance as at 30 September 2024 unaudited	25.6	7,174.0	(0.1)	2,785.3	8,909.5	(2,854.7)	16,039.6	862.1	16,901.7

⁽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 2024 the capital excluded from distribution amounts to PLN 8.5

Interim Consolidated Statement of Changes in Equity for the 9 months ended 30 September 2023

	Share capital	Share premium	Share of other comprehensive income of associates	Other reserves	Retained earnings ⁽¹⁾	Treasury shares	Equity attributable to equity holders of the Parent	Non-controlling interests	Total equity
Balance as at 1 January 2023	25.6	7,174.0	51.9	2,815.9	8,057.6	(2,854.7)	15,270.3	540.5	15,810.8
Dividend approved and share of profits	-	-	-	-	(2.0)	-	(2.0)	(7.3)	(9.3)
Acquisition/disposal of subsidiary/associate	-	-	(35.3)	(13.6)	-	-	(48.9)	(125.6)	(174.5)
Total comprehensive income/(loss)	-	-	(16.6)	(25.6)	178.0	-	135.8	0.7	136.5
<i>Hedge valuation reserve</i>	-	-	-	(24.4)	-	-	(24.4)	-	(24.4)
<i>Share of other comprehensive income of subsidiaries and associates</i>	-	-	(16.6)	(1.2)	-	-	(17.8)	(2.6)	(20.4)
<i>Net profit for the period</i>	-	-	-	-	178.0	-	178.0	3.3	181.3
Balance as at 30 September 2023 unaudited	25.6	7,174.0	-	2,776.7	8,233.6	(2,854.7)	15,355.2	408.3	15,763.5

⁽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 2023 the capital excluded from distribution amounts to PLN 8.5

3. Composition of the Supervisory Board of the Company

- Zygmunt Solorz Chairman of the Supervisory Board,
- Justyna Kulka Vice-Chairman of the Supervisory Board (since 20 June 2024 roku),
- Piotr Żak Vice-Chairman of the Supervisory Board (until 3 July 2024),
- Tobiasz Solorz Vice-Chairman of the Supervisory Board (until 8 October 2024 roku),
- Józef Birka Member of the Supervisory Board,
- Marek Grzybowski Member of the Supervisory Board,
- Alojzy Nowak Member of the Supervisory Board,
- Tomasz Szeląg Member of the Supervisory Board,
- Jarosław Grzesiak Member of the Supervisory Board (until 8 October 2024).

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 2024 have been prepared in accordance with the International Accounting Standard (“IAS”) 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 2023, 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 2023, except for the adoption of new, amended Standards or Interpretations that apply to the annual reporting periods beginning on or after 1 January 2024.

During the nine-month period ended 30 September 2024 the following became effective:

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current,
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback,
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements.

Amendments and interpretations that apply for the first time in 2024 do not have a material impact on the interim condensed consolidated financial statements of the Group.

Standards published but not yet effective:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability,
- Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments,
- IFRS 18 Presentation and Disclosure in Financial Statements,
- IFRS 19 Subsidiaries without Public Accountability: Disclosures,
- Annual improvements (volume 11) – includes clarifications, simplifications, corrections and changes of IFRS standards: IFRS 1 First-time Adoption of International Financial

Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, IAS 7 Statement of Cash Flows.

5. Group structure

These interim condensed consolidated financial statements for the 9 months ended 30 September 2024 include the following entities:

	Entity's registered office	Activity	Share in voting rights (%)*	
			30 September 2024	31 December 2023
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 Sp. z o.o. (formerly 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 Investments Ltd.	3, Krinou Agios Athanasios, 4103 Limassol, Cyprus	media	100%	100%
Polsat Ltd.	238A King Street, W6 0RF London, United Kingdom	media	100%	100%
naEKRAKIE.pl Sp. z o.o.	Fabryczna 5a, 00-446 Warsaw	media	60%	60%
4FUN Sp. z o.o.	Fabryczna 5a, 00-446 Warsaw	media	60%	60%
Muzo.fm Sp. z o.o.^(f)	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	media	-(f)	100%
INFO-TV-FM Sp. z o.o.	Łubinowa 4a, 03-878 Warsaw	radio and TV activities	100%	100%
CPSPV1 Sp. z o.o.^(g)	Łubinowa 4a, 03-878 Warsaw	technical services	-(g)	100%

	Entity's registered office	Activity	Share in voting rights (%)*	
			30 September 2024	31 December 2023
Subsidiaries accounted for using full method (cont):				
CPSPV2 Sp. z o.o.^(g)	Łubinowa 4a, 03-878 Warsaw	technical services	-(g)	100%
Polkomtel Sp. z o.o.	Konstruktorska 4, 02-673 Warsaw	telecommunication activities	100%	100%
Liberty Poland S.A.	Al. Stanów Zjednoczonych 61, 04-028 Warsaw	telecommunication activities	100%	100%
Polkomtel Business Development Sp. z o.o.	Konstruktorska 4, 02-673 Warsaw	other activities supporting financial services, gaseous fuels trading activities	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	**	**
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%
Netia S.A.	Poleczki 13, 02-822 Warsaw	telecommunication activities	100%	100%
Netia 2 Sp. z o.o.	Poleczki 13, 02-822 Warsaw	telecommunication activities	100%	100%

	Entity's registered office	Activity	Share in voting rights (%) [*]	
			30 September 2024	31 December 2023
Subsidiaries accounted for using full method (cont):				
TK Telekom Sp. z o.o.	Kijowska 10/12A, 03-743 Warsaw	telecommunication activities	100%	100%
Petrotel Sp. z o.o.	Chemików 7, 09-411 Płock	telecommunication activities	100%	100%
Eleven Sports Network Sp. z o.o.	Plac Europejski 2, 00-844 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.	Kielecka 5, 81-303 Gdynia	retail sales	75.96%	75.96%
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	51.25%	51.25%
Alledo Parts Sp. z o.o. Sp.k.	Broniwoja 3/85, 02-655 Warsaw	wholesale	51.25%	51.25%
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%
Grupa Interia.pl Sp. z o.o.	Os. Teatralne 9a, 31-946 Cracow	holding activities	100%	100%
Interia.pl Sp. z o.o. (formerly Grupa Interia.pl Media Sp. z o.o. Sp.k.)	Os. Teatralne 9a, 31-946 Cracow	web portals activities	100%	100%
Mobiem Polska in liquidation Sp. z o.o.	Fabryczna 5a, 00-446 Warsaw	holding activities	100%	100%

Interim Condensed Consolidated Financial Statements for the 9 months ended 30 September 2024
 (all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

	Entity's registered office	Activity	Share in voting rights (%)*	
			30 September 2024	31 December 2023
Subsidiaries accounted for using full method (cont):				
Mobiem Sp. z o.o. (formerly 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.	Ludwika Solskiego 55, 52-401 Wroclaw	consulting	60%	60%
Polot Media Sp. z o.o. Sp.k.	Ludwika Solskiego 55, 52-401 Wroclaw	movie and TV production	60%	60%
BCAST Sp. z o.o.^(e)	Rakowiecka 41/21, 02-521 Warsaw	telecommunication activities	80.01%	70.02%
Polsat Talenty Sp. z o.o.	Ostrobramska 77, 04-175 Warsaw	cooperation with artists and presenters	100%	100%
Premium Mobile Sp. z o.o.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	telecommunication activities	100%	100%
Saveadvisor Sp. z o.o.^(m)	Warszawska 18, 35-205 Rzeszów	call center services	-(^m)	100%
Stork 5 Sp. z o.o.	Łubinowa 4A, 03-878 Warsaw	holding activities	100%	100%
Swan 5 Sp. z o.o.	Łubinowa 4A, 03-878 Warsaw	agricultural activities	100%	100%
Vindix S.A.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	other financial services	100%	100%
Vindix Investments Sp. z o.o.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	other financial services	100%	100%
Direct Collection Sp. z o.o.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	other financial services	100%	100%
Vindix Sp. z o.o.	Heroiv UPA 73 ż, 79018, Lviv	call center services	100%	100%

	Entity's registered office	Activity	Share in voting rights (%)*	
			30 September 2024	31 December 2023
Subsidiaries accounted for using full method (cont):				
Vindix NSFIZ	Mokotowska 49, 00-542 Warsaw	financial services	**	**
Mag7soft Sp. z o.o.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	software activities	100%	100%
Port Praski Sp. z o.o.	Krowia 6, 03-711 Warsaw	implementation of construction projects	66.94%	66.94%
Port Praski Nowe Inwestycje Sp. z o.o.	Krowia 6, 03-711 Warsaw	real estate management	66.94%	66.94%
Port Praski Office Park Sp. z o.o.	Krowia 6, 03-711 Warsaw	implementation of construction projects	77.52%	77.52%
Port Praski City Sp. z o.o.	Krowia 6, 03-711 Warsaw	implementation of construction projects	77.52%	77.52%
Port Praski City III Sp. z o.o.	Krowia 6, 03-711 Warsaw	implementation of construction projects	77.52%	77.52%
Port Praski City IV Sp. z o.o.	Krowia 6, 03-711 Warsaw	implementation of construction projects	77.52%	77.52%
Port Praski Sp. z o.o. S.K.A.	Krowia 6, 03-711 Warsaw	implementation of construction projects	77.52%	77.52%
Port Praski Education Sp. z o.o.	Krowia 6, 03-711 Warsaw	implementation of construction projects	77.52%	77.52%
Port Praski Doki Sp. z o.o.	Krowia 6, 03-711 Warsaw	implementation of construction projects	77.52%	77.52%
Port Praski Doki II Sp. z o.o.	Krowia 6, 03-711 Warsaw	implementation of construction projects	77.52%	77.52%
Port Praski Media Park Sp. z o.o.	Krowia 6, 03-711 Warsaw	implementation of construction projects	77.52%	77.52%
Port Praski II Sp. z o.o.	Krowia 6, 03-711 Warsaw	implementation of construction projects	77.52%	77.52%

Interim Condensed Consolidated Financial Statements for the 9 months ended 30 September 2024
(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

	Entity's registered office	Activity	Share in voting rights (%)*	
			30 September 2024	31 December 2023
Subsidiaries accounted for using full method (cont):				
Port Praski Hotel Sp. z o.o.	Krowia 6, 03-711 Warsaw	hotel services	77.52%	77.52%
Pantanomo Limited	3 KRINOU, Limassol 4103, Cyprus	holding activities	77.52%	77.52%
Laris Investments Sp. z o.o.	Pańska 77/79, 00-834 Warsaw	real estate rental	66.94%	66.94%
Laris Development Sp. z o.o.	Pańska 77/79, 00-834 Warsaw	implementation of construction projects	66.94%	66.94%
Laris Technologies Sp. z o.o.	Pańska 77/79, 00-834 Warsaw	property rental and management	66.94%	66.94%
SPV Baletowa Sp. z o.o.^(c)	Pańska 77/79, 00-834 Warsaw	implementation of construction projects	-(c)	66.94%
Megadex Development Sp. z o.o.⁽ⁿ⁾	Gdańska 14/1, 01-691 Warsaw	property rental and management	66.94%	66.94%
Megadex Expo Sp. z o.o.⁽ⁿ⁾	Adama Mickiewicza 63, 01-625 Warsaw	property rental and management	66.94%	66.94%
Centrum Zdrowia i Relaksu Verano Sp. z o.o.	Sikorskiego 8, 78-100 Kołobrzeg	hotel services	66.94%	66.94%
Enterpol Sp. z o.o.^(b)	Braci Wieniawskich 5, 20-844 Lublin	telecommunication activities	-(b)	100%
Oktawave S.A.	ul. Poleczki 13, 02-822 Warsaw	website management	100%	100%
Antyweb Sp. z o.o.	Sarmacka 12C/14, 02-972 Warsaw	web portal activities	79.88%	79.88%
PAK-Polska Czysta Energia Sp. z o.o.	Kazimierska 45, 62-510 Konin	holding activity	50.5%	50.5%
PAK-PCE Człuchów Sp. z o.o. (formerly Great Wind Sp. z o.o.)^(j)	Kazimierska 45, 62-510 Konin	production of electricity	50.5%	50.5%
PAK-PCE Farma Wiatrowa Okonek Sp. z o.o.^(d)	Kazimierska 45, 62-510 Konin	holding activity	-(d)	50.5%

Interim Condensed Consolidated Financial Statements for the 9 months ended 30 September 2024
 (all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

	Entity's registered office	Activity	Share in voting rights (%)*	
			30 September 2024	31 December 2023
Subsidiaries accounted for using full method (cont):				
PAK-PCE Farma Wiatrowa Jastrowie Sp. z o.o.^(d)	Kazimierska 45, 62-510 Konin	holding activity	-(d)	50.5%
Eviva Lębork Sp. z o.o.^(a)	Kazimierska 45, 62-510 Konin	production of electricity	-(a)	50.5%
Eviva Drzezewo Sp. z o.o.	Kazimierska 45, 62-510 Konin	production of electricity	50.5%	50.5%
Mese Sp. z o.o.^(d)	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	movie and TV production	-(d)	55.45%
PCE OZE 1 Sp. z o.o.	Kazimierska 45, 62-510 Konin	production of electricity	50.5%	50.5%
PCE OZE 2 Sp. z o.o.	Kazimierska 45, 62-510 Konin	production of electricity	50.5%	50.5%
PCE OZE 3 Sp. z o.o.	Kazimierska 45, 62-510 Konin	production of electricity	50.5%	50.5%
PCE OZE 4 Sp. z o.o.	Kazimierska 45, 62-510 Konin	production of electricity	50.5%	50.5%
PCE OZE 6 Sp. z o.o.	Kazimierska 45, 62-510 Konin	production of electricity	50.5%	50.5%
Exion Hydrogen Polskie Elektrolizery Sp. z o.o.	Ku Ujściu 19, 80-701 Gdańsk	manufacture of electrical equipment	50.4%	50.4%
Exion Hydrogen Belgium BV	Slachthuisstraat 120, bus 12, 2300 Turnhout Belgium	manufacture of electrical equipment	50.4%	50.4%
PAK-PCE Fotowoltaika Sp. z o.o.	Kazimierska 45, 62-510 Konin	production of electricity	50.5%	50.5%
PAK-VOLT S.A.	Al. Stanów Zjednoczonych 61A, 04-028 Warsaw	trade of electricity	50.5%	50.5%
PG Hydrogen Sp. z o.o.	Konstruktorska 4, 02-673 Warsaw	manufacture of engines and turbines	26.26%	26.26%
PAK-PCE Biopaliwa i Wodór Sp. z o.o.	Przemysłowa 158, 62-510 Konin	production of electricity	50.5%	50.5%
PAK-PCE Wiatr Sp. z o.o.	Kazimierska 45, 62-510 Konin	production of electricity	50.5%	50.5%
PAK-PCE Polski Autobus Wodorowy Sp. z o.o.	Kazimierska 45, 62-510 Konin	manufacture of buses	50.5%	50.5%

Interim Condensed Consolidated Financial Statements for the 9 months ended 30 September 2024
(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

	Entity's registered office	Activity	Share in voting rights (%)*	
			30 September 2024	31 December 2023
Subsidiaries accounted for using full method (cont):				
PAK-PCE Stacje H2 Sp. z o.o.	Kazimierska 45, 62-510 Konin	retail of hydrogen	50.5%	50.5%
PAK-PCE Przyrów Sp. z o.o. (formerly Farma Wiatrowa Przyrów Sp. z o.o.)^(k)	ul. Częstochowska 7A, 42-428 Przyrów	production of electricity	50.5%	50.5%
PAK-PCE Dobra Sp. z o.o. (formerly Elektrownie Wiatrowe Dobra Sp. z o.o.)^(l)	Kazimierska 45, 62-510 Konin	production of electricity	50.5%	50.5%
PAK-PCE Kazimierz Biskupi Sp. z o.o. (formerly Farma Wiatrowa Kazimierz Biskupi Sp. z o.o.)^(l)	Kazimierska 45, 62-510 Konin	production of electricity	50.5%	50.5%
PAK-PCE Miłosław Sp. z o.o. (formerly Park Wiatrowy Pałczyn 1 Sp. z o.o.)^(h)	Al. Wojska Polskiego 68, 70-479 Szczecin	production of electricity	50.5%	50.5%
Port Praski Medical Center Sp. z o.o.	Postępu 14, 02-676 Warsaw	implementation of construction projects	77.52%	77.52%
Port Praski City II Sp. z o.o.	Postępu 14, 02-676 Warsaw	implementation of construction projects	77.52%	77.52%

* including direct and indirect shares

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

^(a) On 3 January 2024 merger of Eviva Drzeżewo Sp. z o.o. (acquiring company) with Eviva Lębork Sp. z o.o. (acquired company) was registered.

^(b) On 5 January 2024 merger of Netia S.A. (acquiring company) with Enterpol Sp. z o.o. (acquired company) was registered.

^(c) On 18 January 2024 merger of Laris Development Sp. z o.o. (acquiring company) with SPV Baletowa Sp. z o.o. (acquired company) was registered.

^(d) On 31 January 2024 merger of PAK-PCE Wiatr Sp. z o.o. (acquiring company) with companies: PAK-PCE Jastrowie Sp. z o.o., PAK-PCE Okonek Sp. z o.o. and Mese Sp. z o.o. (acquired companies) was registered.

^(e) On 14 March 2024 Cyfrowy Polsat S.A. acquired additional 10% shares in BCAST Sp. z o.o. Following the transaction, Cyfrowy Polsat S.A. holds 80.01% shares in BCAST Sp. z o.o.

^(f) On 27 March 2024 Telewizja Polsat Sp. z o.o. sold 100% of shares in Muzo.fm Sp. z o.o.

^(g) On 30 April 2024 merger of Polkomtel Business Development Sp. z o.o. (acquiring company) with companies: CPSPV1 Sp. z o.o. and CPSPV2 Sp. z o.o. (acquired companies) was registered.

^(h) On 6 May 2024 name change from Park Wiatrowy Pałczyn 1 Sp. z o.o. to PAK-PCE Miłosław Sp. z o.o. was registered.

⁽ⁱ⁾ On 6 August 2024 name change from Elektrownie Wiatrowe dobra Sp. z o.o. to PAK-PCE Dobra Sp. z o.o. was registered.

^(j) On 7 August 2024 name change from Great Wind Sp. z o.o. to PAK-PCE Człuchów Sp. z o.o. was registered

^(k) On 7 August 2024 name change from Farma Wiatrowa Przyrów Sp. z o.o. to PAK-PCE Przyrów Sp. z o.o. was registered

^(l) On 26 August 2024 name change from Farma Wiatrowa Kazimierz Biskupi Sp. z o.o. to PAK-PCE Kazimierz Biskupi Sp. z o.o. was registered

^(m) On 30 August 2024 merger of Premium Mobile Sp. z o.o. (acquiring company) with Saveadvisor Sp. z o.o. (acquired company) was registered.

⁽ⁿ⁾ On 15 October 2024 merger of Megadex Development Sp. z o.o. (acquiring company) with Megadex Expo Sp. z o.o. (acquired company) was registered.

Interim Condensed Consolidated Financial Statements for the 9 months ended 30 September 2024
(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

Investments accounted for under the equity method:

	Entity's registered office	Activity	Share in voting rights (%) [*]	
			30 September 2024	31 December 2023
Polski Operator Telewizyjny Sp. z o.o.	Wiertnicza 166, 02-952 Warsaw	technical services	50%	50%
Polsat Boxing Promotion Sp. z o.o.	Ostrobramska 77, 04-175 Warsaw	movie and TV production	24%	24%
Pollytag S.A.	Wielopole 6, 80-556 Gdańsk	sale of wood and construction materials	31.12%	31.12%

* including direct and indirect shares

Additionally, the following entities were included in these consolidated financial statements for the 9 months ended 30 September 2024:

	Entity's registered office	Activity	Share in voting rights (%)	
			30 September 2024	31 December 2023
Karpacka Telewizja Kablowa Sp. z o.o.⁽¹⁾	Warszawska 220, 26-600 Radom	dormant	99%	99%
Polskie Badania Internetu Sp. z o.o.⁽²⁾	Al. Jerozolimskie 65/79, 00-697 Warsaw	web portals activities	21.43%	21.43%
Pluszak Sp. z o.o.	Domaniewska 47, 02-672 Warsaw	retail sales	9%	9%
Towerlink Poland Sp. z o.o.	Marcina Kasprzaka 4, 01-211 Warsaw	telecommunication activities	0.01%	0.01%
Megadex SPV Sp. z o.o.	Adama Mickiewicza 63, 01-625 Warsaw	other financial services	7.02%	7.02%
Stocznia Remontowa NAUTA S.A.	Budowniczych 10, 81-336 Gdynia	repair and maintenance of ships and boats	0.03%	0.03%
Asseco Poland S.A.	Olchowa 14, 35-322 Rzeszów	software activities	10.13%	10.13%
Neo Energia Przykona X Sp. z o.o.⁽³⁾	Franciszka Klimczaka 1, 02-797 Warsaw	other consulting	0.51%	-
Energia Przykona Sp. z o.o.⁽⁴⁾	Franciszka Klimczaka 1, 02-797 Warsaw	electricity distribution	0.51%	-

⁽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⁾ On 27 June 2024, PAK-Polska Czysta Energia Sp. z o.o. acquired 1% shares in Neo Energia Przykona X Sp. z o.o.

⁽⁴⁾ On 27 June 2024, PAK-Polska Czysta Energia Sp. z o.o. acquired 1% shares in Energia Przykona 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 20 November 2024.

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.

Revenues from sales of energy produced from wind sources are subject to seasonal fluctuations during the year in such a way that the highest production usually occurs in the fourth and first quarters, which is related to the higher number of windy days. Revenues from sales of energy produced from photovoltaics are subject to seasonal fluctuations during the year in such a way that the highest production is usually in the second and third quarters, which is related to the higher number of sunny days.

8. Revenue

	for the 3 months ended		for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited	30 September 2024 Unaudited	30 September 2023 unaudited
Retail revenue	1,817.2	1,754.8	5,372.2	5,223.4
Wholesale revenue	763.8	799.3	2,361.7	2,450.6
Sale of equipment	457.2	446.5	1,315.9	1,415.0
Energy revenue	359.1	272.0	890.0	272.0
Other revenue	182.2	183.1	499.0	583.8
Total	3,579.5	3,455.7	10,438.8	9,944.8

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.

Energy revenue mainly consists of revenue from the sale of produced electricity and revenue from the sale of traded electricity, revenue from the sale of heat, as well as revenue from the sale of 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 photovoltaic installations, revenue from the sale of apartments, revenue from the sale of hydrogen, revenue from the sale of gas and sale of buses.

9. Operating costs

	for the 3 months ended		for the 9 months ended		
	30	30	30	30	
	Note	September	September	September	
	2024	2023	2024	2023	
	unaudited	unaudited	Unaudited	unaudited	
Technical costs and cost of settlements with telecommunication operators		869.7	838.1	2,492.4	2,470.6
Depreciation, amortization, impairment and liquidation		303.2	475.0	1,239.9	1,406.2
Cost of equipment sold		365.4	348.1	1,027.1	1,124.7
Content costs		415.1	516.6	1,483.5	1,560.5
Cost of energy sold, includes:		262.2	255.1	698.1	255.1
<i>Depreciation*</i>		12.4	8.5	36.3	8.5
Distribution, marketing, customer relation management and retention costs		264.1	258.2	788.6	749.5
Salaries and employee-related costs	a)	290.1	271.6	890.5	822.6
Cost of debt collection services, bad debt allowance and receivables written off		27.7	32.9	69.2	94.8
Other costs, includes:		190.3	169.6	500.6	518.1
<i>Depreciation*</i>		1.3	0.4	3.3	0.4
Total		2,987.8	3,165.2	9,189.9	9,002.1

* depreciation costs included within energy and bus production costs

a) Salaries and employee related costs

	for the 3 months ended		for the 9 months ended	
	30	30	30	30
	September	September	September	September
	2024	2023	2024	2023
	unaudited	unaudited	unaudited	unaudited
Salaries	238.6	224.3	727.6	675.2
Social security contributions	37.5	35.3	119.6	110.8
Other employee-related costs	14.0	12.0	43.3	36.6
Total	290.1	271.6	890.5	822.6

* does not include production employees

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

	for the 3 months ended		for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited	30 September 2024 unaudited	30 September 2023 unaudited
Interest on lease liabilities	(10.5)	(8.2)	(30.5)	(21.2)
Interest on loans granted	0.6	3.0	5.8	29.2
Other interest, net	33.5	13.0	93.9	43.2
Other foreign exchange gains/(losses), net	1.8	39.0	(4.1)	20.6
Change in value of Asseco Poland S.A. shares	57.6	(10.9)	116.0	(10.9)
Other income/(costs)	(1.2)	4.0	4.1	20.8
Total	81.8	39.9	185.2	81.7

11. Finance costs, net

	for the 3 months ended		for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited	30 September 2024 unaudited	30 September 2023 unaudited
Interest expense on loans and borrowings	169.0	201.9	519.6	611.0
Interest expense on issued bonds*	94.2	79.4	284.0	249.8
Foreign exchange differences on loans and borrowings	(17.1)	93.6	(34.8)	63.6
Cumulative catch-up	-	(1.6)	(2.5)	(20.8)
One-time loans repayment	-	-	-	20.8
Valuation and realization of hedging instruments	(1.9)	(3.0)	(3.7)	(13.8)
Valuation and realization of derivatives not used in hedge accounting – relating to interest	31.6	27.1	(22.8)	41.3
Guarantee fees, bank and other charges	2.8	1.6	7.2	3.5
Total	278.6	399.0	747.0	955.4

* includes early redemption bonuses

12. Equity

Share capital

Presented below is the structure of the Company's share capital as at 30 September 2024 and 31 December 2023:

Share series	Number of shares*	Nominal value of shares	Type of shares
Series A	2,500,000	0.1	Registered, preference shares (2 voting rights)
Series B	2,500,000	0.1	Registered, preference shares (2 voting rights)
Series C	7,500,000	0.3	Registered, preference shares (2 voting rights)
Series D	166,917,501	6.7	Registered, preference shares (2 voting rights)
Series D	8,082,499	0.3	ordinary bearer shares
Series E	75,000,000	3.0	ordinary bearer shares
Series F	5,825,000	0.2	ordinary bearer shares
Series H	80,027,836	3.2	ordinary bearer shares
Series I	47,260,690	1.9	ordinary bearer shares
Series 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 2024 and 31 December 2023 was as follows:

	Number of shares*	Nominal value of shares	% of share capital held	Number of votes*	% of voting rights
Zygmunt Solorz, through:	396,802,022	15.9	62.04%	576,219,523	70.36%
TiVi Foundation, including through:	386,745,257	15.5	60.47%	566,162,758	69.13%
Reddev Investments Ltd., including through:	386,745,247	15.5	60.47%	566,162,738	69.13%
Cyfrowy Polsat S.A. ¹	88,842,485	3.6	13.89%	88,842,485	10.85%
Tobias Solorz ² , including through:	10,056,765	0.4	1.57%	10,056,765	1.23%
ToBe Investments Group Ltd.	4,449,156	0.2	0.70%	4,449,156	0.54%
Others	242,743,994	9.7	37.96%	242,743,994	26.94%
Total	639,546,016	25.6	100%	818,963,517	100%

* not in millions

¹ Own shares acquired under the buy-back program announced on 16 November 2021, Pursuant to Art. 364 Item 2 of the Commercial Companies Code. Cyfrowy Polsat S.A. does not exercise voting rights attached to own shares.

² Person is under the presumption of the existence of an agreement referred to in article 87 section 1 item 5 of the Public Offering Act.

Proceedings concerning TiVi Foundation, the Company's shareholder

To the Company's best knowledge, proceedings are pending before the court in Liechtenstein to determine who is entitled to the rights set forth in the Articles of Association of TiVi Foundation, an entity that is an indirect shareholder of the Company, holding a block of 60.47% of the Company's shares entitling to 69.13% of votes at the Company's general meeting.

In the opinion of the Company's Management Board, the aforementioned proceedings have no impact on the operational and financial activities of the Company and Group.

Share premium

Share premium includes the excess of issue value over the nominal value of shares issued decreased by share issuance-related consulting costs.

Other reserves

Other reserves as at 30 September 2024 include mainly the reserve capital created for the purposes of the share buyback program in the amount of PLN 2,914.8.

Retained earnings

On 20 June 2024 the Annual General Meeting of the Company adopted a resolution on the distribution of the Company's net profit for the financial year 2023. In accordance with the provisions of the resolution, the entire net profit in the amount of PLN 639.6 was allocated to supplementary capital.

Treasury shares

Treasury shares as at 30 September 2024 and 31 December 2023 include a total of 88,842,485 (not in millions) own shares, representing in total 13.89% of the share capital of the Company and entitling to exercise 88,842,485 (not in millions) votes at the general meeting of the Company, constituting 10.85% of the total number of votes at the general meeting of the Company.

Non-controlling interest

Non-controlling interests relate primarily to interests attributable to non-controlling shareholders of PAK-Polska Czysta Energia Sp. z o.o. and its subsidiaries as well as Port Praski Sp. z o.o. and its subsidiaries. PAK-Polska Czysta Energia Sp. z o.o. and its subsidiaries are included in Green energy segment. Port Praski Sp. z o.o. and its subsidiaries are included in Real Estate segment.

13. Hedge valuation reserve

Impact of hedging instruments valuation on other reserves

	2024	2023
Balance as at 1 January	(5.1)	18.2
Valuation of cash flow hedges	(6.4)	(30.1)
Deferred tax	1.2	5.7
Change for the period	(5.2)	(24.4)
Balance as at 30 September unaudited	(10.3)	(6.2)

14. Loans and borrowings

	30 September 2024 unaudited	31 December 2023
Short-term liabilities	1,292.7	1,069.7
Long-term liabilities	9,279.8	9,534.3
Total	10,572.5	10,604.0

Change in loans and borrowings liabilities:

	2024	2023
Balance as at 1 January	10,604.0	8,137.4
Loans and borrowings on acquisition of PAK-Polska Czysta Energia Sp. z o.o.	-	1,721.4
Effect of obtaining control over PAK-Polska Czysta Energia Sp. z o.o. and consolidation	-	(645.5)
Loans and borrowings inflows*	327.7	11,427.3
Loan conversion	-	(8,255.0)
Repayment of capital	(332.2)	(760.1)
Repayment of interest and commissions**	(647.0)	(763.1)
One-time loans repayment	-	20.8
Interest accrued and commissions	654.8	678.2
Foreign exchange	(34.8)	63.6
Balance as at 30 September unaudited	10,572.5	11,625.0

* includes an increase in capital due to capitalization of accrued interest

** includes interest settled as part of the capitalization of interest on capital

15. Issued bonds

	30 September 2024 unaudited	31 December 2023
Short-term liabilities	358.8	393.7
Long-term liabilities	3,583.1	3,955.4
Total	3,941.9	4,349.1

Change in issued bonds:

	2024	2023
Balance as at 1 January	4,349.1	2,076.4
Bonds issue (series D bonds)	-	2,670.0
Bonds issue (series E bonds)	-	799.5
Bonds redemption (series B and C bonds)*	(311.9)	(1,688.1)
Repayment of interest and commissions**	(379.3)	(241.7)
Cumulative catch-up	(2.5)	(20.8)
Interest accrued and commissions	286.5	269.3
Balance as at 30 September unaudited	3,941.9	3,864.6

* redemption through conversion into series D bonds

** incl. interests and premium for early redemption of bonds settled as part of the conversion

Early redemption of Series B and C bonds

On 17 January 2024, the Company's Board of Directors decided to carry out an early redemption (the "Early Redemption") of all outstanding:

- 223,798 (not in millions) Series B bearer bonds with a total face value of PLN 223.8, issued by the Company on 26 April 2019 with a redemption date set for 24 April 2026, and

- 88,053 (not in millions) Series C bearer bonds with a total nominal value of PLN 88.1, issued by the Company on 14 February 2020 with a redemption date set for 12 February 2027.

The early redemption was carried out by the Company on 5 February 2024 by way of payment:

- for each series B bond, the cash amount of its face value, i.e. PLN 1,000 (not in millions), plus accrued interest of PLN 20.46 (not in millions), and
- for each series C bond, a cash amount equal to its face value, i.e. PLN 1,000 (not in millions), plus accrued interest in the amount of PLN 39.41 (not in millions) and an early redemption premium in the amount of PLN 5.00 (not in millions).

In connection with the Early Redemption, all Series B bonds and Series C bonds were cancelled.

Other notes

16. Acquisition of subsidiaries

Acquisition of shares in PAK-Polska Czysta Energia Sp. z o.o. – final purchase price allocation

On 27 July 2022 Cyfrowy Polsat acquired 40.41% shares of PAK-Polska Czysta Energia Sp. z o.o.

On 3 July 2023 Cyfrowy Polsat acquired additional 10.1% shares and obtained control over PAK-Polska Czysta Energia Sp. z o.o. and its subsidiaries (“PAK-PCE Group”).

As of the date of the acquisition i.e. 3 July 2023, Cyfrowy Polsat and PAK-Polska Czysta Energia Sp. z o.o. were under common control. The Group applied the acquisition method in accordance with the provisions of IFRS 3 when accounting for acquisitions of the PAK-PCE Group.

CONSIDERATION TRANSFERRED

	Final value of consideration transferred
Cash transferred for 10.1% shares	117.0
Fair value of previously held shares	618.3
Final value as at 3 July 2023	735.3

The fair value of previously held shares as at the acquisition date was determined using methods adequate to the specific nature and scope of activities of individual entities from the PAK-PCE Group. The fair value of entities conducting operating activities was determined based on the income approach using the discounted cash flow method, while the fair value for entities not conducting operating activities or in the initial phase of development was determined using the adjusted net assets method. The result from the revaluation of previously held shares to fair value was recognized in the profit and loss.

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred for 10.1% shares	(117.0)
Cash and cash equivalents received	269.5
Cash increase in the period of 12 months ended 31 December 2023	152.5

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

The table below presents final fair value 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 3 July 2023:

	Final fair value as at the acquisition date (3 July 2023)
Net assets:	
Property, plant and equipment	1,827.9
Customer relationships	88.1
Other intangible assets	900.1
Right-of-use assets	89.9
Other non-current assets	117.1
Deferred tax assets	16.5
Inventories	129.1
Trade and other receivables	214.3
Income tax receivable	0.8
Other current assets	64.9
Cash and cash equivalents	269.5
Loans and borrowings	(1,704.2)
Lease liabilities	(76.4)
Deferred tax liability	(211.1)
Other non-current liabilities and provisions	(87.5)
Contract liabilities	(113.4)
Trade and other payables	(318.5)
Value of net assets (100%) [A]	1,207.1
Value of net assets attributable to non-controlling interest (49.5%) [B]	597.5
Value of net assets attributable to the Group (50.5%)	609.6
Consideration transferred [C]	735.3
Goodwill [C]-([A]-[B])	125.7

As part of the transaction, the pre-existing relationships between the Cyfrowy Polsat Capital Group and the PAK-PCE Group were settled at an estimated fair value of PLN 569.1, which corresponded to the net value of mutual receivables and liabilities between the companies of both capital groups resulting from the outstanding balance as at 3 July 2023, mainly from loan agreements and ongoing contracts for the purchase of electricity. The fair value of contracts for the purchase of electricity was estimated using the income approach, based on discounted future cash flows from concluded contracts, calculated based on the difference between the estimated future market price and the price resulting from the concluded contract. The effect of valuation of the pre-existing relationship was recognized by the Group in the profit and loss.

During the purchase price allocation the Group identified and fair valued intangible assets related to wind and photovoltaic farms (including the value of obtained permits for the construction of wind and photovoltaic farms and their grid connection) ("Permits") and customer relationships.

The fair value of the Permits in the amount of PLN 880.2 (included in Other intangible assets) was estimated based on the cost approach using the residual method and corresponds to the difference between the fair value of the farm and the value of the adjusted net assets of the farm as at the valuation date. The Management Board concluded that there is a predictable period during which the Permits will bring benefits to the Group and therefore a definite useful life was adopted. The permits are subject to depreciation for a period equal to the depreciation period of the farms for which the permits were obtained, i.e. for a period of 30 years from the date the farm was put into operation.

The fair value of customer relationships in the amount of PLN 88.1 was estimated based on the income approach using the multi-period excess earnings method.

The goodwill was allocated to the “Green energy” operating segment and consist largely of the synergies and economies of scale that can be achieved through further development of the business.

The revenue and net loss included in the consolidated income statement for the reporting period since 3 July 2023 to 31 December 2023 contributed by PAK-PCE Group amounted to PLN 771.6 and PLN 48.2, respectively. Had it been acquired on 1 January 2023, the pro forma revenue and net income included in the consolidated income statement for the 12 months ended 31 December 2023 would have amounted to PLN 14,362.8 and PLN 284.7, respectively.

Acquisition of shares in naEKRANIE.pl Sp. z o.o. – final purchase price allocation

On 20 July 2023 Polsat Investments Ltd. (Company’s subsidiary) acquired 60% shares in naEKRANIE.pl Sp. z o.o. for the purchase price of PLN 11.1 (including price adjustment in accordance with the contract).

Consequently, the Group holds 60% of shares in naEKRANIE.pl Sp. z o.o. and controls the entity.

CONSIDERATION TRANSFERRED

	Final value of consideration transferred
Consideration	11.1
Final value as at 20 July 2023	11.1

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred for 60% shares	(11.1)
Cash nad cash equivalents received	0.3
Cash decrease in the period of 12 months ended 31 December 2023	(10.8)

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

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

Final fair value of assets and liabilities as at 20 July 2023:

	Fair value as at the acquisition date (20 July 2023)
Net assets:	
Brands	1.4
Other intangible assets	0.6
Trade and other receivables	0.5
Cash and cash equivalents	0.3
Deferred tax liabilities	(0.3)
Trade and other payables	(0.1)
Value of net assets	2.4
Value of net assets attributable to non-controlling interest	0.9
Value of net assets attributable to the Group	1.5
Consideration transferred	11.1
Goodwill	9.6

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 identification of the naEkranie.pl brand.

The Group has not restated the amortization and income tax in the comparable income statement as the impact would have been immaterial.

The revenue and net profit included in the consolidated income statement for the reporting period since 20 July 2023 to 31 December 2023 contributed by naEKRANIE.pl Sp. z o.o. amounted to PLN 1.7 and PLN 0.7, respectively. Had it been acquired on 1 January 2023, the pro forma revenue and net income included in the consolidated income statement for the 12 months ended 31 December 2023 would have amounted to PLN 13,629.8 and PLN 313.0, respectively.

Acquisition of shares in 4FUN Sp. z o.o – final purchase price allocation

On 21 July 2023 Polsat Investments Ltd. (Company’s subsidiary) acquired 60% shares in 4FUN Sp. z o.o. for the purchase price of PLN 37.5 (including price adjustment in accordance with the contract).

Consequently, the Group holds 60% of shares in 4FUN Sp. z o.o. and controls the entity.

CONSIDERATION TRANSFERRED

	Final value of consideration transferred
Consideration	37.5
Final value as at 21 July 2023	37.5

RECONCILIATION OF TRANSACTIONAL CASH FLOW

Cash transferred for 60% shares	(37.5)
Cash nad cash equivalents received	16.5
Cash decrease in the period of 12 months ended 31 December 2023	(21.0)

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

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

Final fair value of assets and liabilities as at 21 July 2023:

	Fair value as at the acquisition date (21 July 2023)
Net assets:	
Brands	7.1
Other intangible assets	1.7
Trade and other receivables	2.0
Income tax receivable	0.8
Cash and cash equivalents	16.5
Deferred tax liabilities	(1.7)
Trade and other payables	(1.2)
Value of net assets	25.2
Value of net assets attributable to non-controlling interest	10.2
Value of net assets attributable to the Group	15.0
Consideration transferred	37.5
Goodwill	22.5

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 identification of the 4FUN brand.

The Group has not restated the amortization and income tax in the comparable income statement as the impact would have been immaterial.

The revenue and net loss included in the consolidated income statement for the reporting period since 21 July 2023 to 31 December 2023 contributed by 4FUN Sp. z o.o. amounted to PLN 10.6 and PLN 3.0, respectively. Had it been acquired on 1 January 2023, the pro forma

revenue and net income included in the consolidated income statement for the 12 months ended 31 December 2023 would have amounted to PLN 13,645.8 and PLN 320.2, respectively.

17. Operating segments

The Group operates in the following four 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,
- Media segment,
- Real Estate segment,
- Green energy segment (starting from 3 July 2023).

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 interconnect revenues, traffic revenues and subscription fees,
- mobile telecommunication prepaid services which generate revenues mainly from interconnect and traffic revenues,
- fixed telecommunication services, which generate revenues mainly from subscription fees, traffic and interconnect revenues,
- 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 and subscription fees,
- production of set-top boxes,
- sale of telecommunication equipment,
- 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.

Real Estate segment consists mainly of implementation of construction projects as well as sale, rental and management of own or leased real estate.

The Green energy segment consists primarily of:

- production and sale of energy from renewable sources especially from solar and wind,
- construction of a complete hydrogen-based value chain, including hydrogen stations, hydrogen-powered buses and sale of hydrogen,
- investing in renewable energy sources projects such as photovoltaics and wind farms.

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 (including depreciation included in the energy and buses production costs). 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 2024:

the 9 months ended 30 September 2024 (unaudited)	B2C and B2B services	Media: TV and online	Real Estate	Green energy	Consolidation adjustments	Total
Revenues from sales to third parties	7,919.3	1,569.1	83.4	867.0	-	10,438.8
Inter-segment revenues	(52.8)	224.7	29.5	178.0	(379.4)	-
Revenues	7,866.5	1,793.8	112.9	1,045.0	(379.4)	10,438.8
EBITDA adjusted (unaudited)	2,073.9	389.9	21.0	202.9	-	2,687.7
Gain on disposal of a subsidiary and an associate	-	10.0	-	-	-	10.0
EBITDA (unaudited)	2,073.9	399.9	21.0	202.9	-	2,697.7
Depreciation, amortization, impairment and liquidation	1,090.2	115.2	13.7	20.8	-	1,239.9
Depreciation included in energy and buses production costs	-	-	-	39.6	-	39.6
Profit/(loss) from operating activities	983.7	284.7	7.3	142.5	-	1,418.2
Acquisition of property, plant and equipment and other intangible assets	573.4	58.3	10.7	531.8	-	1,174.2
Acquisition of reception equipment	109.7	-	-	-	-	109.7
Balance as at 30 September 2024 (unaudited)						
Assets, including:	26,013.3	4,168.7*	1,440.9	5,311.7	243.7	37,178.3
Investments in joint venture and shares in associates	-	-	9.4	-	-	9.4

* Includes non-current assets located outside of Poland in the amount of PLN 0.2.

All material revenues are generated in Poland.

It should be noted that the data for 9 months ended 30 September 2024 allocated to the “B2C and B2B services” segment, “Media” segment, “Real Estate” segment and the “Green energy” segment are not fully comparable to the data for 9 months ended 30 September 2023 due to changes in the structure of the Group, described in notes 5 and 16 as well as in the consolidated financial statements for the financial year ended 31 December 2023.

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 2023:

the 9 months ended 30 September 2023 (unaudited)	B2C and B2B services	Media: TV and online	Real Estate	Green energy	Consolidation adjustments	Total
Revenues from sales to third parties	7,972.2	1,568.8	101.5	302.3	-	9,944.8
Inter-segment revenues	46.4	197.6	22.4	74.2	(340.6)	-
Revenues	8,018.6	1,766.4	123.9	376.5	(340.6)	9,944.8
EBITDA adjusted (unaudited)	1,956.5	332.3	21.7	25.9	(2.0)	2,334.4
Gain on disposal of a subsidiary and an associate	220.1	-	-	-	-	220.1
EBITDA (unaudited)	2,176.6	332.3	21.7	25.9	(2.0)	2,554.5
Depreciation, amortization, impairment and liquidation	1,272.7	116.4	15.8	1.3	-	1,406.2
Depreciation included in energy and buses production costs	-	-	-	8.9	-	8.9
Profit from operating activities	903.9	215.9	5.9	15.7	(2.0)	1,139.4
Acquisition of property, plant and equipment and other intangible assets	619.2	62.6	21.1	301.6	-	1,004.5
Acquisition of reception equipment	89.5	-	-	-	-	89.5
Balance as at 30 September 2023 (unaudited)						
Assets, including:	27,013.2	6,396.8*	1,310.6	3,390.0	(1,338.3)	36,772.3
Investments in joint venture and shares in associates	-	-	80.5	-	-	80.5

* Includes non-current assets located outside of Poland in the amount of PLN 1.4.

Reconciliation of EBITDA and Net profit for the period:

	for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited
EBITDA adjusted (unaudited)	2,687.7	2,334.4
Gain on disposal of a subsidiary and an associate	10.0	220.1
EBITDA (unaudited)	2,697.7	2,554.5
Depreciation, amortization, impairment and liquidation (note 9)	(1,239.9)	(1,406.2)
Depreciation included in energy and bus production costs (note 9)	(39.6)	(8.9)
Profit from operating activities	1,418.2	1,139.4
Other foreign exchange rate differences, net (note 10 and 11)	30.7	(43.0)
Interest costs, net (note 10 and 11)	(707.9)	(837.1)
Share of the profit/(loss) of associates accounted for using the equity method	(0.7)	29.7
Cumulative catch-up (note 11)	2.5	20.8
One-time loans repayment	-	(20.8)
Change in value of Asseco Poland S.A. shares	116.0	(10.9)
Other	(3.1)	17.3
Gross profit for the period	855.7	295.4
Income tax	(246.1)	(114.1)
Net profit for the period	609.6	181.3

18. Transactions with related parties

RECEIVABLES

	30 September 2024 Unaudited	31 December 2023
Joint ventures and associates	1.2	0.2
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.	8.1	13.2
Total *	9.3	13.4

* Amounts presented above do not include deposits paid (30 September 2024 – PLN 3.5, 31 December 2023 – PLN 3.4)

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

OTHER ASSETS

	30 September 2024 unaudited	31 December 2023
Joint ventures and associates	-	0.3
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.	9.1	-
Total	9.1	0.3

LIABILITIES

	30 September 2024 unaudited	31 December 2023
Joint ventures and associates	-	10.6
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.	147.4	209.6
Total	147.4	220.2

The liability as at 30 September 2024 mainly includes a liability for the acquisition of shares by Cyfrowy Polsat and property rental.

The liability as at 31 December 2023 The liability mainly includes a liability for the acquisition of shares by Cyfrowy Polsat, liabilities from surface leases and wind farm construction services.

LOANS GRANTED

	30 September 2024 unaudited	31 December 2023
Associates	-	15.0
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.	12.7	12.5
Total	12.7	27.5

Loans granted as at 30 September 2024 include mainly loans to Dystrybucja Mówi Serwis Sp. z o.o. Sp.k.

LOANS RECEIVED

	30 September 2024 unaudited	31 December 2023
Associates	-	11.3
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.	12.0	6.6
Total	12.0	17.9

Loans received as at 30 September 2024 include mainly loans from ZE PAK S.A.

REVENUES

	for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited
Subsidiaries	-	37.6*
Joint ventures and associates	0.1	6.8
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.	39.7	85.3
Total	39.8	129.7

* Applies to transactions with subsidiaries concluded before taking over control.

In the period of 9 months ended 30 September 2024 most significant transactions relate to income from IT, telemarketing shared services and sale of electricity.

EXPENSES AND PURCHASES OF PROGRAMMING ASSETS

	for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited
Subsidiaries	-	133.3*
Joint ventures and associates	-	13.5
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.	142.1	128.0
Total	142.1	274.8

* Applies to transactions with subsidiaries concluded before taking over control.

In the period of 9 months ended 30 September 2024 the most significant transactions include *inter alia* cost of property rental and advertising services.

In the period of 9 months ended 30 September 2023 the most significant transactions include *inter alia* cost of electricity, property rental and advertising and television production services.

GAIN/(LOSS) ON INVESTMENT ACTIVITIES, NET

	for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited
Subsidiaries	-	27.1*
Joint ventures and associates	0.9	0.8
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.	31.9	7.7
Total	32.8	35.6

* Applies to transactions with subsidiaries concluded before taking over control.

FINANCE COSTS, NET

	for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited
Joint ventures and associates	-	6.4
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.	1.0	0.5
Total	1.0	6.9

19. Contingent liabilities

Management believes that the provisions as at 30 September 2024 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 Protection („UOKiK”)

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. Polkomtel appealed against the SOKiK judgment. On 8 November 2022, the Court of Appeal dismissed the appeal. On 22 November 2022, Polkomtel paid a penalty of PLN 39.5. Polkomtel filed a cassation complaint. Complaint was accepted for consideration by the Supreme Court. On 8 August 2024, the Supreme Court refused to accept the cassation appeal.

On 19 December 2019 the President of UOKiK issued a decision stating that the operations of the Company were allegedly infringing collective consumer interests by hindering access to ZDF and Das Erste channels during the Euro 2016 championship by removing these channels and by giving incomplete and unreliable information to consumers in response to claims regarding unavailability of the above programs. Pursuant to the decision of the President of UOKiK the Company was charged with a penalty in the amount of PLN 34.9. The company appealed against this decision to SOKiK. On 14 February 2022 First Instance Court dismissed the Company's appeal in its entirety. The Company submit a cassation appeal to the Court of Appeal in Warsaw. The appeal hearing took place on 21 October 2022. On 21 November 2022, the Court of Appeal in Warsaw repealed the appealed judgment in its entirety and referred the case to the Regional Court in Warsaw for examination and resolution. On 24 July 2023 Company's appeal was again dismissed. On 6 September 2023 the Company filed an appeal against the judgment. At the hearing on 5 June 2024, the Court of Appeal annuled part of the decision of the President of UOKiK, including that related to the fine of PLN 20.1. On 12 July 2024 Company complied with the judgment in terms of paying the fine of PLN 14.8. The Company is considering the possibility of filing a cassation appeal.

On 22 January 2020 the President of UOKiK issued a decision stating that the operations of Polkomtel (Company's subsidiary) were allegedly infringing collective consumer interests by clauses included in the terms and conditions of telecommunications services regarding prepaid services and expiration of the unused value of the subscribers' accounts. Pursuant to the decision of the President of UOKiK Polkomtel was charged with a penalty in the amount of PLN 20.4. Polkomtel appealed to SOKiK against the decision. On 8 April 2022, SOKiK dismissed Polkomtel's appeal. On 31 May 2022 Polkomtel submitted appeal against the

SOKiK verdict. On 28 March 2023 the Court of Appeal dismissed the appeal. On 11 April 2023 Polkomtel paid a penalty of PLN 20.4. After receiving written justification of the judgment of the Court of Appeal, on 30 June 2023 Polkomtel filed a cassation complaint. On 7 March 2024, Polkomtel received a decision of the Supreme Court refusing to accept the cassation appeal in this case for consideration.

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. Mediations ended without a settlement. The last 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, containing the mediator's position summarizing the course of the 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. At the end of March 2022, the Company received a letter extending the previous claim by the period from 1 January 2010 to 31 December 2020, the value of the lawsuit was increased by over PLN 120.0. The court set hearing dates for 15 December 2023 and 17 April 2024. The both hearings, scheduled for 15 December 2023 and 17 April 2024 have been canceled. The court set new hearing dates for 25 November 2024 and 9 December 2024.

By lawsuit, delivered to the Company on 16 December 2019, the Association of Performing Artists (SAWP) filed two claims against the Company: information and a 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 filled for the dismissal entirely. The last hearing took place on 17 January 2024. The hearing was postponed without a date.

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 2023 remained unchanged.

20. 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 2023. There have been no significant changes in any risk management policies since the end of year 2023.

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:

	Category according to IFRS 9	The level of the fair value hierarchy	30 September 2024 unaudited		31 December 2023	
			Fair value	Carrying amount	Fair value	Carrying amount
Loans granted	A	2	25.1	25.1	127.4	127.1
Trade and other receivables	A	*	3,665.2	3,665.2	3,742.6	3,742.6
Cash and cash equivalents and short-term deposits	A	*	3,073.3	3,073.3	3,307.2	3,307.2
Restricted cash	A	*	24.3	24.3	19.7	19.7
Loans and borrowings	B	2	(11,078.4)	(10,572.5)	(11,150.1)	(10,604.0)
Issued bonds	B	1	(4,016.7)	(3,941.9)	(4,433.7)	(4,349.1)
Lease liabilities	B	2	(640.4)	(640.4)	(610.8)	(610.8)
Accruals	B	*	(1,137.1)	(1,137.1)	(1,213.7)	(1,213.7)
Trade and other payables and deposits	B	*	(1,584.8)	(1,584.8)	(2,096.3)	(2,096.3)
Total			(11,669.5)	(11,088.8)	(12,307.7)	(11,677.3)
Unrecognized loss				(580.7)		(630.4)

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 carrying 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 an 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 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 or EURIBOR interest rate plus a margin regarding the credit risk.

As at 30 September 2024 and 31 December 2023 loans and borrowings comprised bank loans and other loans. The discount rate for each payment was calculated as a sum of implied WIBOR or EURIBOR interest rate and a margin regarding the Group's credit risk.

The fair value of issued bonds as at 30 September 2024 and 31 December 2023 was estimated as a last purchase price at the balance sheet date according to GPW Catalyst quotations.

As at 30 September 2024, the Group held the following financial instruments carried at fair value on the statement of financial position:

ASSETS MEASURED AT FAIR VALUE

	30 September 2024 unaudited	Level 1	Level 2	Level 3
Derivative instruments not designated as hedging instruments		-	28.6	26.0
IRS		-	28.6	-
Financial PPA		-	-	26.0
Hedging derivative instruments		-	4.7	-
IRS		-	4.7	-
Other assets		-	12.7	-
Investments in equity instruments		730.4	5.5	-
Total		730.4	51.5	26.0

LIABILITIES MEASURED AT FAIR VALUE

	30 September 2024 unaudited	Level 1	Level 2	Level 3
Derivative instruments not designated as hedging instruments		-	(27.5)	-
IRS		-	(21.5)	-
CIRS		-	(5.8)	-
Forward		-	(0.2)	-
Hedging derivative instruments		-	(16.9)	-
IRS		-	(11.1)	-
CIRS		-	(5.7)	-
Forward		-	(0.1)	-
Put option		-	-	(39.5)
Total		-	(44.4)	(39.5)

As at 31 December 2023, the Group held the following financial instruments carried at fair value on the statement of financial position:

ASSETS MEASURED AT FAIR VALUE

	31 December 2023	Level 1	Level 2	Level 3
Derivative instruments not designated as hedging instruments		-	24.0	28.5
IRS		-	24.0	-
Financial PPA			-	28.5
Hedging derivative instruments		-	4.3	-
IRS		-	4.3	-
Other		-	15.9	-
Investments in equity instruments		614.4	1.5	-
Total		614.4	45.7	28.5

LIABILITIES MEASURED AT FAIR VALUE

	31 December 2023	Level 1	Level 2	Level 3
Derivative instruments not designated as hedging instruments		-	(32.3)	-
IRS		-	(26.3)	-
CIRS		-	(5.9)	-
Forward		-	(0.1)	-
Hedging derivative instruments		-	(11.9)	-
IRS		-	(5.7)	-
CIRS		-	(5.8)	-
Forward		-	(0.4)	-
Put option		-	-	(39.5)
Total		-	(44.2)	(39.5)

The fair value of forwards, interest rate swaps and currency 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.

The fair value of financial PPA transactions was determined using financial instrument valuation models, using industry studies of energy prices over the long term, taking into account seasonality and the production profile for a given source as well as using generally available interest rates. Fair value is determined based on the discounted future cash flows of the transactions calculated based on the difference between the market price over the contract horizon and the settlement price set in the contract (plus the inflation rate).

The fair value of put option was determined in the amount of estimated future cashflows related to the exercise of the option as at the reporting date.

21. Important agreements and events

Sale of intangible assets

On 25 January 2024, Polkomtel entered into a sale agreement regarding the sale of intangible assets, consisting of a portion of its Internet Protocol version 4 (IPv4) communications protocol address package, to an unrelated party for a total consideration of USD 56.1. The transaction took place as part of and as a result of an ongoing asset review process, and the intangible assets divested were non-strategic assets.

The agreed schedule provides for the completion of the above transaction and payment in three tranches. The three payments of PLN 198.7 net of transaction costs, were recognised under 'Other operating income' in the consolidated income statement for the period from 1 January 2024 to 30 September 2024.

Sale of shares in Muzo.fm Sp. z o.o.

On 27 March 2024 Telewizja Polsat Sp. z o.o. sold 100% of shares in Muzo.fm Sp. z o.o. The total sale price amounted to PLN 13.3.

Acquisition of shares in project companies: Energia Przykona Sp. z o.o. and Neo Energia Przykona X Sp. z o.o.

On 27 June 2024, the Group and ZE PAK made a joint investment in which they acquired all of the shares in the companies implementing the wind power complex project with a total capacity of about 500 MW. PAK-Polska Czysta Energia acquired 1% of the project companies' share capitals for no more than EUR 1.2 in total, while 99% of the shares were acquired by ZE PAK for no more than EUR 110.0 in total. The consideration for the acquisition of shares will be payable in instalments as the project progresses and the final amount will depend on the final parameters of the project. In addition, the sellers and the buyer have entered into an agreement providing for the right to sell and, respectively, repurchase the shares of the project companies, should the project fail to achieve certain parameters.

Grant agreement with The European Climate, Infrastructure and Environment Executive Agency (CINEA)

In August 2024, two Group companies, PAK-PCE Biopaliwa i Wodór Sp. z o.o. and PAK-PCE Stacje H2 Sp. z o.o., signed a grant agreement with The European Climate, Infrastructure and Environment Executive Agency (CINEA) for a hydrogen project. It includes the construction of 5 publicly accessible hydrogen refueling stations located along the roads of the TEN-T network (Trans-European Transport Network) and green hydrogen production facilities with a total capacity of 5 MW. The grant amounts to EUR 14.9 and was awarded under the CEF Transport - Alternative Fuels Infrastructure Facility program.

Decisions of the Head of the Małopolska Tax Office in Cracow

On 15 February 2018 the Head of the Małopolska Tax Office in Cracow ("Tax Office") issued the decision assessing the tax liability from uncollected withholding corporate income tax in 2012 in the amount of PLN 24.2 increased by interest on tax arrears.

In the issued decision the Tax Office contested the Company's right to an exemption from the obligation to withhold income tax on certain interest payments in 2012. The Company appealed against the decision of the Tax Authority on the basis of acquired opinions issued by renowned entities. The Company has not created any provisions encumbering its financial results.

On 10 July 2018 the Tax Office upheld the previous decision dated 15 February 2018. The Company did not agree with the decision of the Tax Office in question and appealed against it to the Voivodship Administrative Court in Cracow. The Voivodship Administrative Court in Cracow dismissed the complaint in the ruling as of 21 February 2019. The Company does not agree with this decision and filed a cassation complaint to the Supreme Administrative Court in Warsaw. The Supreme Administrative Court upheld the complaint and transferred the case to the Voivodship Administrative Court for re-examination in its decision on 17 August 2022. The Voivodship Administrative Court, at the hearing on 15 March 2023, revoked the decision of the Head of the Małopolska Tax Office in Cracow and referred the case for reconsideration by this authority. On 23 January 2024, the Company received the decision of the tax authority discontinuing the proceedings in the case.

The Tax Office control activities in the aforesaid matter were in progress in relation to 2013 and 2014.

The Head of the Małopolska Tax Office in Cracow issued a decision on 19 July 2019 in respect to the year 2013. The decision assessed the Company's tax liability from uncollected withholding corporate income tax in 2013 in the amount of PLN 25.1 increased by interest on tax arrears. The Company appealed against the decision, but on 14 February 2020 the Tax Authority maintained its position. The Company filed a complaint against the decision to the Administrative Court. On 15 October 2020, the Voivodship Administrative Court in Cracow dismissed the complaint. The Company, based on the opinions of reputable advisers, does not agree with the court's decision and filed a cassation appeal to the Supreme Administrative Court in Warsaw. The Supreme Administrative Court, at the hearing on 10 January 2024, dismissed the judgements of the first instance court and the decisions of the Head of the Małopolska Tax Office in Cracow issued in these cases in the second instance. As a result, on 17 June 2024, the Head of the Małopolska Tax Office issued a new decision in which - after analyzing the position and guidelines of the Supreme Administrative Court - it repealed the decision of 19 July 2019 and decided on the Company's liability for the uncollected flat-rate corporate tax in the amount of PLN 1.3 (the amount does not include interest). Although, this is a significantly lower amount than original penalty, the Company does not agree with the position of the authorities and filed a complaint to the Voivodship Administrative Court. The Company has not created any provisions encumbering its financial results.

The Head of the Małopolska Tax Office in Cracow issued a decision on 20 September 2019 in respect to the year 2014. The decision assessed the Company's tax liability from uncollected withholding corporate income tax in 2014 in the amount of PLN 1.7 increased by interest on tax arrears. The Company appealed against the decision of the Tax Authority. In a second instance decision issued on 8 June 2020, the Tax Authority fully maintained its position. The Company filed a complaint against the decision to the Administrative Court. On 20 October 2020, the Voivodship Administrative Court in Cracow dismissed the complaint. The Company, based on the opinions of reputable advisers, does not agree with the court's decision and filed a cassation appeal to the Supreme Administrative Court in Warsaw. The Supreme Administrative Court, at the hearing on 10 January 2024, dismissed the judgments of the first instance court and the decisions of the Head of the Małopolska Tax Office in Cracow issued in these cases in the second instance. As a result, after analyzing the content of the judgment of the Supreme Administrative Court, the Head of the Małopolska Customs and Tax Office issued a decision on 17 June 2024, in which he upheld the decision of 20 September 2019. The Company does not agree with the position of the authority and filed a complaint to the Voivodship Administrative Court. The Company has not created any provisions encumbering its financial results.

Renewal of the frequency reservations

Due to the upcoming expiry of the frequency reservation in the 2600 MHz band (at the end of 2024), the current holder of which was Aero2 Sp. z o. o. (on 30 November 2021, Polkomtel Sp. z o. o. and Aero2 Sp. z o. o. merged, as a result of which Polkomtel entered the rights and obligations of Aero2, thus taking over the right to use Aero2 frequencies), pursuant to the

provisions of the Telecommunications Law, in December 2023, Polkomtel Sp. z o. o. submitted an application to the President of UKE for a frequency reservation in the 2600 MHz band for the next period.

It is estimated that the issuance of a decision by the President of UKE regarding the above-mentioned frequency reservations in the 2600 MHz band for the next period will take place in the fourth quarter of 2024.

Auction for spectrum reservation in the 3.6 GHz band

On 22 June 2023, the President of UKE announced an auction for four frequency reservations in the 3.6 GHz band.

According to the published documentation, the subject of the auction were 4 blocks with a width of 100 MHz each. The asking price amounts to PLN 450 per block.

In accordance with the auction documentation, each of the auction winners will be subject to identical network development obligations to launch in the indicated areas by each operator at least 3,800 (not in millions) base stations using allocated frequencies within 48 months from the date of delivery of the reservation decision. In addition, auction winners will be required to ensure capacity (using any frequency range) of 95Mbps for 99% of households throughout the country within 60 months, for 90% of the country within 60 months, for 95% of national roads within 84 months, for 95% of provincial roads within 84 months, for 95% of railway routes within 84 months, for 24-hour border crossings within 24 months from the date of delivery of the reservation decision.

Initial offers were submitted by four mobile network operators: Orange, Polkomtel, P4 and T-Mobile until 8 August 2023 (first auction stage).

Polkomtel submitted an initial offer on 4 August 2023 and also paid a deposit in the required amount of PLN 182.

On 16 October 2023 the President of the UKE started the second stage of the auction bidding which ended on 18 October 2023. Accordingly, Polkomtel purchased block A (3400-3500 MHz band) for PLN 450.

On 19 December 2023, the President of UKE issued a reservation decision for Polkomtel regarding the acquired frequency block in the 3.6 GHz band. On 10 January 2024, Polkomtel paid the President of UKE an additional fee for making the frequency reservation.

The legal dispute in respect to the telecommunication concession

The legal dispute in respect to the telecommunication concession for the 1800 MHz frequency granted in 2007 to Mobyland Sp. z o.o. (currently Polkomtel Sp. z o.o.) and CenterNet S.A. (currently Polkomtel Sp. z o.o.) has ended. Proceedings to invalidate the 1800 MHz frequency allocation tender have been instigated by T-Mobile and Orange. Supreme Administrative Court (NSA), in its ruling dated 8 May 2014, sustained the decision of the Court of First Instance and repealed the decision issued by the President of the Office of Electronic Communications (UKE) on 23 September 2011 which partially invalidated the above mentioned tender. Following the decision of the Supreme Administrative Court, UKE informed that "the decisions regarding re-running the tender will be taken by the Office upon careful analysis of the written justification of NSA's rulings and the Court's guidelines regarding further procedure as well as upon analysis of the legal situation". UKE also stated that the "reservation decisions issued by UKE President remained valid while the operators could continue providing their services while using these frequencies". On 23 December 2016 President of UKE notified the parties that the tender annulment proceedings relating to the 1800 MHz frequency have been adopted. Pursuant to the decision dated 4 August 2017 President of UKE notified the parties that the tender dated 2007 has been annulled. On 13 October 2017 Aero 2 Sp. z o.o. (a successor of CenterNet S.A. and Mobyland Sp. z o.o., currently Polkomtel Sp. z o.o.) filed a motion to reconsider the decision of the President of UKE dated 4 August 2017 concerning

the annulment of the tender procedure. On 31 January 2018 the President of UKE upheld its decision dated 4 August 2017. On 7 March 2018 Aero2 (currently Polkomtel Sp. z o.o.) filed a complaint with the Provincial Administrative Court in Warsaw, on 4 October 2018 complaint was dismissed. On 27 December 2018, Aero2 (currently Polkomtel Sp. z o.o.) filed a cassation appeal against judgment, which was dismissed by the Supreme Administrative Court on 25 November 2022.

The decision issued by UKE President does not affect reservation decisions issued following the administrative tender. Moreover, on 5 December 2022, Aero2 (currently Polkomtel Sp. z o.o.) obtained the decision of the President of UKE to grant a frequency reservation in the 1800 MHz range for the next period.

In the proceedings instigated by T-Mobile Polska S.A., the President of UKE resumed the proceedings which were terminated on 23 April 2009 by the issuance of a final decision by the President of UKE which sustained the decision of the President of UKE dated 30 November 2007 concerning the frequency reservation in the 1710-1730 MHz and 1805-1825 MHz range. Under these proceedings, in the decision dated 28 November 2017 the President of UKE refused, after resuming the proceedings, to annul the reservation decision of the President of UKE dated 23 April 2009. This decision was upheld by the decision of the President of UKE dated 4 June 2018. In connection with complaints filed against this decision, in the ruling of 11 March 2019 the Voivodship Administrative Court in Warsaw annulled the decision of the President of UKE dated 4 June 2018. On 10 October 2023, the Supreme Administrative Court overturned the contested judgment and referred the case to the Court of First Instance for reconsideration. On 3 April 2024, the Voivodship Administrative Court in Warsaw dismissed the complaint of T-Mobile Polska S.A. T-Mobile Polska S.A. appealed against this judgement in a cassation appeal, which is pending.

On 4 October 2018, T-Mobile Polska filed a complaint with the Voivodship Administrative Court in Warsaw against the announcement dated 5 September 2018 issued by the President of UKE in respect to the activities necessary to remove the breach constituting the reason for invalidating two frequency reservations (each including 48 duplex radio channels with a duplex spacing of 95 MHz each, ranges 1710-1730 MHz and 1805-1825 MHz). On 20 November 2018, Voivodship Administrative Court in Warsaw rejected the complaint of T-Mobile Polska S.A. On 4 July 2019, the Supreme Administrative Court annulled the decision of the Voivodship Administrative Court in Warsaw dated 20 November 2018, as a result of a cassation appeal filed by T-Mobile Polska S.A. On 18 August 2020, the announcement of the President of UKE dated 5 September 2018 was considered ineffective by the Voivodship Administrative Court in Warsaw. NSA annulled that judgment on 9 December 2021. The case was remanded for re-examination to Voivodship Administrative Court in Warsaw. On 25 October 2022, the Voivodship Administrative Court in Warsaw dismissed the complaint of T-Mobile Polska S.A. On 13 October 2023, the Supreme Administrative Court dismissed the cassation appeal of T-Mobile Polska S.A., as a result of which the proceedings were legally terminated.

The initiation by the European Commission of the procedure based on Art. 108 sec. 2 of the European Union Treaty

In the beginning of October 2020, Cyfrowy Polsat S.A. and Sferia S.A. (Sferia), a company owned by the Cyfrowy Polsat Group in 51% since 29 February 2016, received from the Ministry of Digital Affairs a copy of the European Commission's decision dated 21 September 2020 regarding the initiation of the formal investigation procedure against the Republic of Poland concerning the alleged illegal state aid provided to Sferia. The alleged illegal state aid relates to granting in 2013 to Sferia the right to use a frequency block of 800 MHz range in place of the frequency 850 MHz range previously held by Sferia. According to the decision, the European Commission intends to investigate, whether the state aid was granted, and if so, whether it can be considered compatible with the internal market. On 4 February 2022, the European Commission began consultations on this matter and Cyfrowy Polsat and Sferia submitted their comments. Both companies believe that no illegal state aid was granted.

Influence of the political and economic situation in Ukraine on the Group's operations and financial prospects

In the Management Board's view, the Company and Group's core business is relatively resistant to the adverse impact of the political and economic situation in Ukraine. More information is presented in note 5.1 in the Management Report for 2023.

22. Events subsequent to the reporting date

Acquisition of shares in Global Continental Sp. z o.o.

On 4 November 2024 PAK-Polska Czysta Energia Sp. z o.o. (a subsidiary of the Company) acquired 100% of shares in the share capital of Global Continental Sp. z o.o. for the amount of PLN 4.1.

Renewal of the frequency reservations

Due to the upcoming expiry of the frequency reservation in the 900 MHz band (in February 2026), Polkomtel Sp. z o.o. submitted an application to the President of the UKE in November 2024 for a frequency reservation in the 900 MHz band for the next period.

It is estimated that the issuance of a decision by the President of the UKE regarding the above-mentioned frequency reservation in the 900 MHz band for the next period will take place in the second quarter of 2025.

23. 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 3.3.2.

Other securities

The Company provided guarantees to its subsidiaries and other related parties in respect to purchase contracts. Additionally, Group's entities also have bank guarantees in respect to purchase contracts as well as payments. Further information is presented in the Management Report in note 4.3.

Commitments to purchase programming assets

As at 30 September 2024 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 2024 unaudited	31 December 2023
within one year	350.9	225.4
between 1 to 5 years	492.0	287.3
more than 5 years	136.6	162.8
Total	979.5	675.5

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

	30 September 2024 unaudited	31 December 2023
within one year	5.8	15.8
Total	5.8	15.8

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 906.4 as at 30 September 2024 (PLN 1,383.0 as at 31 December 2023). Total amount of contractual liabilities resulting from agreements for the purchases of intangible assets was PLN 123.9 as at 30 September 2024 (PLN 78.4 as at 31 December 2023).

Future contractual obligations

As at 30 September 2024 and 31 December 2023 the Group had future liabilities due to transponder capacity agreements.

The table below presents future payments (total):

	30 September 2024 unaudited	31 December 2023
within one year	114.3	116.1
between 1 to 5 years	28.6	116.1
Total	142.9	232.2

24. 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.



Cyfrowy Polsat S.A.

**Interim Condensed Financial Statements
for the 9 months ended 30 September 2024**

**prepared in accordance
with International Accounting Standard 34
“Interim Financial Reporting”**

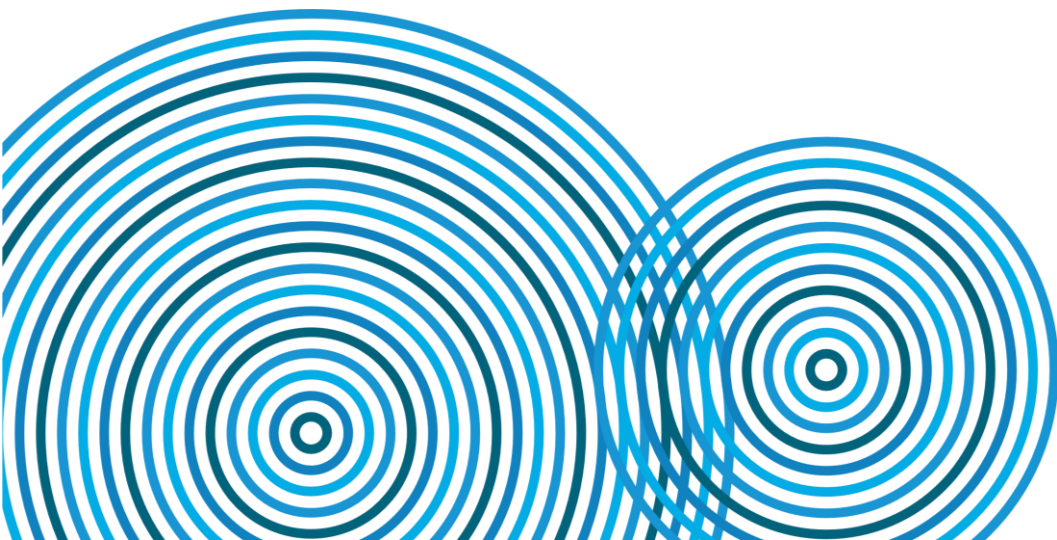


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Approval of the interim condensed financial statements

On 20 November 2024, the Management Board of Cyfrowy Polsat S.A. approved the interim condensed financial statements of Cyfrowy Polsat S.A. prepared in accordance with International Accounting Standard 34 Interim Financial Reporting, as adopted by the European Union, which include:

Interim Income Statement for the period

from 1 January 2024 to 30 September 2024 showing a net profit for the period of: PLN 426.3

Interim Statement of Comprehensive Income for the period

from 1 January 2024 to 30 September 2024 showing a total comprehensive income for the period of: PLN 421.1

Interim Balance Sheet as at

30 September 2024 showing total assets and total equity and liabilities of: PLN 19,754.1

Interim Cash Flow Statement for the period

from 1 January 2024 to 30 September 2024 showing a net decrease in cash and cash equivalents amounting to: PLN 193.7

Interim Statement of Changes in Equity for the period

from 1 January 2024 to 30 September 2024 showing an increase in equity of: PLN 421.1

Notes to the Interim Condensed Financial Statements

The interim condensed financial statements have been prepared in PLN million unless 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

**Agnieszka
Szatan**

Chief Accountant

Interim Income Statement

	Note	for the 3 months ended		for the 9 months ended	
		30 September 2024 unaudited	30 September 2023 unaudited	30 September 2024 unaudited	30 September 2023 unaudited
Revenue	7	549.2	554.6	1,682.2	1,687.8
Operating costs	8	(492.5)	(508.4)	(1,558.2)	(1,526.0)
Other operating income/(costs), net		3.8	2.5	8.8	(10.2)
Profit from operating activities		60.5	48.7	132.8	151.6
Gain on investment activities, net	9	275.7	342.5	746.4	1,027.7
Finance costs, net	10	(126.4)	(190.2)	(388.7)	(364.1)
Gross profit for the period		209.8	201.0	490.5	815.2
Income tax		(39.4)	(44.7)	(64.2)	(45.3)
Net profit for the period		170.4	156.3	426.3	769.9
Basic and diluted earnings per share (in PLN)		0.31	0.28	0.77	1.40

Interim Statement of Comprehensive Income

	for the 3 months ended		for the 9 months ended		
	Note	30 September 2024 unaudited	30 September 2023 unaudited	30 September 2024 unaudited	30 September 2023 unaudited
Net profit for the period		170.4	156.3	426.3	769.9
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Valuation of hedging instruments	12	(9.5)	(10.1)	(5.2)	(24.4)
Other comprehensive income/(loss), net of tax		(9.5)	(10.1)	(5.2)	(24.4)
Total comprehensive income for the period		160.9	146.2	421.1	745.5

Interim Balance Sheet - Assets

	Note	30 September 2024 unaudited	31 December 2023
Reception equipment		375.7	362.6
Other property, plant and equipment		125.1	130.2
Goodwill		197.0	197.0
Other intangible assets		134.4	127.7
Right-of-use assets		19.3	21.5
Investment property		92.3	94.3
Shares in subsidiaries, associates and other, includes:		12,891.9	12,774.4
<i>shares in associates</i>		0.1	0.1
Non-current deferred distribution fees		13.2	19.5
Non-current loans granted		3,406.0	3,584.2
Other non-current assets, includes:		118.0	33.4
<i>derivative instruments</i>		115.5	30.1
Total non-current assets		17,372.9	17,344.8
Contract assets		72.4	72.0
Inventories		86.9	122.7
Trade and other receivables		103.6	189.5
Current loans granted		322.0	24.3
Income tax receivable		-	7.2
Current deferred distribution fees		50.3	48.0
Other current assets includes:		67.7	40.8
<i>derivative instruments</i>		46.1	15.9
Cash and cash equivalents		1,678.3	1,883.6
Total current assets		2,381.2	2,388.1
Total assets		19,754.1	19,732.9

Interim Balance Sheet - Equity and Liabilities

	Note	30 September 2024 unaudited	31 December 2023
Share capital	11	25.6	25.6
Share premium	11	7,174.0	7,174.0
Other reserves		2,904.4	2,909.6
Retained earnings		5,281.7	4,855.4
Treasury shares		(2,854.7)	(2,854.7)
Total equity		12,531.0	12,109.9
Loans and borrowings	13	1,991.7	2,022.0
Issued bonds	14	3,603.2	3,975.5
Lease liabilities		17.6	19.8
Deferred tax liabilities		95.1	40.3
Other non-current liabilities and provisions, includes: <i>derivative instruments</i>		181.5 179.4	58.7 56.5
Total non-current liabilities		5,889.1	6,116.3
Loans and borrowings	13	178.5	185.7
Issued bonds	14	359.3	394.7
Lease liabilities		3.4	3.1
Contract liabilities		239.6	230.7
Trade and other payables, includes: <i>derivative instruments</i>		545.2 43.0	688.8 15.5
Income tax liabilities		4.3	-
Deposits for equipment		3.7	3.7
Total current liabilities		1,334.0	1,506.7
Total liabilities		7,223.1	7,623.0
Total equity and liabilities		19,754.1	19,732.9

Interim Cash Flow Statement

	Note	for the 9 months ended	
		30 September 2024 unaudited	30 September 2023 unaudited
Net profit		426.3	769.9
Adjustments for:		(252.3)	(600.5)
Depreciation, amortization, impairment and liquidation	8	150.6	130.6
Interest expense		124.7	239.2
Change in inventories		35.8	(14.3)
Change in receivables and other assets		63.3	(266.4)
Change in liabilities and provisions		(51.8)	285.3
Change in contract assets		(0.4)	13.2
Change in contract liabilities		8.9	12.5
Income tax		64.2	45.3
Net increase in reception equipment		(123.2)	(100.2)
Dividends income and share in the profits of partnerships	9	(453.3)	(665.5)
Cost of premium for scheduled early redemption of bonds		0.4	10.1
One-time income resulting from modification of cash flows as a result of bond conversion/redemption	10	(2.5)	(20.8)
Gain on sale of shares in associate	9	-	(235.7)
Valuation of hedging instruments		(6.4)	(30.1)
Foreign exchange (profit)/loss, net		(17.2)	5.6
Change in value of Asseco Poland S.A. shares	9	(116.0)	10.9
Other adjustments		70.6	(20.2)
Cash from operating activities		174.0	169.4
Income tax paid		3.3	(23.8)
Interest received from operating activities		46.3	35.2
Net cash from operating activities		223.6	180.8
Received dividends and shares in the profits of partnerships		505.4	74.8
Acquisition of shares in subsidiaries and associates		(101.5)	(117.0)
Capital increase in a subsidiary		-	(28.0)
Acquisition of property, plant and equipment		(8.3)	(18.5)
Acquisition of intangible assets		(31.0)	(25.1)
Proceeds from sale of shares in associate		-	850.5
Loans granted		(374.5)	(602.6)
Loans repaid		270.5	142.3
Interest on loans repaid		144.3	20.5
Other inflows		18.6	16.5
Net cash from investing activities		423.5	313.4

	Note	for the 9 months ended	
		30 September 2024 unaudited	30 September 2023 unaudited
Loans inflows	13	-	1,605.4
Bonds issue ⁽¹⁾	14	-	1,765.8
Bonds redemption	14	(311.9)	-
Repayment of loans and borrowings	13	(14.5)	(591.5)
Payment of interest on loans, borrowings, bonds and commissions ⁽²⁾		(502.2)	(325.3)
Inflows from realization of derivatives		2.7	13.9
Other outflows		(14.9)	(6.9)
Net cash from/used in financing activities		(840.8)	2,461.4
Net increase/(decrease) in cash and cash equivalents		(193.7)	2,955.6
Cash and cash equivalents at the beginning of period		1,883.6	120.7
Effect of exchange rate fluctuations on cash and cash equivalents		(11.6)	37.1
Cash and cash equivalents at the end of period		1,678.3	3,113.4

⁽¹⁾ Value of bonds issue reduced by bond interest and early redemption premium settled in conversion

⁽²⁾ Includes amount paid for costs related to the new financing

Interim Statement of Changes in Equity for the 9 months ended 30 September 2024

	Share capital	Share premium	Other reserves	Retained earnings ⁽¹⁾	Treasury shares	Total Equity
Balance as at 1 January 2024	25.6	7,174.0	2,909.6	4,855.4	(2,854.7)	12,109.9
Total comprehensive income	-	-	(5.2)	426.3	-	421.1
<i>Hedge valuation reserve</i>	-	-	(5.2)	-	-	(5.2)
<i>Net profit for the period</i>	-	-	-	426.3	-	426.3
Balance as at 30 September 2024 unaudited	25.6	7,174.0	2,904.4	5,281.7	(2,854.7)	12,531.0

⁽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. The capital excluded from distribution amounts to PLN 8.5 as at 30 September 2024.

Interim Statement of Changes in Equity for the 9 months ended 30 September 2023

	Share capital	Share premium	Other reserves	Retained earnings ⁽¹⁾	Treasury shares	Total Equity
Balance as at 1 January 2023	25.6	7,174.0	2,933.5	4,215.8	(2,854.7)	11,494.2
Total comprehensive income	-	-	(24.4)	769.9	-	745.5
<i>Hedge valuation reserve</i>	-	-	(24.4)	-	-	(24.4)
<i>Net profit for the period</i>	-	-	-	769.9	-	769.9
Balance as at 30 September 2023 unaudited	25.6	7,174.0	2,909.1	4,985.7	(2,854.7)	12,239.7

⁽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. The capital excluded from distribution amounts to PLN 8.5 as at 30 September 2023.

Notes to the Interim Condensed Financial Statements

General information

1. The Company

Cyfrowy Polsat S.A. ('the Company', 'Cyfrowy Polsat') was incorporated in Poland as a joint stock company. The Company's shares are traded on the Warsaw Stock Exchange. The Company's registered head office is located at 4a Łubinowa Street in Warsaw.

The Company 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.

The Company is the Parent Company of Cyfrowy Polsat S.A. Capital Group (the 'Group'). As at 30 September 2024 the Group encompasses the Company, Polkomtel Sp. z o.o. and its subsidiaries, Telewizja Polsat Sp. z o.o. and its subsidiaries and joint ventures, Netia S.A. and its subsidiaries, INFO-TV-FM Sp. z o.o., Interphone Service Sp. z o.o., Teleaudio Dwa Sp. z o.o. Sp. k., Netshare Media Group Sp. z o.o., Orsen Holding Limited and its subsidiaries, Esoleo Sp. z o.o. and its subsidiaries, Stork 5 Sp. z o.o. and its subsidiary, BCAST Sp. z o.o., Plus Finanse Sp. z o.o., Vindix S.A. and its subsidiaries, Port Praski Sp. z o.o. and its subsidiaries and PAK-Polska Czysta Energia Sp. z o.o. and its subsidiaries.

2. Composition of the Management Board of the Company

- Mirosław Błaszczuk 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

- Zygmunt Solorz Chairman of the Supervisory Board,
- Justyna Kulka Vice-Chairman of the Supervisory Board (since 20 June 2024 roku),
- Piotr Żak Vice-Chairman of the Supervisory Board (until 3 July 2024),
- Tobiasz Solorz Vice-Chairman of the Supervisory Board (until 8 October 2024 roku),
- Józef Birka Member of the Supervisory Board,
- Marek Grzybowski Member of the Supervisory Board,
- Alojzy Nowak Member of the Supervisory Board,
- Tomasz Szelaż Member of the Supervisory Board,
- Jarosław Grzesiak Member of the Supervisory Board (until 8 October 2024).

4. Basis of preparation of the interim condensed financial statements

Statement of compliance

These interim condensed financial statements for the 9 months ended 30 September 2024 have been prepared in accordance with the International Accounting Standard (“IAS”) 34 Interim Financial Reporting as adopted by the EU. These interim condensed financial statements should be read together with the annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (“IFRS EU”). These interim condensed financial statements have been prepared on a going concern basis.

The Company as the Parent company prepared the interim condensed consolidated financial statements (approved on 20 November 2024). These interim condensed financial statements should be read together with the interim condensed consolidated financial statements.

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company’s annual financial statements for the year ended 31 December 2023, except for the adoption of new, amended Standards or Interpretations that apply to the annual reporting periods beginning on or after 1 January 2024.

During the nine-month period ended 30 September 2024 the following became effective:

- a) Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current,
- b) Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback,
- c) Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements.

Amendments and interpretations that apply for the first time in 2024 do not have a material impact on the interim condensed financial statements of the Company.

Standards published but not yet effective:

- a) Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability,
- b) Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments,
- c) IFRS 18 Presentation and Disclosure in Financial Statements,
- d) IFRS 19 Subsidiaries without Public Accountability: Disclosures,
- e) Annual improvements (volume 11) – includes clarifications, simplifications, corrections and changes of IFRS standards: IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, IAS 7 Statement of Cash Flows.

5. Approval of the Interim Condensed Financial Statements

These interim condensed financial statements were approved for publication by the Management Board on 20 November 2024.

Explanatory notes

6. Information on seasonality in the Company's operations

Revenue is not directly subject to any seasonal trend.

7. Revenue

	for the 3 months ended		for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited	30 September 2024 unaudited	30 September 2023 unaudited
Retail revenue	500.4	506.9	1,526.3	1,536.0
Wholesale revenue	18.3	18.7	55.8	57.0
Sale of equipment	8.0	7.4	30.8	27.0
Other revenue	22.5	21.6	69.3	67.8
Total	549.2	554.6	1,682.2	1,687.8

Retail revenue mainly consists of pay-TV, telecommunication services, revenue from rental of reception equipment and contractual penalties related to terminated agreements.

8. Operating costs

	Note	for the 3 months ended		for the 9 months ended	
		30 September 2024 unaudited	30 September 2023 unaudited	30 September 2024 unaudited	30 September 2023 unaudited
Content costs		195.0	215.2	639.0	640.9
Technical costs and costs of settlements with telecommunication operators		103.5	109.8	314.2	333.4
Distribution, marketing, customer relation management and retention costs		77.1	74.6	233.3	213.7
Depreciation, amortization, impairment and liquidation		51.2	44.3	150.6	130.6
Salaries and employee-related costs	a)	37.6	36.6	118.3	113.2
Cost of equipment sold		5.9	5.5	24.2	21.2
Cost of debt collection services, bad debt allowance and receivables written off		0.6	1.2	6.9	4.6
Other costs		21.6	21.2	71.7	68.4
Total		492.5	508.4	1,558.2	1,526.0

a) Salaries and employee-related costs

	for the 3 months ended		for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited	30 September 2024 unaudited	30 September 2023 unaudited
Salaries	30.8	29.9	96.7	92.2
Social security contributions	5.2	4.9	16.7	15.8
Other employee-related costs	1.6	1.8	4.9	5.2
Total	37.6	36.6	118.3	113.2

9. Gain on investment activities, net

	for the 3 months ended		for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited	30 September 2024 unaudited	30 September 2023 unaudited
Dividends	162.8	3.4	451.8	659.5
Share in the profits of partnerships	0.2	0.3	1.5	6.0
Gain on sale of shares in a associate	-	235.7	-	235.7
Interest income on loans granted	78.6	25.8	231.9	59.5
Other interest, net	16.0	8.7	46.3	35.4
Foreign exchange gains/(losses), net	(10.0)	81.6	(23.3)	36.1
Change in value of Asseco Poland S.A. shares	57.6	(10.9)	116.0	(10.9)
Other income/(costs)	(29.5)	(2.1)	(77.8)	6.4
Total	275.7	342.5	746.4	1,027.7

10. Finance costs, net

	for the 3 months ended		for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited	30 September 2024 unaudited	30 September 2023 unaudited
Interest expense on loans and borrowings	38.9	45.3	120.2	96.9
Interest expense on issued bonds	94.7	79.4	285.6	249.8
Foreign exchange differences on loans and borrowings	(12.1)	65.7	(24.5)	44.6
Cumulative catch-up	-	(1.6)	(2.5)	(20.8)
Valuation and realization of hedging instruments	(1.9)	(3.0)	(3.7)	(13.8)
Guarantee fees	5.6	4.0	10.4	6.2
Bank and other charges	1.2	0.4	3.2	1.2
Total	126.4	190.2	388.7	364.1

11. Equity

Share capital

Presented below is the structure of the Company's share capital as at 30 September 2024 and 31 December 2023:

Share series	Number of shares *	Nominal value of shares	Type of shares
A	2,500,000	0.1	registered preference shares (2 voting rights)
B	2,500,000	0.1	registered preference shares (2 voting rights)
C	7,500,000	0.3	registered preference shares (2 voting rights)
D	166,917,501	6.7	registered 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 2024 and 31 December 2023 was as follows:

	Number of shares *	Nominal value of shares	% of share capital held	Number of votes *	% of voting rights
Zygmunt Solorz, through:	396,802,022	15.9	62.04%	576,219,523	70.36%
TiVi Foundation, including through:	386,745,257	15.5	60.47%	566,162,758	69.13%
Reddev Investments Ltd., including through:	386,745,247	15.5	60.47%	566,162,738	69.13%
Cyfrowy Polsat S.A. ¹	88,842,485	3.6	13.89%	88,842,485	10.85%
Tobias Solorz ² , including through:	10,056,765	0.4	1.57%	10,056,765	1.23%
ToBe Investments Group Ltd.	4,449,156	0.2	0.70%	4,449,156	0.54%
Others	242,743,994	9.7	37.96%	242,743,994	29.64%
Total	639,546,016	25.6	100%	818,963,517	100%

* not in millions

¹ The acquired own shares under the share buy-back program announced on 16 November 2021. According to Art. 364 Section 2 of the Commercial Companies Code, Cyfrowy Polsat S.A. does not exercise voting rights from the own shares.

² Person is under the presumption of the existence of an agreement referred to in Art. 87 Section 1 Item 5 of the Public Offering Act.

Proceedings concerning TiVi Foundation, the Company's shareholder

To the Company's best knowledge, proceedings are pending before the court in Liechtenstein to determine who is entitled to the rights set forth in the Articles of Association of TiVi Foundation, an entity that is an indirect shareholder of the Company, holding a block of 60.47% of the Company's shares entitling to 69.13% of votes at the Company's general meeting.

In the opinion of the Company's Management Board, the aforementioned proceedings have no impact on the operational and financial activities of the Company and Group.

Share premium

Share premium includes the excess of issue value over the nominal value of shares issued decreased by share issuance-related costs.

Retained earnings

On 20 June 2024 the Annual General Meeting of the Company adopted a resolution on the distribution of the Company's net profit for the financial year 2023. In accordance with the provisions of the resolution, entire net profit in the amount of PLN 639.6 was allocated to supplementary capital.

Other reserves

As at 30 September 2024 and 31 December 2023 other reserves include mainly the reserve capital created for the purposes of the share buyback program in the amount of PLN 2,914.8.

Treasury shares

As at 30 September 2024 and 31 December 2023 treasury shares include a total of 88,842,485 (not in millions) own shares, representing in total 13.89% of the share capital of the Company and entitling to exercise 88,842,485 (not in millions) votes at the general meeting of the Company, constituting 10.85% of the total number of votes at the general meeting of the Company.

12. Hedge valuation reserve

Impact of hedging instruments valuation on hedge valuation reserve

	2024	2023
Balance as at 1 January	(5.1)	18.2
Valuation of cash flow hedges	(6.4)	(30.1)
Deferred tax	1.2	5.7
Change for the period	(5.2)	(24.4)
Balance as at 30 September unaudited	(10.3)	(6.2)

13. Loans and borrowings

	30 September 2024 unaudited	31 December 2023
Short-term liabilities	178.5	185.7
Long-term liabilities	1,991.7	2,022.0
Total	2,170.2	2,207.7

Change in loans and borrowings liabilities:

	2024	2023
Balance as at 1 January	2,207.7	1,298.5
Term loan inflows	-	2,284.9
Loan conversion	-	(679.5)
Repayment of capital	(14.5)	(591.5)
Repayment of interest and commissions	(118.7)	(142.0)
Interest accrued	120.2	94.1
Exchange differences	(24.5)	44.6
Balance as at 30 September unaudited	2,170.2	2,309.1

14. Issued Bonds

	30 September 2024 unaudited	31 December 2023
Short-term liabilities	359.3	394.7
Long-term liabilities	3,603.2	3,975.5
Total	3,962.5	4,370.2

Change in issued bonds:

	2024	2023
Balance as at 1 January	4,370.2	2,076.4
Bonds issue (series D bonds)	-	2,670.0
Bonds issue (series E bonds)	-	820.0
Bonds redemption (series B and C bonds)*	(311.9)	(1,688.1)
Repayment of interest and commissions**	(381.3)	(241.7)
Cumulative catch-up	(2.5)	(20.8)
Interest accrued and commissions	288.0	269.3
Balance as at 30 September unaudited	3,962.5	3,885.1

* redemption through conversion into series D and E bonds

** incl. interests and premium for early redemption of bonds settled as part of the conversion

Early redemption of Series B and C Bonds

On 17 January 2024, the Management Board has decided to carry out an early redemption ("Early Redemption") of all bonds outstanding:

- 223,798 (not in millions) Series B bearer bonds with a total nominal value of PLN 223.8, issued by the Company on 26 April 2019 with redemption date set for 24 April 2026, and
- 88,053 (not in millions) Series C bearer bonds with a total nominal value of PLN 88.1, issued by the Company on 14 February 2020, with a redemption date set for 12 February 2027.

Early Redemption was executed by the Company on 5 February 2024 by payments:

- for each series B bond, the cash amount at its nominal value, i.e. PLN 1,000 (not in millions), plus accrued interest of PLN 20.46 (not in millions) and
- for each series C bond, the cash amount at its nominal value, i.e. PLN 1,000 (not in millions), plus accrued interest of PLN 39.41 (not in millions) and bonus for Early Redemption in amount of PLN 5.00 (not in millions).

In connection with the Early Redemption, all Series B bonds and Series C bonds were cancelled.

15. Transactions with related parties

RECEIVABLES

	30 September 2024 unaudited	31 December 2023
Subsidiaries	58.0	135.4
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.	0.4	1.3
Total	58.4	136.7

A significant portion of receivables is represented by dividend receivables, receivables from share of the profits of partnerships and receivables related to Telewizja Polsat and Polkomtel Sp. z o.o. ('Polkomtel') services.

OTHER ASSETS

	30 September 2024 unaudited	31 December 2023
Subsidiaries	169.2	57.9
Total	169.2	57.9

Other current assets comprise mainly financial instruments entered into with Pak-Volt and unbilled receivables from Polkomtel and Telewizja Polsat.

LIABILITES

	30 September 2024 unaudited	31 December 2023
Subsidiaries	412.4	297.9
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.	80.0	179.4
Total	492.4	477.3

A significant portion of liabilities include, among others: accruals for uninvoiced services of Polkomtel, liabilities due to the purchase of shares, liabilities due to the issued bonds, programming fees, liabilities due to services provided by Liberty Poland, InterPhone and Polkomtel, liabilities related to financial instruments and leasing liabilities.

LOANS GRANTED

	30 September 2024 unaudited	31 December 2023
Subsidiaries	3,728.0	3,608.3
Total	3,728.0	3,608.3

Loans granted as at 30 September 2024 mainly include loans to Polkomtel, PAK-Polska Czysta Energia Sp. z o. o., Netia S.A., Esoleo Sp. z o. o. with repayment due date in 2024 – 2031.

REVENUES

	for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited
Subsidiaries	97.8	87.1
Joint ventures and associates	-	1.3
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.	2.5	1.3
Total	100.3	89.7

The most significant transactions include revenues from subsidiaries from accounting services, signal broadcast, property rental, programming fees and advertising services.

EXPENSES

	for the 9 months ended	
	30 September 2024 unaudited	30 September 2023 unaudited
Subsidiaries	508.6	521.6
Joint ventures and associates	-	2.4
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.	18.2	9.2
Total	526.8	533.2

The most significant transactions include license fees for broadcasting Telewizja Polsat's programs.

The Company also pays data transfer services, commissions on sales and also property rental costs, incurs IT services expenses and also costs of programming licenses, advertising production and telecommunication services with respect to the Company's customer call center.

GAIN/(LOSS) ON INVESTMENT ACTIVITIES, NET

	for the 9 months ended	
	30 September 2024	30 September 2023
	unaudited	unaudited
Subsidiaries	584.2	647.9
Joint ventures and associates	-	93.8
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.	30.8	-
Total	615.0	741.7

Gains and losses on investment activities comprises mainly of dividend income, interest income from loans granted, and guarantees granted by the Company in respect to Polkomtel's term facilities.

FINANCE COSTS

	for the 9 months ended	
	30 September 2024	30 September 2023
	unaudited	unaudited
Subsidiaries	12.0	6.2
Total	12.0	6.2

Finance costs comprise mostly of guarantee fees in respect to the term facilities.

Other notes

16. Litigations

Management believes that the provisions for litigations as at 30 September 2024 are sufficient to cover potential future outflows and the adverse outcome of the disputes will not have a significant negative impact on the Company's financial situation. Information regarding the amount of provisions was not separately disclosed, as in the opinion of the Company's Management such disclosure could prejudice the outcome of the pending cases.

On 19 December 2019 the President of UOKiK issued a decision stating that the operations of the Company were allegedly infringing collective consumer interests by hindering access to ZDF and Das Erste channels during the Euro 2016 championship by removing these channels and by giving incomplete and unreliable information to consumers in response to claims regarding unavailability of the above programs. Pursuant to the decision of the President of UOKiK the Company was charged with a penalty in the amount of PLN 34.9. The company appealed against this decision to SOKiK. On 14 February 2022 First Instance Court dismissed the Company's appeal in its entirety. The Company submit a cassation appeal to the Court of Appeal in Warsaw. The appeal hearing took place on 21 October 2022. On 21 November 2022, the Court of Appeal in Warsaw repealed the appealed judgment in its entirety and referred the case to the Regional Court in Warsaw for examination and resolution. On 24 July 2023 Company's appeal was again dismissed. On 6 September 2023 the Company filed an appeal against the judgment. At the hearing on 5 June 2024, the Court of Appeal annulled part of the decision of the President of UOKiK, including that related to the fine of PLN 20.1.

On 12 July 2024 Company complied with the judgment in terms of paying the fine of PLN 14.8. The Company is considering the possibility of filing a cassation appeal.

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. Mediations ended without a settlement. The last 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, containing the mediator's position summarizing the course of the 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. At the end of March 2022, the Company received a letter extending the previous claim by the period from 1 January 2010 to 31 December 2020, the value of the lawsuit was increased by over PLN 120.0. The court set hearing dates for 15 December 2023 and 17 April 2024. The both hearings, scheduled for 15 December 2023 and 17 April 2024 have been canceled. The court set new hearing dates for 25 November 2024 and 9 December 2024.

By lawsuit, delivered to the Company on 16 December 2019, the Association of Performing Artists (SAWP) filed two claims against the Company: information and a 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 filled for the dismissal entirely. The last hearing took place on 17 January 2024. The hearing was postponed without a date.

The status of other significant disputes described in the financial statements for the financial year ended 31 December 2023 has not changed.

17. Risk and fair value

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, the risk of changes in cash flows related to interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed financial statements do not include all financial risk management information and disclosures required in the annual financial statements. These interim condensed financial statements should be read in conjunction with the Company's annual financial statements for the year ended as at 31 December 2023. There have been no significant changes in any risk management policies since the end of year 2023.

Fair value

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments, depending on the selected valuation method:

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 (e.g. prices) 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.

	Category according to IFRS 9	Level of the fair value hierarchy	30 September 2024 unaudited		31 December 2023	
			Fair value	Carrying amount	Fair value	Carrying amount
Loans granted	A	2	3,890.9	3,728.0	3,696.8	3,608.5
Trade and other receivables	A	*	88.4	88.4	166.4	166.4
Cash and cash equivalents	A	*	1,678.3	1,678.3	1,883.6	1,883.6
Loans and borrowings	B	2	(2,275.0)	(2,170.2)	(2,341.6)	(2,207.7)
Issued bonds	B	1	(4,037.4)	(3,962.5)	(4,454.9)	(4,370.2)
Lease liability	B	2	(21.0)	(21.0)	(22.9)	(22.9)
Accruals	B	*	(298.1)	(298.1)	(289.7)	(289.7)
Trade and other payables and deposits	B	*	(169.3)	(169.3)	(330.3)	(330.3)
Total			(1,143.2)	(1,126.4)	(1,692.6)	(1,562.3)
Unrecognized loss				(16.8)		(168.4)

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 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 or EURIBOR interest rate plus a margin regarding the credit risk.

Trade and other receivables, accruals and 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 the effect of time value of money into account, would approximately be equal to their nominal value.

As at 30 September 2024 and 31 December 2023 loans and borrowings comprised term facility loan. The discount rate for each payment was calculated as a sum of implied WIBOR/EURIBOR interest rate and a margin regarding the Company's credit risk.

The fair value of bonds as at 30 September 2024 and 31 December 2023 is calculated based on the last bid price as at the balance sheet date as quoted on the Catalyst market.

As at 30 September 2024 the Company held the following financial instruments measured at fair value:

ASSETS MEASURED AT FAIR VALUE

	30 September 2024 unaudited	Level 1	Level 2	Level 3
Derivatives other than hedging instruments		-	-	156.9
Financial PPA		-	-	156.9
Hedging derivative instruments		-	4.7	-
IRS		-	4.7	-
Investments in equity instruments		730.4	-	-
Total		730.4	4.7	156.9

LIABILITIES MEASURED AT FAIR VALUE

	30 September 2024 unaudited	Level 1	Level 2	Level 3
Derivatives other than hedging instruments		-	-	205.5
Financial PPA		-	-	205.5
Hedging derivative instruments		-	16.9	-
IRS		-	11.1	-
CIRS		-	5.7	-
Forward		-	0.1	-
Total		-	16.9	205.5

As at 31 December 2023, the Company held the following financial instruments carried at fair value on the statement of financial position:

ASSETS MEASURED AT FAIR VALUE

	31 December 2023	Level 1	Level 2	Level 3
Derivatives other than hedging instruments		-	-	41.7
Financial PPA		-	-	41.7
Hedging derivative instruments		-	4.3	-
IRS		-	4.3	-
Investments in equity instruments	614.4		-	-
Total	614.4	614.4	4.3	41.7

LIABILITIES MEASURED AT FAIR VALUE

	31 December 2023	Level 1	Level 2	Level 3
Derivatives other than hedging instruments		-	-	60.1
Financial PPA		-	-	60.1
Hedging derivative instruments		-	11.9	-
IRS		-	5.7	-
CIRS		-	5.8	-
Forward		-	0.4	-
Total		-	11.9	60.1

The fair value of interest rate swaps, currency interest rate swaps and forward transactions is determined using financial instruments valuation models, based on generally published interest rates. 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.

The fair value of financial PPA transactions was determined using financial instrument pricing models, using expert assumptions on energy price levels, seasonality, production profile as well as using generally available interest rates. The fair value is determined based on discounted future transaction flows calculated on the basis of the difference between the market price over the contract horizon and the settlement price (plus the inflation rate).

18. Important agreements and events

Decisions of the Head of the Małopolska Tax Office in Cracow

On 15 February 2018 the Head of the Małopolska Tax Office in Cracow ("Tax Office") issued the decision assessing the tax liability from uncollected withholding corporate income tax in 2012 in the amount of PLN 24.2 increased by interest on tax arrears.

In the issued decision the Tax Office contested the Company's right to an exemption from the obligation to withhold income tax on certain interest payments in 2012. The Company appealed against the decision of the Tax Authority on the basis of acquired opinions issued by renowned entities. The Company has not created any provisions encumbering its financial results.

On 10 July 2018 the Tax Office upheld the previous decision dated 15 February 2018. The Company did not agree with the decision of the Tax Office in question and appealed against it to the Voivodship Administrative Court in Cracow. The Voivodship Administrative Court in Cracow dismissed the complaint in the ruling as of 21 February 2019. The Company does not agree with this decision and filled a cassation complaint to the Supreme Administrative Court in Warsaw. The Supreme Administrative Court upheld the complaint and transferred the case to the Voivodship Administrative Court for re-examination in its decision on 17 August 2022. The Voivodship Administrative Court, at the hearing on 15 March 2023, revoked the decision of the Head of the Małopolska Tax Office in Cracow and referred the case for reconsideration by this authority. On 23 January 2024, the Company received the decision of the tax authority discontinuing the proceedings in the case.

The Tax Office control activities in the aforesaid matter were in progress in relation to 2013 and 2014.

The Head of the Małopolska Tax Office in Cracow issued a decision on 19 July 2019 in respect to the year 2013. The decision assessed the Company's tax liability from uncollected withholding corporate income tax in 2013 in the amount of PLN 25.1 increased by interest on tax arrears. The Company appealed against the decision, but on 14 February 2020 the Tax Authority maintained its position. The Company filed a complaint against the decision to the Administrative Court. On 15 October 2020, the Voivodship Administrative Court in Cracow dismissed the complaint. The Company, based on the opinions of reputable advisers, does not agree with the court's decision and filed a cassation appeal to the Supreme Administrative Court in Warsaw. The Supreme Administrative Court, at the hearing on 10 January 2024, dismissed the judgements of the first instance court and the decisions of the Head of the Małopolska Tax Office in Cracow issued in these cases in the second instance. As a result, on 17 June 2024, this body issued a new decision in which - after analyzing the position and guidelines of the Supreme Administrative Court - it repealed the decision of 19 July 2019 and decided on the Company's liability for the uncollected flat-rate corporate tax in the amount of PLN 1.3 (the amount does not include interest). This is a significantly lower amount than the original one, however, in this case too, the Company does not agree with the position of the body and filed a complaint to the Voivodship Administrative Court. The Company has not created any provisions encumbering its financial results.

The Head of the Małopolska Tax Office in Cracow issued a decision on 20 September 2019 in respect to the year 2014. The decision assessed the Company's tax liability from uncollected withholding corporate income tax in 2014 in the amount of PLN 1.7 increased by interest on tax arrears. The Company appealed against the decision of the Tax Authority. In a second instance decision issued on 8 June 2020, the Tax Authority fully maintained its position. The Company filed a complaint against the decision to the Administrative Court. On 20 October 2020, the Voivodship Administrative Court in Cracow dismissed the complaint. The Company, based on the opinions of reputable advisers, does not agree with the court's decision and filed a cassation appeal to the Supreme Administrative Court in Warsaw. The

Supreme Administrative Court, at the hearing on 10 January 2024, dismissed the judgment of the first instance court and the decisions of the Head of the Małopolska Tax Office in Cracow issued in these cases in the second instance. As a result, after analyzing the content of the judgment of the Supreme Administrative Court, the Head of the Małopolska Customs and Tax Office issued a decision on 17 June 2024, in which he upheld the decision of 20 September 2019. The company does not agree with the position of the authority and filed a complaint to the Voivodship Administrative Court. The Company has not created any provisions encumbering its financial results.

19. Other disclosures

Security relating to loans and borrowings

The Company entered into a series of agreements establishing security under the loans agreement. Detailed information in respect to the agreements is presented in the Management Report in note 3.3.2.

Other securities

The Company provided sureties and guarantees to its subsidiaries and related entities for the performance of the contracts. Detailed information in respect to the agreements is presented in the Management Report in note 4.3.

Contractual liabilities related to purchases of non-current assets

Total amount of capital commitments resulting from agreements on property construction and improvements was PLN 7.0 as at 30 September 2024 (PLN 14.6 as at 31 December 2023).

Future contractual obligations

As at 30 September 2024 and 31 December 2023 the Company had future liabilities due to transponder capacity agreements.

The table below presents future payments (total):

	30 September 2024 unaudited	31 December 2023
within one year	111.0	112.8
between 1 to 5 years	27.8	112.8
Total	138.8	225.6

20. Events subsequent to the reporting date

In the period until the date of approval of these condensed interim financial statements, there were no significant events after the balance sheet date other than those disclosed in the remaining notes to these condensed interim financial statements.

21. Judgments, financial estimates and assumptions

The preparation of interim condensed 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 judgements, accounting estimates and assumptions is presented in the annual financial statements.



**Report of the Management Board
on the activities
of Cyfrowy Polsat S.A. Capital Group
for the nine month period ended
September 30, 2024**

Warsaw, November 20, 2024

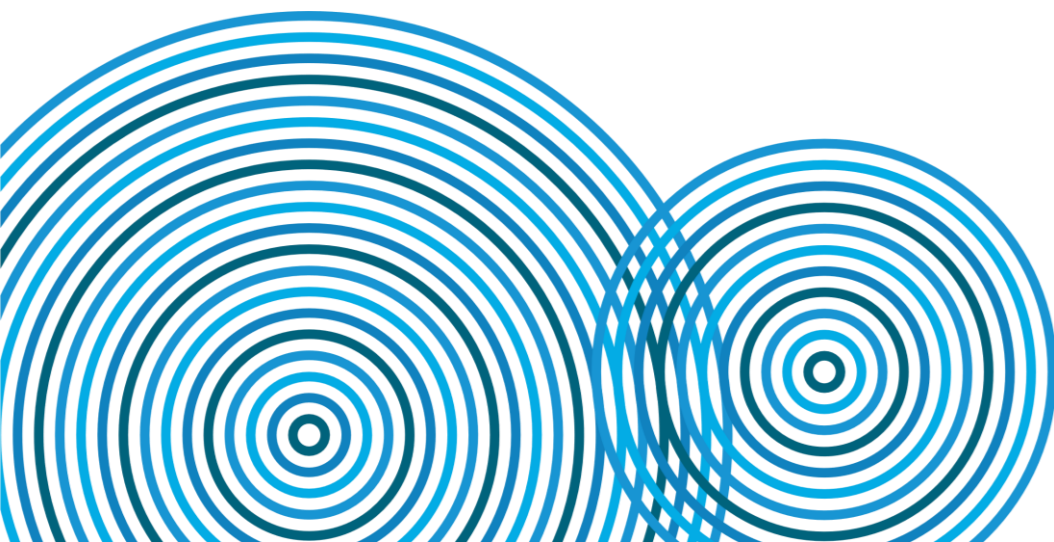


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Disclaimers

General information

Cyfrowy Polsat S.A. (the "Company", "Cyfrowy Polsat"), with its registered office in Warsaw, 4a Łubinowa Street, is entered in the Register of Entrepreneurs of the National Court Register kept by the District Court for the City of Warsaw, XIV Economic Department of the National Court Register, KRS number KRS 0000010078. The Company is the parent company of Cyfrowy Polsat S.A. Capital Group ("Polsat Plus Group").

This constitutes the report of Cyfrowy Polsat Capital Group S.A. (the "Report") prepared as required by Article 60 sections 1(1) and (2) and Article 66 of the Ordinance of the Minister of Finance of March 29, 2018 regarding current and periodic information to be submitted by issuers of securities, and the conditions for recognizing equivalence of information required under non-member states regulations.

Presentation of financial data and other information

References to the Company or Cyfrowy Polsat contained in this Management Board's report on the activities of Polsat Plus Group apply to Cyfrowy Polsat S.A., while all references to the Group or Polsat Plus Group apply to Cyfrowy Polsat S.A. and its consolidated subsidiaries. Expressions such as "we," "us," "our" and similar apply generally to the Group, unless it is clear from the context that they apply only to the Company. A glossary of terms used in this document is presented at the end of this Report.

This Report contains financial statements and financial information relating to the Company and the Group. In particular, this Report contains our interim condensed consolidated financial statements for the nine-month period ended September 30, 2024, prepared in accordance with International Financial Reporting Standards as approved for use in the European Union ("IFRS") and are presented in millions of zlotys. The financial statements attached to this Report have not been reviewed by an independent auditor.

Certain financial data contained in this Report have been subject to rounding adjustments. Accordingly, certain numbers presented as the sum may not conform exactly to the arithmetical sum of their components.

Forward-looking statements

This Report contains forward looking statements relating to future expectations, 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). These statements are expressed, without limitation, through words such as "may," "will," "expect," "anticipate," "believe," "estimate" and similar words used in this Report. 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. Accordingly, actual results may differ materially from those expressed or implied by the 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 Report.

The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. We expressly disclaim any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained herein in order to reflect any change in our expectations, change of circumstances on which any such statement is based or any event that occurred after the date of this Report.

In this Report, we disclose important factors which may impact our future operating activities and financial results that could cause our actual results to differ materially from our expectations.

Industry and market data

In this Report, we set out information relating to our business and the markets in which we and our competitors operate. The information regarding the market, its size, the market share, the market position, the growth rates and other industry data relating to our business and markets in which we operate consists of data and reports compiled by various third-party entities, including other operators present on the Polish market, and our internal estimates. We believe that industry publications, surveys and forecasts we use are reliable but we have not independently verified them and cannot guarantee their accuracy or completeness.

Moreover, in numerous cases we have made statements in this Report regarding our industry and our position in the industry based on our own experience and our examination of market conditions. We cannot guarantee that any of these assumptions properly reflect our market position. Our internal surveys have not been verified by any independent sources.

Financial data overview

The following tables set out selected consolidated financial data for the three- and nine-month periods ended September 30, 2024 and September 30, 2023. This information should be read in conjunction with the consolidated financial statements for the nine-month period ended September 30, 2024 (including notes thereto) constituting part of this Report and the information included in item 3 of this Report – *Operating and financial review of Polsat Plus Group*.

Selected financial data:

- from the consolidated income statement and the consolidated cash flow statement for the three-month periods ended September 30, 2024 and September 30, 2023 have been converted into euro at a rate of PLN 4.2838 per EUR 1.00 (average exchange rate in the period from July 1, 2024 to September 30, 2024 announced by the NBP);
- from the consolidated income statement and the consolidated cash flow statement for the nine-month periods ended September 30, 2024 and September 30, 2023 have been converted into euro at a rate of PLN 4.3062 per EUR 1.00 (average exchange rate in the period from January 1, 2024 to September 30, 2024 announced by the NBP);
- from the consolidated balance sheet data as at September 30, 2024 and December 31, 2023 have been converted into euro at a rate of PLN 4.2791 per EUR 1.00 (average exchange rate on September 30, 2024 published by the NBP).

Such recalculations shall not be viewed as a representation that such zloty amounts actually represent such euro amounts, or could be or could have been converted into euro at the rates indicated or at any other rate.

It should be noted that the financial data for the three- and nine-month periods ended September 30, 2024 and September 30, 2023 are not comparable due to acquisitions and changes to the Group's structure in the period from January 1, 2023 to September 30, 2024, which are described in detail in item 1.2. - *Changes in the organizational structure of Polsat Plus Group and their effects* – of this Report, as well as in item 1.5. of the report of the Management Board on the activities of Cyfrowy Polsat S.A. Capital Group in 2023.

Consolidated income statement

	3 months ended September 30		3 months ended September 30	
	2024 mPLN	2023 mPLN	2024 mEUR	2023 mEUR
Revenue	3,579.5	3,455.7	835.6	806.7
Retail revenue	1,817.2	1,754.8	424.2	409.6
Wholesale revenue	763.8	799.3	178.3	186.6
Sale of equipment	457.2	446.5	106.7	104.2
Energy revenue	359.1	272.0	83.8	63.5
Other revenue	182.2	183.1	42.6	42.8
Total operating costs	(2,987.8)	(3,165.2)	(697.5)	(738.9)
Technical costs and cost of settlements with telecommunication operators	(869.7)	(838.1)	(203.0)	(195.6)
Depreciation, amortization, impairment and liquidation	(303.2)	(475.0)	(70.8)	(110.9)
Cost of equipment sold	(365.4)	(348.1)	(85.3)	(81.3)
Content costs	(415.1)	(516.6)	(96.9)	(120.6)
Cost of energy sold, includes	(262.2)	(255.1)	(61.2)	(59.5)
<i>Depreciation</i>	(12.4)	(8.5)	(2.9)	(2.0)
Distribution, marketing, customer relation management and retention costs	(264.1)	(258.2)	(61.7)	(60.3)
Salaries and employee-related costs	(290.1)	(271.6)	(67.7)	(63.4)
Cost of debt collection services and bad debt allowance and receivables written off	(27.7)	(32.9)	(6.5)	(7.7)
Other costs, includes	(190.3)	(169.6)	(44.4)	(39.6)
<i>Depreciation</i>	(1.3)	(0.4)	(0.3)	(0.1)
Gain on disposal of a subsidiary and an associate	-	220.1	-	51.4
Other operating income/(cost), net	(22.2)	0.3	(5.2)	0.1
Profit from operating activities	569.5	510.9	132.9	119.3
Gain/(loss) on investment activities, net	81.8	39.9	19.1	9.3
Finance costs, net	(278.6)	(399.0)	(65.0)	(93.1)
Share of the profit/(loss) of associates accounted for using the equity method	(0.8)	19.3	(0.2)	4.5
Gross profit for the period	371.9	171.1	86.8	40.0
Income tax	(122.1)	(68.9)	(28.5)	(16.1)
Net profit for the period	249.8	102.2	58.3	23.9
Net profit/(loss) attributable to equity holders of the Parent	248.9	120.8	58.1	28.2
Net profit/(loss) attributable to non-controlling interest	0.9	(18.6)	0.2	(4.3)
Basic and diluted earnings per share in PLN (not in millions)	0.46	0.19	0.11	0.04
Weighted number of issued shares (not in millions)	550,703,531	550,703,531	550,703,531	550,703,531
EBITDA⁽¹⁾	886.4	994.8	206.9	232.3
EBITDA margin	24.8%	28.8%	24.8%	28.8%
EBITDA adjusted⁽²⁾	886.4	774.7	206.9	180.9
EBITDA adjusted margin	24.8%	22.4%	24.8%	22.4%
EBITDA excl. asset disposal⁽³⁾	872.8	774.7	203.7	180.9
EBITDA margin excl. asset disposal	24.4%	22.4%	24.4%	22.4%
Operating margin	15.9%	14.8%	15.9%	14.8%

	9 months ended September 30		9 months ended September 30	
	2024 mPLN	2023 mPLN	2024 mEUR	2023 mEUR
Revenue	10,438.8	9,944.8	2,424.1	2,309.4
Retail revenue	5,372.2	5,223.4	1,247.5	1,213.0
Wholesale revenue	2,361.7	2,450.6	548.4	569.1
Sale of equipment	1,315.9	1,415.0	305.6	328.6
Energy revenue	890.0	272.0	206.7	63.2
Other revenue	499.0	583.8	115.9	135.5
Total operating costs	(9,189.9)	(9,002.1)	(2,134.1)	(2,090.5)
Technical costs and cost of settlements with telecommunication operators	(2,492.4)	(2,470.6)	(578.8)	(573.7)
Depreciation, amortization, impairment and liquidation	(1,239.9)	(1,406.2)	(287.9)	(326.5)
Cost of equipment sold	(1,027.1)	(1,124.7)	(238.5)	(261.2)
Content costs	(1,483.5)	(1,560.5)	(344.5)	(362.4)
Cost of energy sold, includes	(698.1)	(255.1)	(162.1)	(59.3)
<i>Depreciation</i>	(36.3)	(8.5)	(8.4)	(2.0)
Distribution, marketing, customer relation management and retention costs	(788.6)	(749.5)	(183.1)	(174.1)
Salaries and employee-related costs	(890.5)	(822.6)	(206.8)	(191.0)
Cost of debt collection services and bad debt allowance and receivables written off	(69.2)	(94.8)	(16.1)	(22.0)
Other costs, includes	(500.6)	(518.1)	(116.3)	(120.3)
<i>Depreciation</i>	(3.3)	(0.4)	(0.8)	(0.1)
Gain on disposal of a subsidiary and an associate	10.0	220.1	2.3	51.1
Other operating income/(cost), net	159.3	(23.4)	37.0	(5.4)
Profit from operating activities	1,418.2	1,139.4	329.3	264.6
Gain/(loss) on investment activities, net	185.2	81.7	43.0	19.0
Finance costs, net	(747.0)	(955.4)	(173.5)	(221.9)
Share of the profit/(loss) of associates accounted for using the equity method	(0.7)	29.7	(0.1)	6.9
Gross profit for the period	855.7	295.4	198.7	68.6
Income tax	(246.1)	(114.1)	(57.1)	(26.5)
Net profit for the period	609.6	181.3	141.6	42.1
Net profit/(loss) attributable to equity holders of the Parent	575.4	178.0	133.6	41.3
Net profit/(loss) attributable to non-controlling interest	34.2	3.3	8.0	0.8
Basic and diluted earnings per share in PLN (not in millions)	1.11	0.33	0.26	0.08
Weighted number of issued shares (not in millions)	550,703,531	550,703,531	550,703,531	550,703,531
EBITDA⁽¹⁾	2,697.7	2,554.5	626.4	593.2
EBITDA margin	25.8%	25.7%	25.8%	25.7%
Adjusted EBITDA⁽²⁾	2,687.7	2,334.4	624.1	542.1
Adjusted EBITDA margin	25.7%	23.5%	25.7%	23.5%
Adjusted EBITDA excl. asset disposal⁽³⁾	2,489.0	2,334.4	578.0	542.1
Adjusted EBITDA margin excl. asset disposal	23.8%	23.5%	23.8%	23.5%
Operating margin	13.6%	11.5%	13.6%	11.5%

- (1) We define EBITDA as net profit/(loss) as determined in accordance with IFRS, before depreciation and amortization (other than for programming rights), impairment charges and reversals on property, plant and equipment and intangible assets, net value of disposed property, plant and equipment and intangible assets, revenue obtained from interest, finance costs, positive/(negative) exchange rate differences, income taxes and share of net results of joint ventures. The reconciling item between EBITDA and reported operating profit/ (loss) is depreciation and amortization expense and impairment charges and reversals on property, plant and equipment and intangible assets and net value of disposed property, plant and equipment and intangible assets.
- (2) EBITDA adjusted by the gain on disposal of a subsidiary and an associate.
- (3) The result on the disposal of assets, comprising an IPv4 address package, amounted to, net of transaction costs, PLN 164.0 million in the first quarter of 2024, PLN 21.1 million in the second quarter of 2024 and 13.6 million in the third quarter of 2024.

Consolidated cash flow statement

	9 months ended September 30			
	2024		2023	
	mPLN	mPLN	mEUR	mEUR
Net cash from operating activities	2,529.2	1,468.3	587.3	341.0
Net cash used in investing activities, incl.:	(1,208.5)	(1,234.7)	(280.6)	(286.7)
<i>capital expenditures⁽¹⁾</i>	(1,174.2)	(1,004.5)	(272.7)	(233.3)
Net cash used in financing activities	(1,536.3)	3,091.0	(356.8)	717.8
Net increase/(decrease) in cash and cash equivalents	(215.6)	3,324.6	(50.1)	772.1
Cash and cash equivalents at the end of the period	3,097.6	4,181.7	719.3	971.1

- (1) Capital expenditures represent payments for our investments in property, plant and equipment and intangible assets. Excludes expenditures on purchase of reception equipment leased to our customers, which are reflected in the cash flow from operating activities, or payments for concessions, which are reported in a separate line of our cash flow statement.

Consolidated balance sheet

	Sept. 30	Dec. 31	Sept. 30	Dec. 31
	2024	2023	2024	2023
	mPLN	mPLN	mEUR	mEUR
Cash and cash equivalents ⁽¹⁾	3,097.6	3,325.7	723.9	777.2
Assets	37,178.3	37,176.7	8,688.3	8,688.0
Non-current liabilities, incl.:	14,747.8	15,354.9	3,446.5	3,588.3
<i>Non-current financial liabilities⁽²⁾</i>	13,323.1	13,934.3	3,113.5	3,256.4
Current liabilities, incl.:	5,528.8	5,515.8	1,292.0	1,289.0
<i>Current financial liabilities⁽²⁾</i>	1,831.9	1,629.6	428.1	380.8
Equity	16,901.7	16,305.2	3,949.8	3,810.4
Share capital	25.6	25.6	6.0	6.0

- (1) Includes Cash and cash equivalents, Deposits and Restricted cash .
- (2) Includes Loans and borrowings, Issued bonds and Lease liabilities.

1. Characteristics of Polsat Plus Group

1.1. Who we are

Polsat Plus Group is Poland's largest media and telecommunications group and the leader in the Polish entertainment and telecommunications markets. We are the leading pay TV provider and one of the leading telecommunications operators in the country. We are also one of Poland's largest content producers and hold a leading position among TV broadcasters in terms of both audience and advertising market shares. We offer a complete package of multimedia services designed for the entire family and a wide array of wholesale services to other telecommunications and television operators, and broadcasters. In addition, based on our Strategy 2023+, we have expanded our business activities into the production and distribution of clean energy.

Our operating activities include four business segments: the B2C and B2B services segment, the media segment: television and online, the real estate segment (from April 1, 2022) and the green energy segment (from July 3, 2023). The portfolio of services and products offered by Group companies includes:

- **pay TV services** offered under the 'Polsat Box' brand by Cyfrowy Polsat – the largest pay TV provider in Poland – and our subsidiary Netia. We offer our customers access to over 160 TV channels broadcast in satellite, terrestrial and Internet (IPTV, OTT) technologies as well as modern OTT services, Multiroom and online video services through our streaming service 'Polsat Box Go';
- **telecommunication services**, including voice and data transmission services, as well as various added services (VAS). We provide mobile telecommunication services under the 'Plus' brand through Polkomtel – one of Poland's leading telecommunications operators - and fixed-line telecommunication services mainly through Netia. We also offer business customers a range of advanced solutions designed to streamline processes and increase efficiency, including cloud solutions;
- **mobile broadband Internet**, offered under the 'Plus' brand in the state-of-the-art LTE, LTE Advanced and 5G technologies. Over 25 million residents of Poland are within the coverage of our Plus 5G network;
- **fixed-line broadband Internet** reaching over 10 million homes passed, offered under the 'Netia' and 'Plus' brands based on our nationwide access infrastructure as well as wholesale access to networks of other operators;
- **broadcasting and television production** through Telewizja Polsat Group, the leading commercial TV broadcaster on the Polish market, offering 43 own popular TV channels, including our main channel POLSAT, one of the leading FTA channels in Poland;
- **Internet media** through the portal Interia.pl, one of the three largest horizontal portals in Poland, as well as an extensive portfolio of thematic portals;
- **wholesale services to other operators**, including, among others, network interconnection, IP and voice traffic transit, lease of lines, and national and international roaming services;
- **production and sale of energy** from renewable sources such as wind, solar and biomass. Within the green energy segment, we are also developing a value chain based on green hydrogen, including its production, storage, transportation and distribution and sales, as well as the construction of hydrogen refueling stations and hydrogen-powered buses;
- **activities on the real estate market**, consisting mainly in the implementation of construction projects as well as the sale, rental and management of real estate. Our flagship project is the Port Praski investment located in the strict center of Warsaw.

1.2. Changes in the organizational structure of Polsat Plus Group and their effects

From January 1, 2024 until the date of publication of this Report, i.e. November 20, 2024, changes presented in the table below were implemented in the structure of Polsat Plus Group.

Date	Description
B2C and B2B services segment	
January 5, 2024	Merger of Netia S.A. (acquiring company) with Enterpol Sp. z o.o. (acquired company)
March 14, 2024	Acquisition of additional 10% of shares in BCAST Sp. z o.o. by Cyfrowy Polsat. Following this transaction, Cyfrowy Polsat S.A. holds 80.01% of shares in BCAST Sp. z o.o.
April 30, 2024	Merger of Polkomtel Business Development Sp. z o.o. (acquiring company) with CPSPV1 Sp. z o.o. and CPSPV2 Sp. z o.o. (acquired companies)
August 30, 2024	Merger of Premium Mobile Sp. z o.o. (acquiring company) with Saveadvisor Sp. z o.o. (acquired company)
Media segment	
March 27, 2024	Disposal of 100% of shares in Muzo.fm Sp. z o.o. by Telewizja Polsat
Green energy segment	
January 3, 2024	Merger of Eviva Drzeżewo Sp. z o.o. (acquiring company) with Eviva Lębork Sp. z o.o. (acquired company)
January 31, 2024	Merger of PAK-PCE Wiatr Sp. z o.o. (acquiring company) with PAK-PCE JW Jastrowie Sp. z o.o., PAK-PCE JW Okonek Sp. z o.o. and Mese Sp. z o.o. (acquired companies)
June 27, 2024	Acquisition of 1% of shares in Energia Przykona Sp. z o.o. by PAK-Polska Czysta Energia Sp. z o.o.
June 27, 2024	Acquisition of 1% of shares in Neo Energia Przykona X Sp. z o.o. by PAK-Polska Czysta Energia Sp. z o.o.
November 4, 2024	Acquisition of 100% of shares in Global Continental Sp. z o.o., a company implementing a photovoltaic farm project, by PAK-Polska Czysta Energia Sp. z o.o.
Real estate segment	
January 18, 2024	Merger of Laris Development Sp. z o.o. (acquiring company) with SPV Baletowa Sp. z o.o. (acquired company)
October 15, 2024	Merger of Megadex Development Sp. z o.o. (acquiring company) with Megadex Expo Sp. z o.o. (acquired company)

The changes described above are the effect of the systematically executed process of steady optimization of the capital structure of the Group. The changes in the Group's structure entail, among other things, improved efficiency of financial management on the consolidated level through the simplification and streamlining of intragroup financial flows and the elimination of redundant costs.

A detailed description of the Group's structure, including the above mentioned changes, is presented in Note 5 to the Company's interim condensed consolidated financial statements for the nine months ended September 30, 2024.

1.3. Shareholders with qualifying holdings of shares in Cyfrowy Polsat

The table below presents shareholders of Cyfrowy Polsat S.A. holding at least 5% of votes at the General Meeting of the Company as at the date of publication of this Report, i.e. November 20, 2024.

Shareholder	Number of shares	% of shares	Number of votes	% of votes
Zygmunt Solorz, through:	396,802,022	62.04%	576,219,523	70.36%
TiVi Foundation, including through:	386,745,257	60.47%	566,162,758	69.13%
<i>Reddev Investments Limited, including through:</i>	386,745,247	60.47%	566,162,738	69.13%
<i>Cyfrowy Polsat S.A.⁽¹⁾</i>	88,842,485	13.89%	88,842,485	10.85%
Tobias Solorz ⁽²⁾ , including through:	10,056,765	1.57%	10,056,765	1.23%
<i>ToBe Investments Group Limited</i>	4,449,156	0.70%	4,449,156	0.54%
Others	242,743,994	37.96%	242,743,994	29.64%
Total	639,546,016	100%	818,963,517	100%

(1) Own shares acquired under the buy-back program announced on November 16, 2021. Pursuant to Art. 364 Item 2 of the Commercial Companies Code, the Company does not exercise voting rights attached to own shares.

(2) Person under the presumption of the existence of an agreement referred to in Art. 87 Section 1 Item 5 of the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies.

Changes in the structure of qualifying holdings of shares in the Company since the publication of the previous interim report

From the date of publication of the previous interim report, i.e. August 21, 2024 (report for the first half of 2024), until the date of publication of this Report, i.e. November 20, 2024, the Company did not receive notifications concerning changes in the structure of ownership of significant blocks of Cyfrowy Polsat shares.

1.4. Shares in the Company held by Members of the Management Board and the Supervisory Board

To the Company's best knowledge, Members of the Management Board of Cyfrowy Polsat did not hold any shares in the Company, directly or indirectly, as at the date of publication of this Report, i.e. November 20, 2024, nor as at the date of publication of the previous report, i.e., August 21, 2024 (report for the first half of 2024).

The table below presents the number of shares in Cyfrowy Polsat which, according to the Company's best knowledge, were held, directly or indirectly, by Members of the Company's Supervisory Board as at the date of publication of this Report, i.e. November 20, 2024, along with changes in holdings from the date of publication of the previous report, i.e. August 21, 2024 (report for the first half of 2024).

Name and surname / Function	Holding as at August 21, 2024	Acquisitions	Disposals	Holding as at November 20, 2024
Mr. Zygmunt Solorz ⁽¹⁾ Chairman of the Supervisory Board	396,802,022	-	-	396,802,022
Mr. Józef Birka ⁽²⁾ Member of the Supervisory Board	79,268	-	-	79,268
Mr. Tomasz Szelaąg ⁽³⁾ Member of the Supervisory Board	125,000	-	-	125,000

(1) Mr. Zygmunt Solorz holds the Company's shares through the following companies: TiVi Foundation (the parent of Reddev Investments Limited, which in turn is the parent of Cyfrowy Polsat S.A.). Within the block of shares held by Mr. Zygmunt Solorz, 10,056,765 shares held indirectly and directly by Mr. Tobias Solorz were disclosed.

(2) The disclosed shares were acquired by Ms. Ewa Birka, a person closely related to Mr. Józef Birka, a person discharging managerial responsibilities within the meaning of Article 19 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse.

(3) Mr. Tomasz Szelaąg holds the Company's shares indirectly, through Pigreto Ltd.

At the same time, the Company informs that as of August 21, 2024, Tobias Solorz was a Member of the Supervisory Board, who on the aforementioned date held, both directly and indirectly, a total of 10,056,765 shares of the Company. On October 8, 2024, Tobias Solorz was dismissed from his membership in the Company's Supervisory Board.

To the Company's best knowledge the remaining Members of the Supervisory Board did not hold any shares of the Company, directly and indirectly, as at the date of publication of this Report, i.e. November 20, 2024, nor at the date of publication of the previous report, i.e. August 21, 2024 (report for the first half of 2024).

Changes in the ownership of the Company's shares by Management Board and Supervisory Board Members since the publication of the previous interim report

From the date of publication of the previous interim report, i.e. August 21, 2024 (report for the first half of 2024), until the date of publication of this Report, i.e. November 20, 2024, the Company did not receive notifications concerning changes in the structure of ownership of significant blocks of Cyfrowy Polsat shares.

2. Significant investments, agreements and events in the third quarter of 2024

2.1. Corporate events

Changes in the Supervisory Board

On July 1, 2024 Mr. Piotr Żak resigned from his membership in the Supervisory Board and from the position of Vice-Chairman of the Supervisory Board of the Company, effective as of the end of 2 July 2024. The resignation followed the appointment of Mr. Piotr Żak to the position of President of the Management Board of Telewizja Polsat Sp. z o.o., a subsidiary of the Company, as of 3 July 2024.

After the balance sheet date, on October 8, 2024, the Extraordinary General Meeting of the Company resolved to reduce the number of members of the Supervisory Board of the present term of office to 6 persons. Moreover, the Extraordinary General Meeting resolved to dismiss Mr. Jarosław Grzesiak and Mr. Tobias Solorz from the Supervisory Board.

2.2. Business related events

Sale of intangible assets

On January 25, 2024, Polkomtel entered into a sale agreement regarding the sale of intangible assets, consisting of a portion of its Internet Protocol version 4 (IPv4) communications protocol address package, to an unrelated party for a total consideration of USD 56.1 million. The transaction took place as part of and as a result of an ongoing asset review process, and the intangible assets divested were non-strategic assets.

The agreed schedule provided for the completion of the above transaction and payment in three tranches. The first payment instalment of PLN 164.0 million, net of transaction costs, was recognized under 'Other operating income' in the consolidated income statement for the first quarter of 2024, the second tranche of PLN 21.1 million was recognized in the second quarter of 2024 while the third tranche of PLN 13.6 million (net of transaction costs) was recognized in the third quarter of 2024.

Acquisition of sports rights

On July 1, 2024, TV Polsat informed that it had acquired exclusive rights to broadcast and stream the new format of the UEFA Europa League and UEFA Conference League for the next three seasons, that is from the season 2024/2025 to 2026/2027. The new formula will provide more matches, increasing competitiveness of the games. This gives fans the opportunity to watch more games and see exciting matches early in the tournament. The total for each season is 189 Europa League matches and 153 Conference League matches.

On July 5, 2024, the Group's company, Eleven Sports, informed that it had acquired exclusive rights to broadcast Bundesliga and Bundesliga 2 football matches in Poland from the 2025/26 to 2028/29 season. In addition the station acquired a non-exclusive license for the 2024/25 spring round, in which it will be able to broadcast the five most important Bundesliga matches and selected clashes of Bundesliga 2.

After the balance sheet date, in October 2024, Eleven Sports acquired exclusive rights to show all Formula 1 Grand Prix races in Poland from 2025 to 2028. Under the signed agreement, Eleven Sports has the right to broadcast practice sessions, the qualifiers, F1 Sprint and the Grand Prix during all 24 race weekends. In addition, six of these races and programs dedicated to the Grand Prix will be available on the open channel Polsat. Formula 1 will celebrate its 75th anniversary in the 2025 season, which begins March 14 in Melbourne, Australia.

Grant agreement with The European Climate, Infrastructure and Environment Executive Agency (CINEA)

In August 2024, the Group's companies PAK-PCE Biopaliwa i Wodór Sp. z o.o. and PAK-PCE Stacje H2 Sp. z o.o. signed a grant agreement with The European Climate, Infrastructure and Environment Executive Agency (CINEA) for a hydrogen project. It includes the construction of 5 publicly accessible hydrogen refueling stations located along the roads of the TEN-T network (Trans-European Transport Network) and green hydrogen production facilities with a total capacity of 5 MW. The subsidy amounts to EUR 14.9 million and was awarded under the CEF Transport - Alternative Fuels Infrastructure Facility program.

2.3. Events after the balance sheet date

Extraordinary General Meeting of the Company

The Extraordinary General Meeting (EGM) of the Company was convened on October 8, 2024 at the request of Reddev Investments Limited, with its registered office in Limassol, Cyprus, representing at least one twentieth of the share capital of the Company.

The EGM resolved that the Supervisory Board of the present term of office shall consist of 6 members. Concurrently, the EGM resolved to dismiss Mr. Jarosław Grzesiak and Mr. Tobiasz Solorz from the Supervisory Board. Furthermore, the EGM resolved to consent to execute an agreement for the purchase from the City of Warsaw of real property, previously covered by a lease agreement, located in the Targówek District at Zabraniecka Street under a non-tender procedure.

Objections were declared to all the resolutions adopted by the EGM and recorded in the minutes of the EGM.

Expansion of 5G network coverage

In October 2024, we expanded the 5G Plus network coverage to over 25 million residents of Poland, of which more than 16 million can enjoy fiber-fast 5G Ultra mobile Internet. As a result of the expansion of the network to more than 3,800 transmitters, Plus' 5G network is available in more than 1,278 towns and cities across the country.

At the same time, work is underway to further develop 5G technology. During the 5G tests conducted in the commercial network on the C-band, the speed of 2 Gbps was exceeded thanks to the aggregation of 1800 MHz, 2600 MHz TDD and 3500 MHz frequency bands.

Initiation of 700 MHz and 800 MHz frequencies auction

On November 8, 2024, the President of the Office of Electronic Communications (UKE) initiated the process of distributing frequency reservations in the 700 MHz and 800 MHz bands. The auction involves six paired blocks, each 5 MHz wide in the 700 MHz band, and one paired block 5 MHz wide in the 800 MHz band. The starting price for each block in both the 700 MHz and 800 MHz bands has been set at PLN 356 million. UKE anticipates that the entire distribution process will be completed by June 2025.

The condition for participation is holding nationwide reservations in the 900 MHz, 1800 MHz, 2100 MHz, and 2600 MHz bands, as well as a reservation in the 3600 MHz band by an auction participant or entities in the group to which it belongs, which implies that infrastructural operators - Orange Polska, T-Mobile Polska, Polkomtel, and P4 or entities from their capital groups - can participate in the auction. Each auction participant will be able to bid for a maximum of two blocks for a reservation period of 15 years.

The auction documentation includes investment requirements encompassing coverage and quality obligations, which can be fulfilled using all available frequency resources, including those won in the current

selection procedure. The investment commitments stipulate that by the end of 2026, operators must ensure mobile network coverage for 98% of households (excluding the areas indicated in appendix 1 of the draft reservation decisions) with a transfer speed of 50 Mb/s. By the end of 2028, coverage is to increase to 99% of households, with a speed of 95 Mb/s and latency of 10 ms. By the end of 2030, the speed is to increase to 120 Mb/s with 99% coverage and latency of 10 ms. At the same time, the investment commitments stipulate that by the end of 2026, operators will have to provide mobile network coverage for at least 90% of the territory of the country (excluding the areas indicated in appendix 1 to the draft reservation decisions) with at least 50 Mbps transfer and by the end of 2028 with at least 95 Mbps transfer and 10 ms latency.

Won tenders for the delivery of NesoBus hydrogen buses

In October 2024, a Group company - PAK-PCE Polski Autobus Wodorowy, won two tenders for the delivery of zero-emission, eco-friendly hydrogen buses: 5 for Konin and 8 for Górnośląsko-Zagłębiowska Metropolia (GZM Metropolis). The order for Konin, valued at PLN 18.0 million PLN, will be delivered at the turn of 2024 and 2025. The order for the GZM Metropolis, valued at PLN 31.8 million PLN, is planned for the fourth quarter of 2025.

Acquisition of a photovoltaic project

On November 4, 2024, the Group company PAK-Polska Czysta Energia Sp. z o.o. acquired 100% of the shares in the share capital of Global Continental Sp. z o.o. for the amount of PLN 4.1 million. Global Continental is developing a photovoltaic project with an estimated target installed capacity of 8.4 MW, located in Gromadka in the Lower Silesian Voivodeship. The estimated energy production capacity is 8.9 GWh per year. The launch of energy production by the photovoltaic farm in Gromadka is planned for 2025.

Renewal of the frequency reservations

Due to the upcoming expiry of the frequency reservation in the 900 MHz band (in February 2026), Polkomtel submitted an application to the President of the UKE in November 2024 for a frequency reservation in the 900 MHz band for the next period.

It is estimated that the issuance of a decision by the President of the UKE regarding the above-mentioned frequency reservation in the 900 MHz band for the next period will take place in the second quarter of 2025.

3. Operating and financial review of Polsat Plus Group

3.1. Operating review of the Group

3.1.1. B2C and B2B services segment

	3 months ended September 30		change / %	
	2024	2023	nominal	% / p.p.
Contract services for B2C customers				
Total number of B2C RGUs (EOP) [thous.], incl.:	13,129	13,054	75	0.6%
Pay TV	4,694	4,863	(169)	(3.5%)
Mobile telephony	6,378	6,213	165	2.7%
Internet	2,057	1,978	79	4.0%
Number of B2C customers (EOP) [thous.]	5,747	5,820	(73)	(1.3%)
ARPU per B2C customer [PLN]	77.2	73.5	3.7	5.0%
ARPU per B2C customer (9M YTD) [PLN]	75.7	72.2	3.5	4.8%
Churn in B2C subsegment	7.2%	7.5%	-	(0.3 p.p.)
RGU saturation per B2C customer	2.28	2.24	0.04	1.8%
Prepaid services				
Total number of RGUs (EOP) [thous.], incl.:	2,566	2,738	(172)	(6.3%)
Pay TV	86	128	(42)	(32.8%)
Mobile telephony ⁽¹⁾	2,456	2,582	(126)	(4.9%)
Mobile Internet ⁽¹⁾	24	28	(4)	(14.3%)
ARPU per prepaid RGU [PLN]	17.8	17.9	(0.1)	(0.6%)
ARPU per prepaid RGU (9M YTD) [PLN]	17.7	17.6	0.1	0.6%
Contract services for B2B customers				
Total number of B2B customers (EOP) [thous.]	68.3	68.8	(0.5)	(0.7%)
ARPU per B2B customer (YTD) [PLN]	1,514	1,456	58.0	4.0%
ARPU per B2B customer [PLN]	1,496	1,451	45.0	3.1%

(1) The 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.

Contract services for B2C customers

The total number of B2C customers to whom we provided contract services as at the end of the third quarter 2024 was 5,747 thousand (-1.3% YoY). The erosion of the base was influenced by the declining popularity of the satellite technology as well as the continued process of merging contracts under one common contract for the household within our base. Following our strategic assumptions, we avoid conducting an aggressive sales policy on individual products and focus on increasing customer loyalty, in particular through offering a wide portfolio of bundled services, as well as on increasing ARPU per contract customer.

The churn rate for our B2C customers amounted to 7.2% in the twelve-month period ended September 30, 2024 (-0.3 p.p. YoY). The continued low churn rate is primarily the effect of a high level of loyalty of our customers of bundled services, resulting from the successful implementation of our multiplay strategy, as well as our actions aimed at fostering high customer satisfaction.

In line with the assumptions of our long-term strategy, we aim to maximize revenue per contract B2C customer through up-selling and cross-selling, i.e., selling additional products and services to our customer base within the framework of our bundled services offer, and offering enhanced television and telecommunications packages (the more-for-more strategy). In the third quarter of 2024, average revenue per B2C customer increased to PLN 77.2 (+5.0% YoY) while in nine months of 2024 it reached the level of PLN 75.7 (+4.8%). The growth of ARPU per B2C contract customer results, in particular, from the continuous building of customer value through bundling services.

The number of contract services for B2C customers provided by us at the end of the third quarter of 2024 amounted to 13,129 thousand RGUs, i.e., 75 thousand more compared to the previous year. This is particularly the result of very good sales of mobile telephony and Internet access services during the period under review. At the end of September 2024, the base of contract mobile telephony services for B2C customers increased by 165 thousand (+2.7%) YoY and amounted to 6,378 thousand while the number of Internet access services provided to B2C customers in the contract model amounted to 2,057 thousand, recording an increase by 79 thousand (+4.0%) YoY, with the steadily increasing share of Internet access services using fixed technologies. At the same time, the downward trend in the pay TV services base continues, with a decrease by 169 thousand (-3.5%) YoY to the level of 4,694 thousand RGUs in the third quarter of 2024. The key driver behind the decline in the pay TV customer base remains a lower number of provided satellite TV services which was partially offset by an increasing number of TV services offered in online technologies (IPTV/OTT).

The saturation of our B2C customer base with integrated services, expressed as the ratio of contract services per customer, increased by 1.8% YoY in the third quarter of 2024 and amounted to 2.28 contract services per customer. We believe that further saturation of our customer base with integrated services, including our flagship product smartDOM, will positively influence the rate of growth of the number of contract RGUs provided by us in the future and will support keeping the churn rate at a low level.

Our bundled services offer is based on a mechanism of offering attractive discounts on every additional product or service purchased from the Group's portfolio and has a positive effect on the churn rate, RGU saturation per customer ratio and ARPU per contract B2C customer. At the end of September 2024, the number of customers using our bundled services amounted to 2,494 thousand, increasing by 49 thousand (2.0%) YoY. This translates into a 43.4% saturation of our contract customer base with multiplay services. This group of customers had 7,599 thousand RGUs at the end of the third quarter of 2024, up by 202 thousand (+2.7% YoY). Bearing in mind our strategic goal - the successive build-up of revenue per contract customer through cross-selling of additional products and services - our bundled services offer is perfectly in line with our strategy. Therefore, despite having reached a high level of our multiplay base, we will continue to further popularize this program among our customers.

Prepaid services

The number of prepaid services provided by us decreased by 172 thousand (-6.3% YoY) to 2,566 thousand as at September 30, 2024.

The main reason behind the decline in the prepaid service base in the analyzed period was a decrease by 126 thousand (-4.9% YoY) in the number of prepaid mobile telephony RGUs, which amounted to 2,456 thousand at the end of the third quarter of 2024. The above decrease was due to the high level of competitiveness in this market segment, reflected, among others, in very large data packs offered in prepaid mobile tariffs. In addition, the number of prepaid mobile broadband Internet access services remains in a downward trend (-4 thousand RGUs, -14.3% YoY). This is primarily attributable to the growing popularity of data transmission in mobile tariffs (smartphones) due to the size of data packages offered. The number of prepaid pay TV services decreased by 42 thousand (-32.8% YoY) as a result, among others, of lower sales of Polsat Box Go Sport packages due to the fact that popular sporting events took place in the comparative period.

Despite a decline in the prepaid RGU base, we maintain a high a stable level of ARPU in this segment. In the third quarter of 2024, ARPU per prepaid RGU amounted to PLN 17.8 (-0.6% YoY) while in nine months of 2024 it reached the level of PLN 17.7 (+0.6% YoY).

Contract services for B2B customers

The total number of B2B customers as at the end of the third quarter of 2024 was 68.3 thousand (-0.7% YoY). The scale of our B2B customer base remains relatively stable in the long term, proving the high efficiency of our efforts directed at fostering high satisfaction of our business customers. At the same time, we maintain a high level of ARPU from our B2B customers, which increased to PLN 1,514 (+4.0% YoY) per month in the third quarter of 2024 and PLN 1.496 (+3.1% YoY) per month in nine months of 2024.

The B2B area continues to be under strong competitive pressure, which translates into pricing levels for traditional telecommunication services. Building the value of our B2B base is founded in a natural way on additional services provided to our business customers. We strive to constantly expand our offering for business customers by new services which generate incremental revenue. The continued expansion of data center resources offered to business customers, cybersecurity solutions or cloud computing can serve as an example. In parallel, we seek to provide specialized IT solutions for specific sectors of the economy (finance and banking, real estate, hotels, energy production, etc.). We believe that thanks to a comprehensive telecommunication and IT services offering for our B2B customers we will be in a position to maintain their high level of satisfaction and therefore to secure our revenue in this market segment.

3.1.2. Media segment: television and online

When analyzing and evaluating our media segment we consider predominantly audience share by TV channel and TV advertising and sponsoring market share as well as the average monthly number of users and average monthly number of page views in case of online activities. The following tables set forth these key performance indicators for the relevant periods.

	3 months ended September 30		Change p.p. / %	9 months ended September 30		Change p.p. / %
	2024	2023		2024	2023	
TV channels						
Audience share ^{(1) (2)}, including:	21.71%	22.22%	(0.51 p.p.)	21.75%	22.00%	(0.25 p.p.)
POLSAT (main channel)	6.72%	7.16%	(0.44 p.p.)	6.96%	7.66%	(0.70 p.p.)
Thematic channels	14.99%	15.06%	(0.07 p.p.)	14.79%	14.35%	0.44 p.p.
TV advertising and sponsoring market share	27.6%	28.9%	(1.3 p.p.)	28.0%	28.5%	(0.5 p.p.)
Online – Internet portals						
Average number of users [millions]	19.4	20.5	(5.4%)	20.3	20.9	(2.9%)
Average number of page views [millions]	1,805	1,944	(7.1%)	1,847	1,928	(4.2%)

Audience shares

Audience share	3 months ended September 30		Change / p.p.	9 months ended September 30		Change / p.p.
	2024	2023		2024	2023	
Audience share⁽¹⁾⁽²⁾, including:	21.71%	22.22%	(0.51)	21.75%	22.00%	(0.25)
POLSAT (main channel)	6.72%	7.16%	(0.44)	6.96%	7.66%	(0.70)
Thematic channels	14.99%	15.06%	(0.07)	14.79%	14.35%	0.4
TV4	3.06%	2.72%	0.34	2.95%	2.93%	0.02
TV6	1.80%	1.24%	0.56	1.64%	1.16%	0.48
Polsat News	1.22%	1.30%	(0.08)	1.23%	1.27%	(0.04)
Super Polsat	1.01%	1.04%	(0.03)	1.00%	1.00%	-
Polsat 2	0.92%	1.20%	(0.28)	0.92%	1.30%	(0.38)
Fokus TV	0.87%	0.87%	-	0.88%	0.87%	0.01
Wydarzenia24	0.96%	0.73%	0.23	0.80%	0.63%	0.17
Polsat Film	0.50%	0.63%	(0.13)	0.56%	0.65%	(0.09)
Nowa TV	0.48%	0.36%	0.12	0.50%	0.37%	0.13
Polsat Play	0.48%	0.62%	(0.14)	0.49%	0.68%	(0.19)
Polsat Seriale	0.42%	0.49%	(0.07)	0.42%	0.47%	(0.05)
Polo TV	0.52%	0.50%	0.02	0.51%	0.45%	0.06
Polsat Sport 1 (formerly Polsat Sport) ⁽³⁾	0.41%	1.05%	(0.64)	0.49%	0.57%	(0.08)
Polsat Cafe	0.44%	0.42%	0.02	0.40%	0.40%	-
Eska TV	0.42%	0.44%	(0.02)	0.39%	0.36%	0.03
4FUN.TV ⁽⁴⁾	0.28%	0.26%	0.02	0.25%	0.23%	0.02
4FUN KIDS ⁽⁴⁾	0.06%	0.10%	(0.04)	0.13%	0.15%	(0.02)
Polsat News Polityka ⁽⁵⁾	0.09%	n/d	n/d	0.13%	n/d	n/d
Eleven Sports 1	0.16%	0.13%	0.03	0.16%	0.17%	(0.01)
Polsat Doku	0.13%	0.13%	-	0.13%	0.14%	(0.01)
Polsat Sport 2 (formerly Polsat Sport Extra) ⁽³⁾	0.12%	0.16%	(0.04)	0.14%	0.13%	0.01
Disco Polo Music	0.10%	0.17%	(0.07)	0.10%	0.17%	(0.07)
Polsat News 2	0.07%	0.07%	-	0.07%	0.07%	-
Polsat Games	0.09%	0.07%	0.02	0.09%	0.05%	0.04
Polsat Rodzina	0.07%	0.07%	-	0.06%	0.07%	(0.01)
Polsat Music HD	0.06%	0.07%	(0.01)	0.05%	0.06%	(0.01)
Eska TV Extra	0.05%	0.07%	(0.02)	0.05%	0.06%	(0.01)
Polsat Sport 3 (formerly Polsat Sport News) ⁽³⁾	0.06%	0.06%	-	0.07%	0.05%	0.02
Eleven Sports 2	0.03%	0.03%	-	0.04%	0.04%	-
4FUN DANCE ⁽⁴⁾	0.05%	0.08%	(0.03)	0.05%	0.07%	(0.02)
Vox Music TV	0.03%	0.05%	(0.02)	0.03%	0.05%	(0.02)
Polsat Sport Fight	0.02%	0.03%	(0.01)	0.03%	0.03%	-
Eska Rock TV	0.02%	0.03%	(0.01)	0.02%	0.02%	-
Polsat 1 ⁽⁶⁾	n/a	n/a	n/a	n/a	n/a	n/a
Polsat Sport Premium 1 ⁽⁶⁾	n/a	n/a	n/a	n/a	n/a	n/a
Polsat Sport Premium 2 ⁽⁶⁾	n/a	n/a	n/a	n/a	n/a	n/a
Eleven Sports 3 ⁽⁶⁾	n/a	n/a	n/a	n/a	n/a	n/a

Audience share	3 months ended September 30		Change / p.p.	9 months ended September 30		Change / p.p.
	2024	2023		2024	2023	
Eleven Sports 4 ⁽⁶⁾	n/a	n/a	n/a	n/a	n/a	n/a
TV Okazje ⁽⁶⁾	n/a	n/a	n/a	n/a	n/a	n/a
Polsat Film 2 ⁽⁶⁾	n/a	n/a	n/a	n/a	n/a	n/a
Polsat X ⁽⁶⁾	n/a	n/a	n/a	n/a	n/a	n/a
Polsat Reality ⁽⁶⁾	n/a	n/a	n/a	n/a	n/a	n/a

(1) Nielsen Media, All day ages 16-59 audience share, including Live+2 (viewership results include 2 additional days of time-shifted viewing) + out of home viewing – OOH).

(2) When calculating the total audience share of Polsat Plus Group and audience share of thematic channels, we take into account the moment of including the channel in our portfolio.

(3) As of April 26, 2024, the names of the Polsat sports channels changed: Polsat Sport became Polsat Sport 1, Polsat Sport Extra became Polsat Sport 2, and Polsat Sport News became Polsat Sport 3.

(4) As of July 21, 2023, Polsat Plus Group is the majority shareholder of the companies that own the 4FUN.TV, 4FUN KIDS and 4FUN DANCE channels.

(5) The channel has been broadcasting since January 10, 2024.

(6) Channel not included in the telemetric panel.

Channels cooperating with Polsat Plus Group (non-consolidated)

Audience share	3 months ended September 30		Change / p.p.	9 months ended September 30		Change / p.p.
	2024	2024		2024	2023	
Polsat Comedy Central Extra	0.20%	0.34%	(0.14)	0.25%	0.34%	(0.09)
Polsat Viasat History	0.20%	0.27%	(0.07)	0.20%	0.25%	(0.05)
CI Polsat	0.18%	0.22%	(0.04)	0.20%	0.17%	0.03
Polsat Viasat Explore	0.14%	0.17%	(0.03)	0.14%	0.17%	(0.03)
Polsat Viasat Nature	0.08%	0.04%	0.04	0.09%	0.08%	0.01

The audience share in the commercial group for Polsat Plus Group remained at a similar level in both analyzed periods and amounted to 21.7% in the third quarter of 2024 (-0.5 p.p. YoY) and 21.7% in nine months of 2024 (-0.3 p.p. YoY).

The trend of increasing market fragmentation continues in the Polish market, which, by dispersing audiences, adversely impacts audience shares of the four main TV channels (Polsat, TVN, TVP1 and TVP2). Rapidly growing popularity of other forms of consumption of video content, e.g., displayed on a TV set or on a small screen also determines the viewership of traditional linear TV. Despite the fact that the intensity of these phenomena slowed down slightly in the periods under review, it continues to shape the audience of, among others, our main Polsat channel, which decreased by 0.4 p.p. YoY in the third quarter of 2024 to 6.7% and fell by 0.7 p.p. YoY to 7.0% in nine months of 2024. In the same periods, our thematic channels recorded a slight decrease by 0.1 p.p. YoY to 15.0% and an increase by 0.4 p.p. YoY to 14.8%, respectively. During the periods under review, we maintained our audience share at a stable level despite the pressure of the one-time event of the European Men's Football Championship EURO 2024, which was broadcast by the public broadcaster's channels between June 14 and July 14, 2024. These broadcasts achieved record audience shares, reaching up to 70% (in the A16-59 group) for matches featuring the Polish national team. The third quarter's viewing figures were significantly affected by the flooding in western Poland. During the most dramatic period of the flood wave's movement, the week between September 14 and 20, 2024, the average total share of all news channels was almost 20%, and on September 16, 2024, it reached a daily peak of over 24%. Such a significant shift in audience had a substantial impact on the viewing figures of the rest of the stations.

As mentioned above, the audience levels of the Group's channels is under the influence of the growing audience of non-linear video content (including OTT services) and unmonitored TV channels displayed on TV sets, referred to by Nielsen Media as the "others" category. In January 2022, Nielsen broadened the definition of content eligible for this node, and as a result, we are observing sustained growth of "others" audience shares. It is worth noting that a significant portion of the "others" category does not compete with traditional TV channels for TV advertising revenue. Thus, the changes introduced by Nielsen Media may permanently reduce the audience shares of traditional TV channels, with far less impact on their position in the TV advertising and sponsorship market. In March 2024, Nielsen Media changed its methodology for measuring out-of-home (OOH) audiences, adjusting the size of the out-of-home audience phenomenon to a more realistic value. As a result, OOH viewership figures increased by 4.3 p.p. in the third quarter of 2024 and 3.2 p.p. in nine months of 2024 compared to the corresponding periods of 2023. For Polsat Plus Group, this represents an increase in the advertising resources that can be offered to advertisers.

In July 2023 we expanded the portfolio of our stations by three channels from the 4FUN family: 4FUN.TV, 4FAN DANCE and 4FUN KIDS, which further enhances the attractiveness of our programing offer with the ability to reach younger audiences, contributing to an increase in viewership of our thematic channels.

In April 2024, we introduced changes in the names of Polsat sports channels. The main and primary brand is Polsat Sport, which is one of the strongest media brands in Poland. Polsat Plus Group and TV Polsat have a wide range of media rights to many events from a variety of sports, which they broadcast on their various channels. The simplification of the names makes it easier to navigate Polsat's sports channel offering. As of April 26, Polsat Sport became Polsat Sport 1, Polsat Sport Extra became Polsat Sport 2 and Polsat Sport News became Polsat Sport 3.

We are constantly striving to strengthen our channel offering, including but not limited to the introduction of compelling sports content. In July 2024, we acquired the exclusive rights to broadcast and stream the new UEFA Europa League and UEFA Conference League format for the three seasons. In parallel, we acquired exclusive rights to broadcast Bundesliga and Bundesliga 2 matches in Poland from the 2025/26 season until the end of 2028/29 and a non-exclusive license for the 2024/25 spring round. In October 2024, we acquired exclusive rights to broadcast all Formula 1 Grand Prix races in Poland in 2025 - 2028.

TV advertising and sponsoring market share

According to initial estimates of Publicis Group, expenditures on TV advertising and sponsoring in nine months of 2024 amounted to approximately PLN 3.5 billion (+7.3% YoY). Based on these data, we estimate that our TV advertising market share was 28.0% in the analyzed period, which represents a decrease by 0.5 p.p. from the 28.5% share recorded in nine months of 2023. Publicis Group estimated that in the third quarter of 2024 expenditures on TV advertising and sponsoring amounted to approximately PLN 1.1 billion (+7.5% YoY) and our TV advertising market share amounted to 27.6% which represents a decrease by 1.3 p.p. from the 28.9% share recorded in the third quarter of 2023.

Average monthly number of Internet users

In the third quarter of 2024, the average monthly number of users (the 'real users' indicator from the Mediapanel survey) of Polsat-Interia Group websites and apps amounted to 19.4 million, which represents a decrease by 1.1 million (-5.4%) YoY and in nine months of 2024 it amounted to 20.3 million, which represents a decrease by 0.6 million YoY (-2.9%).

The table below presents a list of websites, whose number of average users per month exceeded 0.5 million in the third quarter of 2024. The Interia.pl portal is presented as a whole, without a breakdown into thematic services.

Average number of users ⁽¹⁾ [millions]	3 months ended September 30		Change		9 months ended September 30		Change	
	2024	2023	nominal	%	2024	2023	nominal	%
Polsat-Interia Group⁽²⁾	19.4	20.5	(1.1)	(5.4%)	20.3	20.9	(0.6)	(2.9%)
<i>Selected websites:</i>								
interia.pl	14.7	15.6	(0.9)	(5.8%)	15.5	15.6	(0.1)	(0.6%)
polsatnews.pl	6.0	5.3	0.7	13.2%	5.7	6.1	(0.4)	(6.6%)
pomponik.pl	5.1	7.3	(2.2)	(30.1%)	6.8	7.3	(0.5)	(6.8%)
polsatsport.pl	3.7	4.0	(0.3)	(7.5%)	3.4	3.6	(0.2)	(5.6%)
deccoria.pl	2.8	3.4	(0.6)	(17.6%)	3.2	3.8	(0.6)	(15.8%)
smaker.pl	2.7	4.1	(1.4)	(34.1%)	3.0	4.2	(1.2)	(28.6%)
top.pl ⁽³⁾	2.5	1.6	0.9	56.3%	3.1	1.2	1.9	158.3%
twojapogoda.pl	2.1	2.4	(0.3)	(12.5%)	2.9	1.9	1.0	52.6%
naekranie.pl ⁽⁴⁾	1.2	1.6	(0.4)	(25.0%)	1.5	1.7	(0.2)	(11.8%)
polsatboxgo.pl	1.0	1.1	(0.1)	(9.1%)	1.1	1.2	(0.1)	(8.3%)
okazjum.pl	0.8	0.9	(0.1)	(11.1%)	0.8	0.9	(0.1)	(11.1%)
bryk.pl	0.7	1.8	(1.1)	(61.1%)	1.4	2.3	(0.9)	(39.1%)

(1) Mediapanel survey, Real Users indicator.

(2) In the data for the Group as a whole, the results of sites acquired by the Group during the reporting period are included only from the time of acquisition.

(3) The service was launched in September 2023. Data for the period of the service's existence.

(4) The service has been part of Polsat Plus Group since July 2023. The comparative data presented also relates to the period when the service was not yet owned by the Group.

The portal with the highest number of users was the horizontal portal Interia.pl, which recorded 14.7 million users in the third quarter of 2024 (-5.8% YoY) and 15.5 million users in nine months of 2024 (-0.6% YoY). In the third quarter of 2024, we recorded increases in the number of users of two sites. The news website polsatnews.pl was visited by 6.0 million users (+0.7 million users, +13.2% YoY). Good upward dynamics was also recorded by the top.pl lifestyle service, with an increase in the average monthly number of users by 0.9 million in (+56.3% YoY). It is worth noting that after three quarters of 2024 the weather service twojapogoda.pl was visited by 1.0 million more users, which translates into a +52.6% YoY increase. The largest decline was recorded by the pomponik.pl gossip website with 2.2 million users less (-30.1% YoY) in the third quarter of 2023 and 0.5 million less (-6.8% YoY in January-September 2024).

Average monthly number of Internet views

The average monthly number of page and app views of Polsat-Interia Group websites reached 1.81 billion in the third quarter of 2024 (-7.1% YoY) and 1.85 billion in nine months of 2024 (-4.2% YoY).

The table below presents the list of websites, whose number of views exceeded 0.5 million in the third quarter of 2024. The Interia.pl portal is presented as a whole, without a breakdown into thematic services.

Average number of views ⁽¹⁾ [millions]	3 months ended September 30		Change		9 months ended September 30		Change	
	2024	2023	nominal	%	2024	2023	nominal	%
Polsat-Interia Group⁽²⁾	1,805.4	1,944.0	(138.6)	(7.1%)	1,846.6	1,927.7	(81.1)	(4.2%)
<i>Selected websites</i>								
interia.pl	791.9	920	(128.1)	(13.9%)	823.4	932.9	(109.5)	(11.7%)
pomponik.pl	42.0	65.7	(23.7)	(36.1%)	57.6	57.3	0.3	0.5%
polsatnews.pl	37.5	29.7	7.8	26.3%	34.0	33.2	0.8	2.4%
polsatsport.pl	20.8	24.6	(3.8)	(15.4%)	22.2	21.9	0.3	1.4%
okazjum.pl	13.8	23.9	(10.1)	(42.3%)	18.9	26.2	(7.3)	(27.9%)
twojapogoda.pl	11.0	16.3	(5.3)	(32.5%)	13.4	14.7	(1.3)	(8.8%)
deccoria.pl	8.7	8.1	0.6	7.4%	9.5	10.7	(1.2)	(11.2%)
smaker.pl	8.7	20.8	(12.1)	(58.2%)	10.8	20.2	(9.4)	(46.5%)
top.pl ⁽³⁾	6.2	2.5	3.7	148.0%	9.1	2.0	7.1	355.0%
naekranie.pl ⁽⁴⁾	6.0	7.7	(1.7)	(22.1%)	7.3	8.0	(0.7)	(8.8%)
polsatboxgo.pl	4.5	5.7	(1.2)	(21.1%)	5.3	5.2	0.1	1.9%
bryk.pl	2.9	4.8	(1.9)	(39.6%)	7.0	9.1	(2.1)	(23.1%)

(1) Data from Mediapanel survey, Views indicator –views of websites/apps.

(2) In the data for the Group as a whole, the results of sites acquired by the Group during the reporting period are included only from the time of acquisition.

(3) The service was launched in September 2023. Data for the period of the service's existence.

(4) The service has been part of Polsat Plus Group since July 2023. The comparative data presented also relates to the period when the service was not yet owned by the Group.

In the analyzed period the highest number of views was generated by the Interia.pl horizontal portal. Its content was viewed on average 792 million times per month during the third quarter of 2024 (-13.9% YoY) and 823 million times per month during nine months of 2024 (-11.7% YoY). In the third quarter of 2023, the largest increase in the number of page views was recorded by polsatnews.pl news service (+7.8 million views, +26.3% YoY), which in nine months of 2024 translated into an increase by 0.8 million views (+2.4% YoY). Very good result in the third quarter of 2024 was also achieved by the top.pl site, with an increase by 3.7 million views (+148.0% YoY). In turn, decreases in the number of views were recorded by the promotional site okazjum.pl (-42.3% YoY and -27.9% YoY in the third quarter and nine months of 2024, respectively) and the smaker.pl cooking web service (-58.2% YoY and -46.5% YoY).

3.1.3. Green energy segment

Energy production from renewable sources

When analyzing and evaluating our renewable energy activities we primarily consider electricity generation from low- and zero-emission sources and the average price received for the sale of generated energy. The results of PAK-PCE Group are consolidated as of July 3, 2023. For the sake of comparability, the following table presents operating data for the full period of nine months of 2023, in which the companies belonging to PAK-PCE Group were consolidated only for the third quarter.

	3 months ended September 30		change		9 months ended September 30		change	
	2024	2023	nominal	% / p.p.	2024	2023	nominal	% / p.p.
Total electricity generation (GWh), of which:	300.6	191.3	109.3	57.1%	721.5	485.7	235.8	48.5%
<i>Biomass</i>	187.7	157.1	30.6	19.5%	447.0	414.9	32.1	7.7%
<i>Photovoltaics</i>	31.8	27.9	3.9	14.0%	77.0	64.5	12.5	19.4%
<i>Wind farms</i>	81.1	6.3	74.8	n/a	197.5	6.3	191.2	n/a
Average selling price of energy produced ⁽¹⁾ [PLN/MWh]	593.8	748.2	(154.4)	(20.6%)	600.4	-	600.4	n/a

(1) Calculated as the ratio of the green energy segment's generated revenues from the sale of own electricity and the volume of production

In the third quarter of 2024, the Group produced 300.6 GWh of electricity from all its renewable energy sources, which represented an increase of by 109.3 GWh (+57.1%) YoY. The main driver of growth was the additional volume of electricity production from wind farms of 74.8 GWh, which was primarily related to the launch of production in technical commissioning by Człuchów (72.6 MW) and Przyrów (50.4 MW) wind farms. The Brudzew/Cambria photovoltaic farm generated 31.8 GWh of energy, an increase by 3.9 GWh (+14.0%) YoY, mainly due to more favorable weather conditions during the period under review.

Total volume of electricity produced in nine months of 2024 amounted to 721.5 GWh and was 235.8 GWh (+48.5%) higher YoY. As a result of the successive commissioning of further wind farms, in accordance with the assumptions of Strategy 2023+, in January-September 2024 the Group generated a total of 197.5 GWh of electricity from wind farms. The volume of energy from the sun amounted to 77.0 GWh in nine months of 2024 and was by 12.5 GWh (+19.4%) higher YoY, as a result of, among others, the increased by 12.4 MW production capacity at the Brudzew-Cambria photovoltaic farm in the third quarter of 2023.

The average sales price of energy produced from own resources, at the level of the green energy segment, was PLN 593.8 per 1 MWh in the third quarter of 2024 and was lower by 20.6% YoY, mainly due to lower market prices for energy coupled with an increase in the volume of energy produced from wind. In nine months of 2024, the average sales price of energy produced from own resources was PLN 600.4 per 1 MWh.

Implementation of renewable energy projects

Wind farms. Currently, the following onshore wind farm projects are being constructed under Strategy 2023+:

- Drzeżewo with installed capacity of 138.6 MW and potential annual production of ca. 410 GWh, production start-up planned for the fourth quarter of 2025;
- Dobra with installed capacity of 7.8 MW and potential annual production of ca. 24 GWh, production start-up planned for the fourth quarter of 2025.

Once the ongoing investments are completed, the total installed capacity of the wind projects will be close to 300 MW.

Photovoltaic farms. In the area of photovoltaic installations, the Przykona project with an installed capacity of 260 MW and a potential annual production of approximately 250 GWh is currently being developed. The project will be implemented in cooperation with ZE PAK Group, on whose land the plant will be built. The project is at the stage of obtaining necessary permits.

On November 4, 2024, PAK-PCE acquired 100% of the shares in the share capital of Global Continental Sp. z o.o., which is carrying out an investment project to construct a photovoltaic farm with a target estimated installed capacity of 8.4 MW in Gromadka, Lower Silesia Voivodeship. The estimated energy production capacity amounts to 8.9 GWh per year. Commissioning of energy production by the photovoltaic farm in Gromadka is planned for 2025.

Green hydrogen projects

In addition to dynamically developing renewable energy projects, we are also focused on building a complete value chain of an economy based on green hydrogen.

Green hydrogen generation. In October 2024, we commenced test production of hydrogen under the technical commissioning of the 2,5 MW PEM electrolyzer located at the power plant in Konin. In parallel, the final tests of the 0.5 MW alkaline electrolyzer, constructed by our subsidiary Exion Hydrogen Polskie Elektrolizery, are underway.

Distribution. In the area of hydrogen distribution, in the third quarter of 2024, the Group commissioned its subsequent hydrogen refueling station under the NESO brand in Gdansk. The next hydrogen refueling station, in Gdynia, was commissioned in October 2024. The construction work is nearing completion on hydrogen refueling stations in Wroclaw and Lublin. The expected launch dates for the new stations are in the fourth quarter of 2024.

In August 2024, the Group's companies PAK-PCE Biopaliwa i Wodór Sp. z o.o. and PAK-PCE Stacje H2 Sp. z o.o., signed a grant agreement with The European Climate, Infrastructure and Environment Executive Agency (CINEA) for a hydrogen project. It includes the construction of 5 publicly accessible hydrogen refueling stations located along the roads of the TEN-T network (Trans-European Transport Network) and green hydrogen production facilities with a total capacity of 5 MW. The subsidy amounts to EUR 14.9 million and was awarded under the CEF Transport - Alternative Fuels Infrastructure Facility program. The investment preparation process is currently underway.

Sales of hydrogen buses. In September 2023, PAK-PCE Polski Autobus Wodorowy signed an agreement with the city of Gdansk for a 10-year lease of 10 hydrogen buses with full service and supply of hydrogen fuel. Deliveries of the NesoBuses to Gdansk were or will be completed in July and August 2024. In addition, in March 2024, PAK-PCE Polski Autobus Wodorowy won a tender for the delivery of 26 buses to Chelm, which will be executed in three tranches by the end of October of 2025. In the third quarter of 2024, PAK-PCE Polski Autobus Wodorowy won tenders for the delivery of 5 hydrogen buses to Konin with completion dates in the fourth quarter of 2024 and the first quarter of 2025, and for the delivery of 8 hydrogen buses to the GZM Metropolis (Górnośląsko-Zagłębiowska Metropolia) in the fourth quarter of 2025.

3.2. Review of the Group's financial situation

The following review of results for the three- and nine-month periods ended September 30, 2024 was prepared based on the condensed consolidated financial statements for the nine-month period ended September 30, 2024, prepared in accordance with International Financial Reporting Standards as approved for use by the European Union and based on internal analyses.

It should be noted that the financial data for the three- and nine-month periods ended September 30, 2024 and September 30, 2023 are not fully comparable due to the acquisitions and changes to the Group's structure, which are described in detail in item 1.2. of this Report – *Changes in the organizational structure of Polsat Plus Group and their effects*, and item 1.5. of the Report of the Management Board on activities of Cyfrowy Polsat S.A. Capital Group for 2023. In particular, as of July 3, 2023, the Group consolidates the results of PAK-PCE and its subsidiaries using the full method.

When analyzing the financial position of the Group, we do not eliminate the impact of companies acquired or disposed of in the period from January 1, 2023 to September 30, 2024. However, if the impact of an acquisition or a disposal is a significant factor, this is indicated for the item in question.

An explanation of the accounting policies used and key positions from the consolidated income statement and consolidated balance sheet are included in the consolidated financial statements for the financial year 2023 (Note 6).

3.2.1. Income statement analysis

Results for the third quarter of 2024

[mPLN]	3 months ended September 30		change	
	2024	2023	[mPLN]	[% / p.p.]
Revenue	3,579.5	3,455.7	123.8	3.6%
Operating costs	(2,987.8)	(3,165.2)	177.4	(5.6%)
Gain on disposal of a subsidiary and an associate	-	220.1	(220.1)	(100.0%)
Other operating income/(cost), net	(22.2)	0.3	(22.5)	n/a
Profit from operating activities	569.5	510.9	58.6	11.5%
Gain/(loss) on investment activities, net	81.8	39.9	41.9	105.0%
Finance costs, net	(278.6)	(399.0)	120.4	(30.2%)
Share of the profit/(loss) of associates accounted for using the equity method	(0.8)	19.3	(20.1)	(104.1%)
Gross profit for the period	371.9	171.1	200.8	117.4%
Income tax	(122.1)	(68.9)	(53.2)	77.2%
Net profit for the period	249.8	102.2	147.6	144.4%
EBITDA	886.4	994.8	(108.4)	(10.9%)
EBITDA margin	24.8%	28.8%	-	(4.0 p.p.)
Gain on disposal of a subsidiary and an associate	-	220.1	(220.1)	n/d
EBITDA adjusted	886.4	774.7	111.7	14.4%
EBITDA adjusted margin	24.8%	22.4%	-	2.4 p.p.
Gain on asset disposal	13.6	-	13.6	n/a
EBITDA adjusted excl. asset disposal	872.8	774.7	98.1	12.7%
EBITDA adjusted margin excl. asset disposal	24.4%	22.4%	-	2.0 p.p.

Revenue

Consolidated **total revenue** increased by PLN 123.8 million (+3.6% YoY) in the third quarter of 2024, primarily as a result of higher retail revenue and energy revenue.

[mPLN]	3 months ended September 30		change	
	2024	2023	[mPLN]	[%]
Retail revenue	1,817.2	1,754.8	62.4	3.6%
Wholesale revenue	763.8	799.3	(35.5)	(4.4%)
Sale of equipment	457.2	446.5	10.7	2.4%
Energy revenue	359.1	272.0	87.1	32.0%
Other revenue	182.2	183.1	(0.9)	(0.5%)
Revenue	3,579.5	3,455.7	123.8	3.6%

Retail revenue increased by PLN 62.4 million (+3.6%) YoY in the third quarter of 2024 and amounted to PLN 1,817.2 million, driven mainly by an increase in ARPU per B2C contract customer by +5.0% YoY and per B2B customer by 4.0% YoY.

Wholesale revenue decreased by PLN 35.5 million (-4.4%) YoY, mainly due to the recognition of lower interconnection revenue, resulting from the final regulatory reduction of MTR rates in January 2024, and lower revenue from cable and satellite operators.

Revenue from the **sale of equipment** increased by PLN 10.7 million (+2.4%) YoY.

Energy revenue increased by PLN 87.1 million (+32.0%) YoY. Revenue from the sale of generated electricity amounted to PLN 212.2 million at the end of the third quarter of 2024 and were higher by 129.7 million YoY. This growth was driven by increased installed capacity at the Group's wind farms and a change in the presentation of revenue generated from energy resale by the B2C and B2B segment. The above mentioned increase was partially offset by lower revenue from energy resale, which at the end of the third quarter of 2024 amounted to PLN 136.8 million (PLN -36.1 million, -21.1% YoY) and lower revenues from the sale of certificates of origin.

Other revenue remained relatively stable. The recognition of revenue related to the lease of green hydrogen-powered buses to the city of Gdańsk was offset by lower revenue from operations on the photovoltaic installations market.

Operating costs

Consolidated **operating costs** decreased by PLN 177.4 million (-5.6%) YoY in the third quarter of 2024 to the level of PLN 2,987.8 million, mainly as a result of a decrease in depreciation, amortization, impairment and liquidation, as well as lower content costs.

[mPLN]	3 months ended September 30		change	
	2024	2023	[mPLN]	[%]
Technical costs and cost of settlements with telecommunication operators	869.7	838.1	31.6	3.8%
Depreciation, amortization, impairment and liquidation	303.2	475.0	(171.8)	(36.2%)
Cost of equipment sold	365.4	348.1	17.3	5.0%
Content costs	415.1	516.6	(101.5)	(19.6%)
Cost of energy sold, includes	262.2	255.1	7.1	2.8%
<i>Depreciation¹⁾</i>	12.4	8.5	3.9	45.9%
Distribution, marketing, customer relation management and retention costs	264.1	258.2	5.9	2.3%
Salaries and employee-related costs	290.1	271.6	18.5	6.8%
Cost of debt collection services and bad debt allowance and receivables written off	27.7	32.9	(5.2)	(15.8%)
Other costs, includes	190.3	169.6	20.7	12.2%
<i>Depreciation¹⁾</i>	1.3	0.4	0.9	225.0%
Operating costs	2,987.8	3,165.2	(177.4)	(5.6%)

1) Depreciation costs included under the cost of energy and bus production.

Technical costs and cost of settlements with telecommunication operators increased by PLN 31.6 million (+3.8%) YoY. This increase was caused mainly by higher costs of mobile telecommunications network development and higher costs of network maintenance, which remained under inflationary pressure and were partially offset by lower interconnect settlements due to the final regulatory reduction of MTR rates in 2024.

Depreciation, amortization, impairment and liquidation costs decreased by PLN 171.8 million (-36.2%) YoY, which resulted mainly from the completion of the amortization of Polkomtel's retail customer relationships and the recognition of the amortization adjustment accrued in the previous period.

The **cost of equipment sold** increased by PLN 17.3 million (+5.0%) YoY, which reflected higher sales volumes of equipment in the reported quarter and corresponds with higher revenue from the sale of equipment.

Content costs decreased by PLN 101.5 million (-19.6%) YoY, mainly due to the lower cost of sports licences following the non-renewal of the broadcasting rights to the UEFA Champions League and Ekstraklasa football competitions and the absence of the costs of men's and women's European Volleyball Championships which took place in the comparative period. In addition, in the third quarter of 2024 we recorded lower costs of internal production.

Cost of energy sold amounted to PLN 262.2 million in the third quarter of 2024 and was higher by PLN 7.1 million (+2.8%) YoY. The increase was the net effect of a change in the presentation of cost of energy sold relating to the resale of energy generated by the B2C and B2B services segment, as well as lower biomass generation costs due to the renegotiation of biomass supply terms.

Distribution, marketing, customer relation management and retention costs increased by PLN 5.9 million (+2.3%) YoY, due to, among others, the recognition of higher logistic and distribution costs and higher customer care costs, which were associated, among others, with an increase in the minimum wage.

Salaries and employee-related costs increased by PLN 18.5 million (+6.8%) YoY, mainly due to inflationary pressure on wages with average headcount in the Group higher by 82 FTEs (+1.0%) YoY.

Average employment	3 months ended September 30		Change	
	2024	2023	[FTEs]	[%]
Permanent workers not engaged in production ⁽¹⁾	8,194	8,112	82	1.0%

(1) Excluding workers who did not perform work in the reporting period due to long-term absences.

Cost of debt collection services and bad debt allowance and receivables written off decreased by PLN 5.2 million (-15.8%) YoY due to, among others, better collection rates than in the comparative period.

Other costs increased by PLN 20.7 million (+12.2%) YoY, primarily as a result of the recognition of costs related to the lease of green hydrogen-powered buses to the city of Gdańsk.

Other operating cost, net amounted to PLN 22.2 million in the third quarter of 2024 and resulted primarily from the recognition of an impairment charge on inventories of photovoltaic modules held by Esoleo in the amount of PLN 30.0 million, partially compensated by a gain on the disposal of the third tranche of an IPv4 communications protocol address package in the amount of PLN 13.6 million (net of transaction costs).

Reported EBITDA amounted to PLN 886.4 million decreasing by PLN 108.4 million (-10.9%) YoY compared to reported EBITDA in the corresponding period, which included the recognition of a gain on the disposal of a part of the stake of shares held in Asseco Poland S.A. in the amount of PLN 220.1 million.

Adjusted EBITDA excluding asset disposal increased to PLN 872.8 million (PLN +98.1 million, +12.7%) YoY in the third quarter of 2024, resulting in adjusted EBITDA margin of 24.4%. The reason for the increase in adjusted EBITDA was higher retail revenue accompanied by a decrease in content costs, and increasing contribution from the green energy segment following further development of RES projects.

Gain on investment activities, net amounted to PLN 81.8 million in the third quarter of 2024 and increased by PLN 41.9 million (+105.0%) YoY. This increase was mainly due to the positive market valuation of the 10.13% stake held in Asseco Poland S.A. in the amount of PLN 57.6 million and higher interest received with a simultaneously lower result on foreign exchange rate differences.

Finance costs, net decreased by PLN 120.4 million (-30.2%) YoY. This change was primarily due to the recognition of a positive non-cash valuation of the euro-denominated tranche of the SFA in the amount of PLN 17.1 million in the third quarter of 2024 following the appreciation of Polish zloty against the euro, while in the corresponding period the valuation of the euro-denominated tranche of the SFA had a negative non-cash impact on finance costs, net, in the amount of PLN 93.6 million.

Net profit for the third quarter of 2024 amounted to PLN 249.8 million, recording an increase by PLN 147.6 million YoY due to higher EBITDA, lower depreciation, amortization, impairment and liquidation costs and lower finance costs.

Results for three quarters of 2024

[mPLN]	9 months ended September 30		change	
	2024	2023	[mPLN]	[% / p.p.]
Revenue	10,438.8	9,944.8	494.0	5.0%
Operating costs	(9,189.9)	(9,002.1)	(187.8)	2.1%
Gain on disposal of a subsidiary and an associate	10.0	220.1	(210.1)	(95.5%)
Other operating income/(cost), net	159.3	(23.4)	182.7	n/a
Profit from operating activities	1,418.2	1,139.4	278.8	24.5%
Gain/(loss) on investment activities, net	185.2	81.7	103.5	126.7%
Finance costs, net	(747.0)	(955.4)	208.4	(21.8%)
Share of the profit/(loss) of associates accounted for using the equity method	(0.7)	29.7	(30.4)	n/a
Gross profit for the period	855.7	295.4	560.3	189.7%
Income tax	(246.1)	(114.1)	(132.0)	115.7%
Net profit for the period	609.6	181.3	428.3	236.2%
EBITDA	2,697.7	2,554.5	143.2	5.6%
EBITDA margin	25.8%	25.7%	-	0.1 p.p.
Gain on disposal of a subsidiary and an associate	10.0	220.1	(210.1)	(95.5%)
EBITDA adjusted	2,687.7	2,334.4	353.3	15.1%
EBITDA adjusted margin	25.7%	23.5%	-	2.2 p.p.
Gain on asset disposal	198.7	-	198.7	n/a
EBITDA adjusted excl. asset disposal	2,489.0	2,334.4	154.6	6.6%
EBITDA adjusted margin excl. asset disposal	23.8%	23.5%	-	0.3 p.p.

Revenue

Consolidated **total revenue** increased by PLN 494.0 million (+5.0% YoY) in the first three quarters of 2024 to PLN 10,438.8 million, primarily as a result of the consolidation of revenue from the sale of energy generated in the green energy segment and higher retail revenue.

Excluding the impact of the consolidation of PAK-PCE Group's results, consolidated total revenue amounted to PLN 9,486.2 million (-1.7% YoY). This decrease was primarily due to lower wholesale revenue, revenue from equipment sales and from photovoltaic installations and was partially offset by higher retail revenue.

[mPLN]	9 months ended September 30		change	
	2024	2023	[mPLN]	[%]
Retail revenue	5,372.2	5,223.4	148.8	2.8%
Wholesale revenue	2,361.7	2,450.6	(88.9)	(3.6%)
Sale of equipment	1,315.9	1,415.0	(99.1)	(7.0%)
Energy revenue	890.0	272.0	618.0	227.2%
Other revenue	499.0	583.8	(84.8)	(14.5%)
Revenue	10,438.8	9,944.8	494.0	5.0%

Retail revenue increased by PLN 148.8 million (+2.8%) YoY in nine months of 2024 and amounted to PLN 5,372.2 million, which resulted mainly from the successful upselling of products and services and the subsequent increase in ARPU per contract B2C customer by 4.8% YoY and per B2B customer by 3.1% YoY.

Wholesale revenue decreased by PLN 88.9 million (-3.6%) YoY, mainly due to the recognition of lower interconnection revenue, resulting from the final regulatory reduction of MTR rates in January 2024, and lower revenue from the sale of TV sublicenses. This decrease was partially offset by higher advertising and sponsorship revenue and higher revenue from domestic and international roaming.

Revenue from the **sale of equipment** decreased by PLN 99.1 million (-7.0%) YoY mainly due to high volumes of sales in the comparative period. At the same time, the margin on equipment sales remains high and stable due to a high share of more expensive handsets in the sales mix.

Energy revenue amounted to PLN 890.0 million in three quarters of 2024, recording an increase by PLN 618.0 million (+227.2%) YoY. This increase was due to the recognition of energy sales revenue only for the third quarter in the comparative period as PAK-PCE Group's results were consolidated starting from July 3, 2023. A part of the energy revenue, in three quarters of 2024 the Group recognized revenue from the sale of generated electricity in the amount of PLN 371.0 million and revenue from energy resale in the amount of PLN 465.8 million at the consolidated level.

Other revenue decreased by PLN 84.8 million (-14.5%) YoY, mainly as a result of lower revenue from operations in the photovoltaic installations market, which was related to the execution of the Cambria photovoltaic farm in the comparative period. This decrease was partly offset by the recognition of revenue from the sale of gas in connection with the consolidation of the results of PAK-PCE Group from July 3, 2023 and revenue related to the lease of green hydrogen-powered buses to the city of Gdańsk.

Excluding the impact of the consolidation of PAK-PCE Group, other revenue amounted to PLN 436.3 million, down by PLN 123.3 million (-22.0%) YoY.

Operating costs

Consolidated **operating costs** increased by PLN 187.8 million (+2.1%) YoY to the level of PLN 9,189.9 million in three quarters of 2024, mainly as a result of the recognition of the cost of energy sold in connection with the consolidation of the results of PAK-PCE Group starting from July 3, 2023, partially offset by a decrease in depreciation, amortization, impairment and liquidation costs, lower content costs and cost of equipment sold.

Excluding the impact of the consolidation of PAK-PCE Group, consolidated operating costs amounted to PLN 8,376.0 million (-3.9% YoY).

[mPLN]	9 months ended September 30		change	
	2024	2023	[mPLN]	[%]
Technical costs and cost of settlements with telecommunication operators	2,492.4	2,470.6	21.8	0.9%
Depreciation, amortization, impairment and liquidation	1,239.9	1,406.2	(166.3)	(11.8%)
Cost of equipment sold	1,027.1	1,124.7	(97.6)	(8.7%)
Content costs	1,483.5	1,560.5	(77.0)	(4.9%)
Cost of energy sold, includes	698.1	255.1	443.0	173.7%
<i>Depreciation¹⁾</i>	36.3	8.5	27.8	327.1%
Distribution, marketing, customer relation management and retention costs	788.6	749.5	39.1	5.2%
Salaries and employee-related costs	890.5	822.6	67.9	8.3%
Cost of debt collection services and bad debt allowance and receivables written off	69.2	94.8	(25.6)	(27.0%)
Other costs, includes	500.6	518.1	(17.5)	(3.4%)
<i>Depreciation¹⁾</i>	3.3	0.4	2.9	725.0%
Operating costs	9,189.9	9,002.1	187.8	2.1%

1) Depreciation costs included under the cost of energy and bus production.

Technical costs and cost of settlements with telecommunication operators increased by PLN 21.8 million (+0.9%) YoY. This increase was caused mainly by higher costs of mobile telecommunications network development and higher costs of network maintenance, which remained under inflationary pressure and were partially offset by lower interconnect settlements due to the final regulatory reduction of MTR rates in 2024.

Depreciation, amortization, impairment and liquidation costs decreased by PLN 166.3 million (-11.8%) YoY, which resulted mainly from the completion of the amortization of Polkomtel's retail customer relationships.

The **cost of equipment sold** decreased by PLN 97.6 million (-8.7%) YoY, which reflected lower sales volumes of equipment in three quarters of 2024 and corresponds with lower revenue from the sale of equipment.

Content costs decreased by PLN 77.0 million (-4.9%) YoY, mainly due to the lower cost of sports licences following the non-renewal of the broadcasting rights to the UEFA Champions League and Ekstraklasa football competitions and the lack of costs related to the men's and women's European Volleyball Championships which took place in the comparative period.

Costs of energy sold amounted to PLN 698.1 million in three quarters of 2024 and was higher by PLN 443.0 million (+173.7%) YoY. This increase was due to the recognition of costs of energy sold only for the third quarter in the comparative period as PAK-PCE Group's results were consolidated starting from July 3, 2023. Depreciation and amortization related to energy production is included in this cost item, in the amount of PLN 36.3 million.

Distribution, marketing, customer relation management and retention costs increased by PLN 39.1 million (+5.2%) YoY, mainly as a result of the recognition of higher costs of call center, customer care, and distribution and logistics, associated, among others, with an increase in the minimum wage.

Salaries and employee-related costs increased by PLN 67.9 million (+8.3%) YoY, mainly due to the increased headcount following the consolidation of PAK-PCE Group from July 3, 2023 and persisting

inflationary pressure. The impact of the consolidation of PAK-PCE Group on this cost item was PLN 8.7 million in the first three quarters of 2024.

Average employment	9 months ended September 30		Change	
	2024	2023	[FTEs]	[%]
Permanent workers not engaged in production ⁽¹⁾	8,209	7,960	249	3.1%

(1) Excluding workers who did not perform work in the reporting period due to long-term absences.

Cost of debt collection services and bad debt allowance and receivables written off decreased by PLN 25.6 million (-27.0%) YoY. The decrease was primarily due to a one-time revaluation of the total package of receivables according to a higher ratio than in the comparative period. In addition, the lower level of bad debt was influenced by better collection rates of receivables and lower sales in the installment model than in the corresponding period of 2023.

Other costs decreased by PLN 17.5 million (-3.4%) YoY. This change was a net effect of lower costs of operations in the photovoltaic installations market, which was related to the execution of the Cambria photovoltaic farm in the comparative period, lower costs of apartments sold in Port Praski, higher cost of advisory services and the effect of consolidating the results of PAK-PCE Group for an incomplete period in the comparative period.

Gain on the disposal of a subsidiary and an associate amounted to PLN 10.0 million and resulted from the disposal of shares held by the Group in Muzo.fm Sp. z o.o. in the first quarter of 2024.

Other operating income, net amounted to PLN 159.3 million in nine months of 2024 as compared to other operating cost, net of PLN 23.4 million in the comparative period. In first three quarters of 2024, this item included the recognition of a gain on the disposal the IPv4 communications protocol address package in the total amount of PLN 198.7 million (net of transaction costs), partially compensated by the recognition of an impairment charge on inventories of photovoltaic modules held by Esoleo in the amount of PLN 30.0 million.

Reported EBITDA increased by 5.6% YoY to PLN 2,697.7 million in nine months ended September 30, 2024.

EBITDA adjusted for the gain on the disposal of a subsidiary and an associate, excluding asset disposal amounted to PLN 2,489.0 million (PLN +154.6 million, +6.6% YoY) in the first three quarters of 2024, resulting in adjusted EBITDA margin of 23.8%. The main reason for the increase in adjusted EBITDA was the contribution from the green energy segment in the amount of PLN 202.9 million, higher retail revenue and lower content costs.

Gain on investment activities, net amounted to PLN 185.2 million in three quarters of 2024 and was higher by PLN 103.5 million (+126.7%) YoY. The increase was mainly due to positive non-cash market valuation of the 10.13% stake held in Asseco Poland S.A. in the amount of PLN 116.0 million as at September 30, 2024.

Finance costs, net decreased by PLN 208.4 million (-21.8%) YoY. This decrease was, among others, due to the recognition of a positive non-cash valuation of the euro-denominated tranche of the SFA in the amount of PLN 34.8 million in three quarters of 2024, following the appreciation of Polish zloty against the euro, while in the comparative period the valuation of the euro-denominated tranche of the SFA had a negative non-cash impact on finance costs, net, in the amount of PLN 63.6 million. Moreover, the decrease in financial costs, net, was driven by the execution and valuation of hedging instruments (down by PLN 54.0 million) and the absence of one-off costs related to the repayment of loans, which were recognized in the comparative period (PLN 20.8 million).

Net profit for the first three quarters of 2024 amounted to PLN 609.6 million and was higher by PLN 428.3 million YoY due to higher EBITDA, lower depreciation, amortization, impairment and liquidation costs and lower finance cost.

3.2.2. Operating segments

The Group operates in the following four segments:

- **B2C and B2B services segment** which relates to the provision of services, 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,
- **media segment**, which 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,
- **green energy segment**, which consists mainly of production and sale of electricity from renewable sources, construction of a complete hydrogen-based value chain and investments in renewable energy sources projects such as photovoltaic and wind farms (starting from July 3, 2023), and
- **real estate segment**, which consists mainly of implementation of construction projects as well as sale, rental and management of own or leased real estate.

The Group conducts its operating activities primarily in Poland.

The activities of the Group are grouped into segments 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.

The operations carried out within each segment are described in detail in item 2 of the the report of the Management Board on the activities of Cyfrowy Polsat S.A. Capital Group in 2023 – *Our business*.

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 (including depreciation included in the energy and buses production costs). EBITDA is not an EU IFRS measure and thus its calculations may differ among different 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 nine-month period ended September 30, 2024.

9 months ended September 30, 2024 (unaudited) [mPLN]	B2C and B2B services segment	Media segment	Real estate segment	Green energy segment	Consolidation adjustments	Total
Revenues from sales to third parties	7,919.3	1,569.1	83.4	867.0	-	10,438.8
Inter-segment revenues	(52.8)	224.7	29.5	178.0	(379.4)	-
Revenues	7,866.5	1,793.8	112.9	1,045.0	(379.4)	10,438.8
EBITDA adjusted (unaudited)	2,073.9	389.9	21.0	202.9	-	2,687.7
Gain on disposal of a subsidiary and an associate	-	10.0	-	-	-	10.0
EBITDA (unaudited)	2,073.9	399.9	21.0	202.9	-	2,697.7
Depreciation, amortization, impairment and liquidation	1,090.2	115.2	13.7	20.8	-	1,239.9
Depreciation included in energy and bus production costs	-	-	-	39.6	-	39.6
Profit/(loss) from operating activities	983.7	284.7	7.3	142.5	-	1,418.2
Acquisition of property, plant and equipment and other intangible assets	573.4	58.3	10.7	531.8	-	1,174.2
Acquisition of reception equipment	109.7	-	-	-	-	109.7
Balance as at September 30, 2024						
Assets, including:	26,013.3	4,168.7 ¹⁾	1,440.9	5,311.7	243.7	37,178.3
Investments in joint venture and associates	-	-	9.4	-	-	9.4

¹⁾ Includes non-current assets located outside of Poland in the amount of PLN 0.2 million.

All material revenues are generated in Poland.

It should be noted that the financial data for the nine-month periods ended September 30, 2024 and September 30, 2023 allocated to the B2C and B2B services segment, the media segment, the real estate segment and green energy are not fully comparable due to changes in the Group's structure which were described in item 1.2. of this Report – *Changes in the organizational structure of Polsat Plus Group and their effects* – and item 1.2. of the report of the Management Board on the activities of Cyfrowy Polsat S.A. Capital Group in 2023.

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 nine-month period ended September 30, 2023.

9-month period ended September 30, 2023 (unaudited) [mPLN]	B2C and B2B services segment	Media segment	Real estate segment	Green energy segment	Consolidation adjustments	Total
Revenues from sales to third parties	7,972.2	1,568.8	101.5	302.3	-	9,944.8
Inter-segment revenues	46.4	197.6	22.4	74.2	(340.6)	-
Revenues	8,018.6	1,766.4	123.9	376.5	(340.6)	9,944.8
EBITDA adjusted (unaudited)	1,956.5	332.3	21.7	25.9	(2.0)	2,334.4
Gain on disposal of a subsidiary and an associate	220.1	-	-	-	-	220.1
EBITDA (unaudited)	2,176.6	332.3	21.7	25.9	(2.0)	2,554.5
Depreciation, amortization, impairment and liquidation	1,272.7	116.4	15.8	1.3	-	1,406.2
Depreciation included in energy and bus production costs	-	-	-	8.9	-	8.9
Profit from operating activities	903.9	215.9	5.9	15.7	(2.0)	1,139.4
Acquisition of property, plant and equipment and other intangible assets	619.2	62.6	21.1	301.6	-	1,004.5
Acquisition of reception equipment	89.5	-	-	-	-	89.5
Balance as at September 30, 2023 (unaudited)						
Assets, including:	27,013.2	6,396.8 ¹⁾	1,310.6	3,390.0	(1,338.3)	36,772.3
Investments in joint venture and associates	-	-	80.5	-	-	80.5

1) Includes non-current assets located outside of Poland in the amount of PLN 1.4 million.

3.2.3. Balance sheet analysis

As at September 30, 2024, our balance sheet amounted to PLN 37,178.3 million and remained stable compared to the balance as at December 31, 2023.

Assets

[mPLN]	September 30 2024	December 31 2023	Change	
			[mPLN]	[%]
Property, plant and equipment	7,058.7	6,494.3	564.4	8.7%
Goodwill	10,971.2	10,980.2	(9.0)	(0.1%)
Customer relationships	131.9	300.2	(168.3)	(56.1%)
Brands	1,926.7	1,979.7	(53.0)	(2.7%)
Other intangible assets	4,699.0	4,835.8	(136.8)	(2.8%)
Right-of-use assets	689.6	644.6	45.0	7.0%
Non-current programming assets	304.5	304.8	(0.3)	(0.1%)
Investment property	699.5	700.0	(0.5)	(0.1%)
Non-current deferred distribution fees	77.7	85.0	(7.3)	(8.6%)
Non-current trade receivables	891.3	968.1	(76.8)	(7.9%)
Non-current loans granted	2.8	10.9	(8.1)	(74.3%)
Other non-current assets, includes:	804.7	702.8	101.9	14.5%
<i>shares in associates accounted for using the equity method</i>	9.4	10.1	(0.7)	(6.9%)
<i>shares in third parties valued in fair value through profit or loss</i>	735.9	615.9	120.0	19.5%
<i>derivative instruments</i>	22.9	35.2	(12.3)	(34.9%)
Deferred tax assets	170.5	142.8	27.7	19.4%
Total non-current assets	28,428.1	28,149.2	278.9	1.0%
Current programming assets	833.9	678.2	155.7	23.0%
Contract assets	337.7	349.0	(11.3)	(3.2%)
Inventories	1,106.1	1,215.6	(109.5)	(9.0%)
Trade and other receivables	2,910.3	2,947.1	(36.8)	(1.2%)
Current loans granted	22.3	116.2	(93.9)	(80.8%)
Income tax receivable	3.5	20.0	(16.5)	(82.5%)
Current deferred distribution fees	251.8	227.4	24.4	10.7%
Other current assets, includes:	177.9	139.7	38.2	27.3%
<i>derivative instruments</i>	36.4	21.6	14.8	68.5%
Cash and cash equivalents	3,073.3	3,306.0	(232.7)	(7.0%)
Restricted cash	24.3	19.7	4.6	23.4%
Total current assets	8,741.1	9,018.9	(277.8)	(3.1%)
Assets held for sale, includes	9.1	8.6	0.5	5.8%
<i>Cash and cash equivalents</i>	-	1.2	(1.2)	(100.0%)
Total assets	37,178.3	37,176.7	1.6	-

The value of non-current assets amounted to PLN 28,428.1 million (76.5% of total assets) as of September 30, 2024 and increased by PLN 278.9 million (+1.0%) compared to the balance at the end of 2023. The main reasons for the increase include a higher value of property, plant and equipment by PLN 564.4 million (+8.7%), associated in particular with a higher value of non-current assets under construction due to the successive implementation of renewable energy projects. This increase was partially offset by a lower value of customer relationships due to the amortization of this item by PLN 168.3 million (-56.1%) and a decrease of other intangible assets by PLN 136.8 million (-2.8%), related mainly to the accrual of amortization for telecommunication licenses. Furthermore, the value of other non-current assets increased by PLN 101.9 million (+14.5%) compared to the balance as at December 31, 2023, mainly as a result of the market valuation of the 10.13% stake held in Asseco Poland S.A.

The value of current assets amounted to PLN 8,741.1 million (23.5% of total assets), decreasing by PLN 277.8 million (-3.1%) compared to the balance as at December 31, 2023. The main reasons behind the decrease were a reduction of cash and cash equivalents by PLN 232.7 million, due to the commencement of scheduled repayments of principal installments of the SFA in the amount of PLN 155.3 million in the third quarter of 2024 and incurred expenditures on the development of RES projects. In addition, as of the end of September 2024, the balance of inventories decreased by PLN 109.5 million (-9.0%) and the value of granted loans decreased by PLN 93.9 million compared to December 31, 2023. The decrease of the value of current assets was partially offset by an increase of the value of current programming assets (PLN +155.7 million), which was associated with the recognition of sports broadcasting rights to UEFA Europa League and UEFA Conference League on the balance sheet.

Equity and liabilities

[mPLN]	September 30 2024	December 31 2023	Change	
			[mPLN]	[%]
Share capital	25.6	25.6	-	-
Share premium	7,174.0	7,174.0	-	-
Share of other comprehensive income of associates	(0.1)	-	(0.1)	n/a
Other reserves	2,785.3	2,752.8	32.5	1.2%
Retained earnings	8,909.5	8,334.1	575.4	6.9%
Treasury shares	(2,854.7)	(2,854.7)	-	-
Equity attributable to equity holders of the Parent Company	16,039.6	15,431.8	607.8	3.9%
Non-controlling interests	862.1	873.4	(11.3)	(1.3%)
Total equity	16,901.7	16,305.2	596.5	3.7%
Loans and borrowings	9,279.8	9,534.3	(254.5)	(2.7%)
Issued bonds	3,583.1	3,955.4	(372.3)	(9.4%)
Lease liabilities	460.2	444.6	15.6	3.5%
Deferred tax liabilities	1,102.7	1,035.0	67.7	6.5%
Other non-current liabilities and provisions	322.0	385.6	(63.6)	(16.5%)
<i>includes derivative instruments</i>	36.1	24.0	12.1	50.4%
Total non-current liabilities	14,747.8	15,354.9	(607.1)	(4.0%)
Loans and borrowings	1,292.7	1,069.7	223.0	20.8%
Issued bonds	358.8	393.7	(34.9)	(8.9%)
Lease liabilities	180.4	166.2	14.2	8.5%
Contract liabilities	770.2	682.2	88.0	12.9%
Trade and other payables	2,881.7	3,172.6	(290.9)	(9.2%)
<i>includes derivative instruments</i>	8.3	20.2	(11.9)	(58.9%)
Income tax liability	45.0	31.4	13.6	43.3%
Total current liabilities	5,528.8	5,515.8	13.0	0.2%
Liabilities held for sale	-	0.8	(0.8)	(100.0%)
Total liabilities	20,276.6	20,871.5	(594.9)	(2.9%)
Total equity and liabilities	37,178.3	37,176.7	1.6	-

Equity increased by PLN 596.5 million (+3.7%), to PLN 16,901.7 million as at September 30, 2024, mainly as a result of the recognition of net profit of PLN 609.6 million generated in the first nine months of 2024.

Total liabilities decreased by PLN 594.9 million (-2.9%) compared to the end of December 2023 and amounted to PLN 20,276.6 million as at September 30, 2024, of which current liabilities amounted to PLN 5,528.8 million and non-current liabilities amounted to PLN 14,747.8 million, constituting 27.3% and 72.7% of total liabilities, respectively.

The decrease in the value of non-current liabilities by PLN 607.1 million (-4.0%) was primarily due to a lower value of non-current liabilities from issued bonds (less by PLN 372.3 million, -9.4%) resulting from the early redemption of the Series B and C bonds in February 2024. Non-current liabilities from loans and borrowings decreased by PLN 254.5 million (-2.7%) as a result of their partial reclassification to current liabilities due to the commencement of scheduled repayments of principal installments of the SFA starting in the third quarter of 2024.

Compared to the end of December 2023, the value of current liabilities remained stable and amounted to PLN 5,528.8 million (PLN +13.0 million, +0.2%). A decrease in current liabilities from trade and other payables by PLN 290.9 million was mostly offset by a higher value of liabilities from loans and borrowings by PLN 223.0 million (+20.8%) following the partial reclassification of non-current liabilities to current liabilities due to the commencement of scheduled repayments of principal installments of the SFA starting in the third quarter of 2024. Moreover, a decrease in current liabilities from trade and other payables was due primarily to the payment of the remaining part of the reservation fee for the 3,6 GHz band under the 5G auction in the amount of PLN 266.6 million in January 2024 and the payment of the second tranche for the acquisition of shares in Pantanomo Ltd.

3.2.4. Consolidated cash flow analysis

The table below presents selected data from the consolidated cash flow statement for the nine-month periods ended September 30, 2024 and September 30, 2023.

[mPLN]	9 months ended September 30		[mPLN]	Change [% / p.p.]
	2024	2023		
Net cash from operating activities	2,529.2	1,468.3	1,060.9	72.3%
Net cash used in investing activities, incl.	(1,208.5)	(1,234.7)	26.2	(2.1%)
Capital expenditures	(1,174.2)	(1,004.5)	(169.7)	16.9%
Net cash from/(used in) financing activities	(1,536.3)	3,091.0	(4,627.3)	n/d
Net increase/(decrease) in cash and cash equivalents	(215.6)	3,324.6	(3,540.2)	n/a
Cash and cash equivalents at the beginning of the period	3,325.7	817.8	2,507.9	306.7%
Cash and cash equivalents at the end of the period	3,097.6	4,181.7	(1,084.1)	(25.9%)

Net cash from operating activities

Net cash received from operating activities amounted to PLN 2,529.2 million in the first three quarters of 2024 and increased by PLN 1,060.9 million (+72.3%) YoY, mainly due to higher EBITDA generated in the period under review than in the corresponding period of 2023 as well as lower net working capital employed, which was due to, among others, a decrease in inventories and lower pressure from installment receivables.

Net cash used in investing activities

Net cash used in investing activities amounted to PLN 1,208.5 million in the period under review and was lower by PLN 26.2 million (-2.1%) YoY. In the comparative period, the Company recognized an inflow from the sale of part of a stake held in Asseco Poland S.A. in the total amount of PLN 851.4 million. This base effect was largely compensated in the analyzed period by lower license payments by PLN 880.7 million (-76.0%) YoY. In the period under review, the Group made a payment of PLN 266.6 million for the reservation of a frequency block in the 3.6 GHz band, while in the first three quarters of 2023 the Group made a payment of PLN 847.0 million for the renewal of the reservation of a block in the 1800 MHz band and PLN 300.3 million in the 900 MHz band. In addition, in nine months of 2024, we recorded proceeds from the repayment of loans granted to entities from outside the Group, while in the same period of 2023, the Group granted loans to PAK-PCE for the development of renewable energy projects.

Capital expenditures on the purchase of property, plant and equipment, and intangible assets amounted to PLN 1,174.2 million in the first three quarters of 2024 and increased by PLN 169.7 million (+16.9%) YoY. In the TMT area, which includes the B2C and B2B services and media segments, capex amounted to PLN 631.7 million in the first nine months of 2024 and was lower by PLN 50.1 million (-7.3%) YoY. The capex-to-revenue ratio in the TMT area remained at a low level of 6.5% for the nine months ended September 30, 2024. During this time, investment spending on projects related to the development of renewable energy sources and the green hydrogen value chain amounted to PLN 531.8 million.

Net cash used in finance activities

Net cash used in financing activities amounted to PLN 1,536.3 million in the first three quarters of 2024 compared to PLN 3,091.0 million of net cash from financing activities in the comparative period. This change was mainly due to the issuance of Series D and E Bonds worth ca. PLN 3.5 billion and the early redemption of a portion of Series B and C Bonds totaling PLN 1.53 billion in the first three quarters of 2023. In addition, in the corresponding period, the Company refinanced its bank debt by entering into the Senior Facilities Agreement with a consortium of banks granting a term loan in PLN up to PLN 7.3 billion, a term loan in EUR up to EUR 506 million and a revolving credit facility up to PLN 1.0 billion.

In the first three quarters of 2024, the level of net cash used in financing activities was principally impacted by the early redemption of the Series B and C Bonds totaling PLN 311.9 million and interest payments in the amount of PLN 1,000.9 million. Furthermore, in the third quarter of 2024, the Group commenced the scheduled repayment of principal installments of the SFA (details are presented in item 3.3 *External financing*).

3.3. External financing

We maintain cash to fund the day-to-day requirements of our business. Our objective is to ensure cost-efficient access to various financing sources, including bank loans, bonds and other borrowings.

We believe that cash balances and cash generated from our current operations, as well as funds available under our revolving credit facilities should be sufficient to satisfy the future needs related to our operating activities, development of our services, service of our debt as well as for the execution of investment plans in the field of the Company's current activity.

3.3.1. Indebtedness

The table below presents a summary of the financial debt of the Group as at September 30, 2024.

[mPLN]	Balance value as at September 30, 2024
Loans and borrowings liabilities, including:	10,572.5
<i>loans and borrowings liabilities excluding project financing</i>	9,188.0
<i>project financing liabilities</i>	1,384.5
Bond liabilities	3,941.9
Leasing and other liabilities	640.6
Gross debt	15,155.0
Cash and cash equivalents ⁽¹⁾	3,073.3
Net debt	12,081.7
EBITDA LTM ⁽²⁾	3,316.3
Total net debt / EBITDA LTM	3.64x
Net debt / EBITDA LTM, excluding project financing⁽³⁾	3.40x
Weighted average interest cost of loans and bonds ⁽⁴⁾	8.4%

- (1) Includes cash and cash equivalents held for sale.
- (2) Consolidated EBITDA LTM adjusted for non-controlling interests.
- (3) EBITDA LTM and net debt of companies using project financing are excluded from the calculation of the ratio.
- (4) Prospective average weighted interest cost of the Group's debt (including the Revolving Credit Facility) in accordance with WIBOR/EURIBOR ratios as of the balance sheet date, excluding hedging instruments, project financing and leases.

Repurchase and redemption of Series B and C Bonds

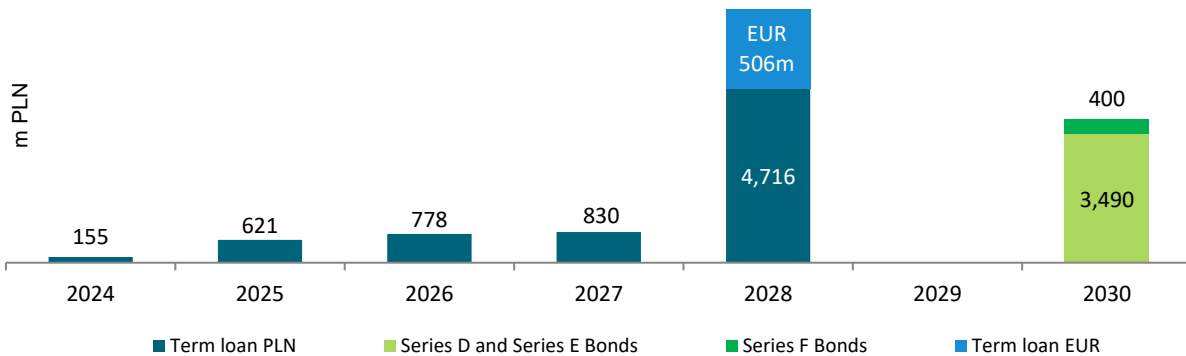
On February 5, 2024 the Company repurchased for redemption 223,798 unsecured Series B bearer bonds with the aggregate nominal value of PLN 223.8 million and 88,053 unsecured Series C bearer bonds with the aggregate nominal value of PLN 88.1 million. In connection with the early redemption, all Series B Bonds and Series C Bonds were retired.

After the redemption of Series B and Series C Bonds, bonds listed in the Alternative Trading System operated by the WSE on the Catalyst market include 3,490,000 Series D and Series E bonds while Series F bonds are not listed.

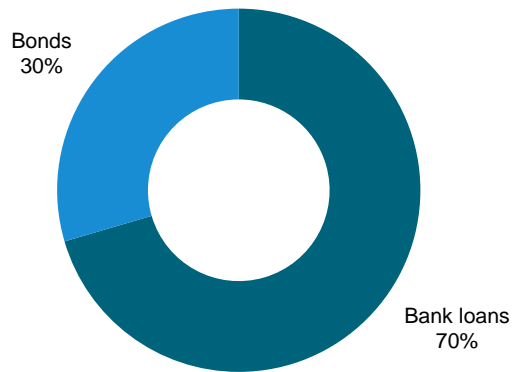
Debt structure and maturity

The graphs below present the maturity profile and the structure of the Group's debt by type and currency, expressed in nominal terms, excluding liabilities arising from project financing, the revolving credit facility and leases, as of September 30, 2024.

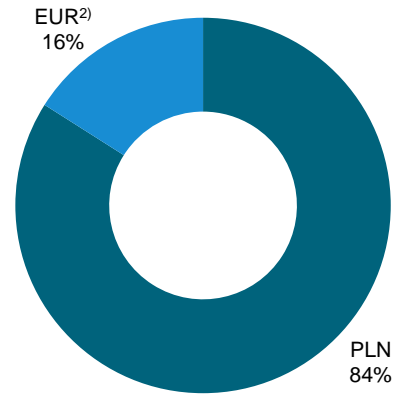
Maturity profile of debt under the Senior Facilities Agreement and bonds as of September 30, 2024



**Debt structure by instrument type⁽¹⁾
as at September 30, 2024**



**Debt structure by currency⁽¹⁾
as at September 30, 2024**



(1) Excluding project financing liabilities, the revolving credit facility and leases.

(2) EUR tranche under the SFA (EUR 506 million) converted into PLN at the exchange rate on the balance sheet date.

3.3.2. Significant financing agreements

Senior Facilities Agreement of April 28, 2023

On April 28, 2023, the Group companies concluded with a consortium of Polish and foreign financial institutions the unsubordinated Senior Facilities Agreement, sustainability linked financing (the “Senior Facilities Agreement”, “SFA”). The SFA governs the granting of a PLN term facility loan to the Company and Polkomtel up to a maximum amount of PLN 7,255.0 million, a EUR term facility loan up to a maximum amount of EUR 506.0 million (the “Term Facilities”) and a revolving facility loan up to a maximum amount of the equivalent of PLN 1,000.0 million (the “Revolving Facility”).

A detailed description of the conditions of the Senior Facility Agreement dated April 28, 2023, which remained in effect as of the date of publication of this Report, is presented in item 4.3.2. of the report of the Management Board on the activities of Cyfrowy Polsat S.A. Capital Group in 2023.

In order to secure the repayment of claims under the Senior Facilities Agreement, the Company, other Group companies listed below, as guarantors, and the security agent, entered into and signed agreements and other documents providing for the establishment of the following collateral:

- (i) registered pledges over collections of movables and property rights of variable composition, included in the enterprises of the Company, Polkomtel sp. z o.o., Telewizja Polsat sp. z o.o., Netia S.A. and Polsat Media sp. z o.o..
- (ii) financial and registered pledges over all shares in Polkomtel sp. z o.o. and Telewizja Polsat sp. z o.o. held by the Company, as well as over all shares in Netia S.A. held by the Company, and over all shares in Polsat Media sp. z o.o. held by the Company and Telewizja Polsat sp. z o.o., for which the applicable law is Polish law, together with powers of attorney to exercise corporate rights attached to the shares in the aforementioned companies.
- (iii) financial and registered pledges over the receivables related to the bank accounts of the Company, Polkomtel sp. z o.o., Telewizja Polsat sp. z o.o., Netia S.A. and Polsat Media sp. z o.o., for which the applicable law is the Polish law.

- (iv) powers of attorney to the bank accounts of the Company, Polkomtel sp. z o.o., Telewizja Polsat sp. z o.o., Netia S.A. and Polsat Media sp. z o.o., for which the applicable law is the Polish law.
- (v) registered pledges over the rights to the trademarks of the Company, Polkomtel sp. z o.o., Telewizji Polsat sp. z o.o., Netia S.A., Polsat Media sp. z o.o., for which the applicable law is Polish law.
- (vi) assignment of receivables for security under hedging agreements payable to the Company and Polkomtel sp. z o.o., for which the applicable law is English law.
- (vii) assignment of rights for security under insurance agreements for real properties and assets made by the Company, Polkomtel sp. z o.o., Telewizja Polsat sp. z o.o., Netia S.A. and Polsat Media sp. z o.o..
- (viii) statements of the Company, Polkomtel sp. z o.o., Telewizja Polsat sp. z o.o., Netia S.A. and Polsat Media sp. z o.o. on submission to enforcement under a notarial deed, for which the applicable law is Polish law.
- (ix) a joint contractual mortgage, governed by Polish law, over the following real properties owned by or in perpetual usufruct of the Company: (a) land property located in Warsaw, Targówek district, in the area of ul. Łubinowa, land and mortgage register No. WA3M/00104992/7, (b) land property located in Warsaw, Targówek district, in the area of ul. Łubinowa, land and mortgage register No. WA3M/00102149/9, (c) land property located in Warsaw, Targówek district, in the area of ul. Łubinowa, land and mortgage register No. WA3M/00103400/4, (d) land property located in Warsaw, Targówek district, in the area of ul. Zabraniecka, land and mortgage register No. WA3M/00131411/9, (e) land property located in Warsaw, Praga Północ district, in the area of ul. Zabraniecka, land and mortgage register No. WA3M/00100110/3, (f) land property located in Warsaw, Praga Północ district, in the area of ul. Zabraniecka, land and mortgage register No. WA3M/00100109/3, (g) land property located in Warsaw, Praga Północ district, land and mortgage register No. WA3M/00102615/7, (h) land property located in Warsaw, Praga Północ district, in the area of ul. Zabraniecka, land and mortgage register No. WA3M/00132063/1, (i) land property located in Warsaw, Targówek district, in the area of ul. Zabraniecka, land and mortgage register No. WA3M/00101039/8, (j) land property located in Warsaw, Targówek district, in the area of ul. Zabraniecka, land and mortgage register No. WA3M/00136943/2, (k) land held in perpetual usufruct and a building constituting a separate property located in Warsaw, Targówek district, in the area of ul. Utrata, land and mortgage register No. WA3M/00186120/2.
- (x) a contractual mortgage, governed by Polish law, over land property located in Warsaw, Ursynów district, in the area of ul. Baletowa and Puławska, land and mortgage register No. WA5M/00478842/7, owned by Polkomtel.
- (xi) a joint contractual mortgage, governed by Polish law, over the following properties owned or co-owned by Netia S.A.: (a) land property located in Jawczyce, Ożarów Mazowiecki commune, land and mortgage register WA1P/00133706/7, (b) land property located in Kraków, Podgórze district, in the area of ul. Luciany Frassati-Gawrońskiej, land and mortgage register KR1P/00359665/5, (c) land property located in Warsaw, Ursynów district, in the area of ul. Poleczki, land and mortgage register WA2M/00142936/8, (d) land property located in Warsaw, Ursynów district, in the area of ul. Poleczki, land and mortgage register WA5M/00468204/0, (e) land property located in Warsaw, Ursynów district, in the area of ul. Tango, land and mortgage register WA2M/00138733/4.

Series D, E and F Bonds

On January 11, 2023, Cyfrowy Polsat issued 2,670,000 unsecured, sustainability-linked Series D bearer bonds with a nominal value of PLN 1,000.0 each and a total nominal value of PLN 2,670.0 million, maturing on January 11, 2030.

On September 28, 2023, Cyfrowy Polsat issued 820,000 unsecured, sustainability-linked Series E bearer bonds with a nominal value of PLN 1,000.0 each and a total nominal value of PLN 820.0 million, which were assimilated with the Series D Bonds.

On December 21, 2023, Cyfrowy Polsat issued 400,000 unsecured, sustainability-linked Series F bearer bonds with a nominal value of PLN 1,000.0 each and a total nominal value of PLN 400.0 million, maturing on January 11, 2030.

A detailed description of the terms of issuance of the Series D, E and F bonds is presented in item 4.3.2. of the report of the Management Board on the activities of Cyfrowy Polsat S.A. Capital Group in 2023.

Financing of green energy production projects

PAK-PCE Group companies have entered into investment loan agreements to finance the implementation of renewable energy investment projects in 2021-2023.

PAK-PCE Polski Autobus Wodorowy. On May 10, 2024, PAK-PCE Polski Autobus Wodorowy signed 10 loan agreements with PKO Leasing, each in the amount of approximately PLN 2.9 million. Their purpose is to refinance the costs of production of NesoBus hydrogen buses. The loan bears a variable interest rate - WIBOR plus a margin. The loans are secured by: (i) a blank promissory note issued by PAK-PCE Polski Autobus Wodorowy with a promissory note declaration, (ii) a guarantee by ZE PAK S.A., (iii) an assignment of movable assets, i.e. buses, under a security agreement, (iv) an assignment of rights under an insurance policy, and (v) ZE PAK S.A.'s submission to the rigors of execution under Article 777. All 10 loans were disbursed on September 16, 2024. All loans will be repaid in monthly installments according to a payment schedule starting October 30, 2024, with the final repayment date no later than September 30, 2034. As of September 30, 2024, the carrying value of all 10 loans amounted to PLN 29.0 million.

A detailed description of the remaining financing agreements entered into by companies implementing projects in the area of renewable energy and green hydrogen and in force as of the date of publication of this Report was presented in item 4.3.2. of the report of the Management Board on the activities of Cyfrowy Polsat S.A. Capital Group in 2023 and has not materially changed as of the date of publication of this Report.

Ratings

The table below presents a summary of ratings assigned to Polsat Plus Group as at the date of publication of this Report.

Rating agency	Rating / outlook	Previous rating / outlook	Rating / outlook date	Last review date
S&P Global Ratings	BB / stable	BB+/ negative	21.12.2022	21.12.2022
Fitch Ratings	BB / stable	BB / stable	28.05.2024	28.05.2024

Fitch Ratings. On May 28, 2024, Fitch Ratings (“Fitch”) affirmed the Company’s long-term issuer default rating (IDR) at ‘BB’ with a stable perspective. In its press release Fitch stated that the rating remains anchored on the Company’s telecoms and media (TMT) operations, which account for a vast proportion of its EBITDA. In Fitch’s opinion, the Company’s fully integrated telecom and media profile is a distinguishing factor within its peer group of other single-market telecom operators in Europe. At the same time, the rating takes into account the diversification of the Company’s operations towards renewable energy and real estate which, in Fitch’s view, may result in the deterioration of the leverage profile to above the current rating thresholds in 2024. Fitch’s base case forecasts envisage scope to reduce leverage over the next two years as EBITDA generation from energy investment improves while inflationary pressures cede. However, acceleration of investments in real estate could reduce the pace of deleveraging and result in negative rating pressure. In parallel, Fitch assessed that the Company has adequate access to capital.

S&P Global Rating. The rating assigned by S&P Global Ratings has not changed since the downgrade on December 21, 2022.

4. Other significant information

4.1. Transactions concluded with related parties on conditions other than market conditions

Transactions with parties related to Polsat Plus Group in the nine-month period ended September 30, 2024 have been concluded exclusively on market conditions and are described in Note 18 of the condensed consolidated financial statements for the nine-month period ended September 30, 2024.

4.2. Achievement of previously published forecasts

Pursuant to Article 35 (1b) and (1c) of the Bonds Act, the Company presented an explanation regarding the achievement of published projections of the development of financial liabilities from loans and borrowings, issue of debt securities, and leasing as at December 31, 2023 in item 7.2. of the report of the Management Board on the activities of Cyfrowy Polsat S.A. Capital Group in 2023.

The Company did not publish forecasts for other financial results.

4.3. Information on sureties and guarantees granted by the Company and its subsidiaries

In connection with the implementation of investment projects in the green energy segment by its subsidiaries, the Company provided guarantees of a significant value for the execution of contracts for the implementation of individual wind farm projects, in particular contracts for the supply and installation of wind turbines concluded with Vestas Poland S.A. As of September 30, 2024, the total value of guarantees and warranties provided to Vestas Poland S.A. for wind farm projects amounted to EUR 258.1 million, with maturity dates ranging from 2024 to 2026.

The Company issued corporate guarantees and warranties in EUR and USD, which guarantee the trade payables of its subsidiary Polkomtel sp. z o.o. to its suppliers. As of September 30, 2024, the total value of granted guarantees, converted into PLN at the exchange rate as of the balance sheet date, amounted to PLN 203.4 million. The guarantees expire in 2025-2026.

The Company issued a corporate guarantee in EUR to the subsidiary of Telewizja Polsat Sp. z o.o. in connection with the execution of an agreement under which UEFA granted TV Polsat the rights to broadcast matches played in the UEFA Europa League and UEFA Conference League from 2024 to 2027. As of September 30, 2024, the total value of the granted guarantee, converted into PLN at the exchange rate on the balance sheet date, amounted to PLN 128.4 million.

The financial terms of the guarantees or sureties granted do not deviate from market conditions.

4.4. Information on loans granted

Neither the Company nor any of its subsidiaries grant loans in material amounts to entities outside the Group. Information on intercompany loans granted by the Company is included in item 7.3 of the Company's stand-alone financial statements for the year ended December 31, 2023. For further information on loans granted, see Note 18 to the consolidated financial statements for the nine months period ended September 30, 2024.

4.5. Material proceedings at the court, arbitration body or public authorities

Management believes that the provisions as at September 30, 2024 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 Protection (UOKiK)

On April 29, 2019, the President of UOKiK issued a decision stating that the operations of Polkomtel 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 million. Polkomtel appealed to SOKiK against the decision. On May 26, 2021, SOKiK dismissed Polkomtel's appeal. Polkomtel appealed against the SOKiK judgment. On November 8, 2022, the Court of Appeal dismissed the appeal. On November 22, 2022, Polkomtel paid a penalty of PLN 39.5 million. Polkomtel filed a cassation complaint. Complaint was accepted for consideration by the Supreme Court. On August 8, 2024, the Supreme Court refused to accept the cassation appeal.

On December 19, 2019, the President of UOKiK issued a decision stating that the operations of the Company were allegedly infringing collective consumer interests by hindering access to ZDF and Das Erste channels during the Euro 2016 championship by removing these channels and by giving incomplete and unreliable information to consumers in response to claims regarding unavailability of the above programs. Pursuant to the decision of the President of UOKiK the Company was charged with a penalty in the amount of PLN 34.9 million. The company appealed against this decision to SOKiK. On February 14, 2022, First Instance Court dismissed the Company's appeal in its entirety. The Company submit a cassation appeal to the Court of Appeal in Warsaw. The appeal hearing took place on October 21, 2022. On November 21, 2022, the Court of Appeal in Warsaw repealed the appealed judgment in its entirety and referred the case to the Regional Court in Warsaw for examination and resolution. On July 24, 2023 Company's appeal was again dismissed. On September 6, 2023 the Company filed an appeal against the judgment. At the hearing on June 5, 2024, the Court of Appeal annulled part of the decision of the President of UOKiK, including that related to the fine of PLN 20.1 million. On July 12, 2024, Company complied with the judgment in terms of paying the fine of PLN 14.8 million. The Company is considering the possibility of filing a cassation appeal.

On January 22, 2020, the President of UOKiK issued a decision stating that the operations of Polkomtel were allegedly infringing collective consumer interests by clauses included in the terms and conditions of telecommunications services regarding prepaid services and expiration of the unused value of the subscribers' accounts. Pursuant to the decision of the President of UOKiK, Polkomtel was charged with a penalty in the amount of PLN 20.4 million. Polkomtel appealed to SOKiK against the decision. On April 8, 2022, SOKiK dismissed Polkomtel's appeal. On May 31, 2022, Polkomtel submitted an appeal against the SOKiK verdict. On March 28, 2023 the Court of Appeal dismissed the appeal. On April 11, 2023, Polkomtel paid a penalty of PLN 20.4 million. After receiving written justification of the judgment of the Court of Appeal, on June 30, 2023, Polkomtel filed a cassation complaint. On March 7, 2024, Polkomtel received a decision of the Supreme Court refusing to accept the cassation appeal in this case for consideration.

Other proceedings

On April 28, 2017, the Association of Polish Stage Artists ("ZASP") filed a lawsuit against Cyfrowy Polsat for payment of PLN 20.3 million. The Company issued an objection in the writ-of-payment proceedings and filed for its dismissal entirely. On January 10, 2018, the Court issued a decision to refer the case to mediation proceedings. Mediation ended without a settlement. The last hearing took place on May 8, 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 May 6, 2020, the Company received a letter from the Court, containing the mediator's position summarizing the course of mediation, with a request to refer to its content. On May 25, 2020, the Company submitted a response informing the Court about the settlement being impossible to reach by the parties. The hearing took place on October 20, 2021. At the end of March 2022 the Company received a letter extending the previous claim by the period from January 1, 2010 to December 31, 2020, the value of the lawsuit was increased by over PLN 120.0 million. The court set hearing dates for December 15, 2023 and April 17, 2024. The both hearings scheduled for on December 15, 2023 and April 17, 2024 have been canceled. The court set new hearing dates for November 25, 2024 and December 9, 2024.

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 August 20, 2009 to August 20, 2019. In the claim for payment, SAWP claims PLN 153.3 million 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 last hearing took place on January 17, 2024. The hearing was postponed without a date.

The legal dispute in respect to the telecommunication concession

The legal dispute in respect to the telecommunication concession for the 1800 MHz frequency granted in 2007 to Mobyland Sp. z o.o. (currently Polkomtel Sp. z o.o.) and CenterNet S.A. (currently Polkomtel Sp. z o.o.) has ended. Proceedings to invalidate the 1800 MHz frequency allocation tender have been instigated by T-Mobile and Orange. Supreme Administrative Court (NSA), in its ruling dated May 8, 2014, sustained the decision of the Court of First Instance and repealed the decision issued by the President of the Office of Electronic Communications (UKE) on September 23, 2011, which partially invalidated the above mentioned tender. Following the decision of the Supreme Administrative Court, UKE informed that "the decisions regarding re-running the tender will be taken by the Office upon careful analysis of the written justification of NSA's rulings and the Court's guidelines regarding further procedure as well as upon analysis of the legal situation". UKE also stated that the "reservation decisions issued by UKE President remained valid while the operators could continue providing their services while using these frequencies". On December 23, 2016, President of UKE notified the parties that the tender annulment proceedings relating to the 1800 MHz frequency have been adopted. Pursuant to the decision dated August 4, 2017, President of UKE notified the parties that the tender dated 2007 has been annulled. On October 13, 2017, Aero 2 Sp. z o.o. (a successor of CenterNet S.A. and Mobyland Sp. z o.o., currently Polkomtel Sp. z o.o.) filed a motion to reconsider the decision of the President of UKE dated August 4, 2017 concerning the annulment of the tender procedure. On January 31, 2018 the President of UKE upheld its decision dated August 4, 2017. On March 7, 2018, Aero2 (currently Polkomtel Sp. z o.o.) filed a complaint with the Provincial Administrative Court in Warsaw, on October 4, 2018, the complaint was dismissed. On December 27, 2018, Aero2 (currently Polkomtel Sp. z o.o.) filed a cassation appeal against judgment, which was dismissed by the Supreme Administrative Court on November 25, 2022.

The decision issued by UKE President does not affect reservation decisions issued following the administrative tender. Moreover, on December 5, 2022, the company obtained the decision from the President of UKE to grant a frequency reservation in the 1800 MHz range for the next period.

In the proceedings instigated by T-Mobile Polska S.A., the President of UKE resumed the proceedings which were terminated on April 23, 2009 by the issuance of a final decision by the President of UKE which sustained the decision of the President of UKE dated November 30, 2007 concerning the frequency reservation in the 1710-1730 MHz and 1805-1825 MHz range. Under these proceedings, in the decision dated November 28, 2017 the President of UKE refused, after resuming the proceedings, to annul the reservation decision of the President of UKE dated April 23, 2009. This decision was upheld by the decision of the President of UKE dated June 4, 2018. In connection with complaints filed against this decision, in the ruling of March 11, 2019,

the Voivodship Administrative Court in Warsaw annulled the decision of the President of UKE dated June 4, 2018. On October 10, 2023, the Supreme Administrative Court overturned the contested judgment and referred the case to the Court of First Instance for reconsideration. On April 3, 2024, the Voivodship Administrative Court in Warsaw dismissed the complaint of T-Mobile Polska S.A. T-Mobile Polska S.A. appealed against this judgement in a cassation appeal, which is pending.

On October 4, 2018, T-Mobile Polska S.A. filed a complaint with the Voivodship Administrative Court in Warsaw against the announcement dated September 5, 2018, issued by the President of UKE in respect to the activities necessary to remove the breach constituting the reason for invalidating two frequency reservations (each including 48 duplex radio channels with a duplex spacing of 95 MHz each, ranges 1710-1730 MHz and 1805-1825 MHz). On November 20, 2018, Voivodship Administrative Court in Warsaw rejected the complaint of T-Mobile Polska S.A. On July 4, 2019, the Supreme Administrative Court annulled the decision of the Voivodship Administrative Court in Warsaw dated November 20, 2018, as a result of a cassation appeal filed by T-Mobile Polska S.A. On August 18, 2020, the announcement of the President of UKE, dated September 5, 2018, was considered ineffective by the Voivodship Administrative Court in Warsaw. NSA annulled that judgment on December 9, 2021. The case was remanded for re-examination to Voivodship Administrative Court in Warsaw. On October 25, 2022, the Voivodship Administrative Court in Warsaw dismissed the complaint of T-Mobile Polska S.A. On October 13, 2023, the Supreme Administrative Court dismissed the cassation appeal of T-Mobile Polska S.A., as a result of which the proceedings were legally terminated.

The initiation by the European Commission of the procedure based on Art. 108 sec. 2 of the European Union Treaty

In the beginning of October 2020, Cyfrowy Polsat S.A. and Sferia S.A., a company owned by the Cyfrowy Polsat Group in 51% since February 29, 2016, received from the Ministry of Digital Affairs a copy of the European Commission's decision dated September 21, 2020 regarding the initiation of the formal investigation procedure against the Republic of Poland concerning the alleged illegal state aid provided to Sferia. The alleged illegal state aid relates to granting in 2013 to Sferia the right to use a frequency block of 800 MHz range in place of the frequency 850 MHz range previously held by Sferia. According to the decision, the European Commission intends to investigate, whether the state aid was granted, and if so, whether it can be considered compatible with the internal market. On February 4, 2022, the European Commission began consultations on this matter and Cyfrowy Polsat and Sferia submitted their comments. Both companies believe that no illegal state aid was granted.

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 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 item 7.5 of the report of the Management Board on activities of Cyfrowy Polsat S.A. Capital Group for 2023 remain unchanged.

5. Factors and trends that may impact our results in subsequent periods

5.1. Factors related to social-economic and competitive environment

Impact of the military conflict on the territory of Ukraine on the Company's current operations and expected results

In the opinion of the Management Board, despite the lack of direct exposure of Polsat Plus Group to the Ukrainian, Russian or Belarusian markets, the war started by the Russian Federation may have a long-lasting effect on the operational and financial results of the Group. In particular, the war may have an adverse effect on a number of macroeconomic indicators. High inflation, high interest rates, slowdown in economic growth and disruptions in the supply of raw materials and fossil fuels are reflected in the increasing costs of our current operating activities and the significantly higher debt service costs of Polsat Plus Group.

The full impact of the war caused by the Russian Federation on the operational and financial activities of both the Company and Polsat Plus Group cannot be predicted as of the date of this Report and depends on many factors beyond the Group's control.

Apart from macroeconomic and geopolitical factors, which affect virtually every branch of the Polish economy to a varying degree, the Company assesses its operating prospects as stable.

Macroeconomic outlook in Poland

Macroeconomic trends in the Polish economy as well as global market conditions affect our operations and operating results, and are expected to continue affecting them in the future, in particular with respect to the demand for advertisements, the level of expenditures on services that we provide as well as demand for end-user devices.

According to the European Commission's May 2024 forecast, the year 2024 is expected to be marked by a gradual economic recovery. The GDP recovery is expected to be driven by an increase in the purchasing power of money and household consumption, including a record increase in the minimum wage to PLN 4,242 as of January 1, 2024 and to PLN 4,300 as of July 1, 2024 (vs. PLN 3,600 as of July 2023), and an increase in social transfers. Salaries are also expected to increase across other sectors, including public administration and education. Under these circumstances, one of the challenges for companies in 2024 is pressure on wages. In addition, the inflow of EU funds under the National Recovery Program (KPO) is expected to significantly stimulate investment levels in the second half of the year. As a result of the above factors, the European Commission forecasts Poland's economic growth to reach 2.8% in 2024 and 3.4% in 2025, with continued elevated average annual inflation above the target of the National Bank of Poland.

Although the level of CPI gradually declined in 2023, the average annual inflation rate remained high at 11.4% (compared to 14.4% in 2022). In 2024, the CPI fell, reaching a minimum in April of this year, at 2.0%. However, due to, among others, the withdrawal of the government's anti-inflation shields, including the 0% VAT on food, the inflation rate began to rebound in the second half of the year. According to the European Commission's forecasts, average annual inflation in Poland will reach 4.3% in 2024 and 4.2% in 2025, with Poland's CPI well above the EU average in these years. By comparison, CPI readings reached 4.3% in September and 4.9% in October 2024.

Situation on the pay TV market in Poland

Our revenue depends on the number of our customers and their loyalty, the pricing of our services and the penetration rate of pay TV in Poland, which we consider to be a saturated market. The high level of competition and the dynamically evolving market environment (including consolidation processes on the

cable TV market as well as the continued convergence of mobile and fixed-line services) impact offerings addressed to our new customers. In addition, due to high competition, we continuously invest in customer retention programs and building the loyalty of our customers.

We believe that at present our programming packages constitute an attractive value-for-money offer on the Polish pay TV market. Moreover, we invest in production and purchase of new, attractive and unique content. This gives us a chance to attract a significant portion of migrating customers to our platform. What is more, we offer pay TV services as part of our integrated offer, which has a positive impact of the level of loyalty of our customer base and contributes to maintaining a low churn rate.

Dynamic growth of non-linear distribution of content, delivered by video on demand and OTT (over-the-top) services is a global trend. In Poland, this market has been growing rapidly in recent years and its attractiveness is proved by the launch of services by global players, such as Netflix, Amazon Prime, HBO, Disney+ or SkyShowtime. In addition, one of the consequences of the COVID-19 pandemic restrictions has been a deepening and consolidating of pre-existing trends of consuming content at any time and on any device. In view of the above, we systematically develop our VOD and online television services and applications.

At the same time, there has been a trend in Poland to increase prices for pay TV services, which is a natural consequence of the distinctly rising costs of purchasing and producing in-house content. Retail price increases apply to basically all technologies - from traditional satellite platforms and cable offerings, through IPTV offerings, to VOD and OTT platforms. In the future, this trend may translate favorably into ARPU growth while, at the same time, it may cause a part of customers to be inclined to limit their parallel use of more forms of access to paid content.

Development of the advertising market in Poland

A significant part of our wholesale revenue comes from the sale of advertising airtime and sponsoring slots on our TV channels. Demand for advertising airtime is highly correlated with the macroeconomic situation. We expect that the development of the TV advertising market in the coming quarters and years will be influenced by the growth rate of the national GDP, which, according to the estimates of the European Commission, will reach 2.8% and 3.4% in 2024 and 2025, respectively.

In our opinion, television will remain an effective advertising medium given the relatively low level of advertising expenditures in Poland as a percentage of GDP and per capita in comparison to other European markets. We believe there is still growth potential for TV advertising in Poland in the long term. In 2022-2023, the average time spent watching TV among the surveyed population remained high, estimated at 239 to 250 minutes per day. It is worth noting that despite the growing importance of new media and the declining trend in the length of time spent watching traditional television, it is forecasted that television will still remain an attractive and popular pastime thanks to, among others, new technical opportunities and given that television remains a widely available and affordable source of entertainment for the whole family.

As of March 2024, the method of measuring out of home TV viewership has changed. Starting from September 2021, the TV audience used for advertising settlements takes into account viewing performed away from home – out of home viewership (OOH). Nielsen Media's measurement, based on a household panel, has been enriched with out-of-home viewing data collected by Gemius, which is then added to Nielsen Media's data. An audit conducted by the French auditor CESP (Centre d'Etude des Supports de Publicité) showed, among other things, that the measured out-of-home audience level was defined as a lower estimate of the phenomenon. In order to make the out-of-home viewership figures more realistic, two modifications were made to the methodology. The first modification was to change the definition of the place of residence. It was changed from a dynamic approach, where Gemius determines, on the basis of GPS coordinates (measurement carried out using smartphones equipped with a special meter), the place where the respondent watches TV most often (defined as home), to a static definition, i.e. the place declared by the respondent as

home and confirmed by Gemius in a verification process. The second modification was to reduce the distance from the place of residence, defining TV viewing as out-of-home viewing, from 100 meters to 40 meters. The result of the changes is a more realistic measurement of viewing away from home, as well as greater consistency with Nielsen Media's core measurement of viewing at home. For TV Polsat Group, this means an increase in the advertising resources that can be offered to advertisers by approximately 4% in the period March - December 2024, while keeping other station parameters unchanged.

Prospects of the online advertising market are positive. According to the IAB AdEx report for 2023, online advertising expenditures in Poland increased at a rate of 12.6% YoY and reached the value of PLN 7.8 billion. The two main segments of the online advertising market in which we are present, i.e., display and video, were responsible for 44% of total expenditures on the online advertising market and their total value increased by 8% YoY. We believe that following the acquisition of Interia.pl Group, through which we gained a leading position on the online advertising market we are one of the beneficiaries of the development of these promising segments of the advertising market in the following periods.

Growing importance of convergent services

Convergence of services is one of the strongest trends both on the Polish media and telecommunications market and worldwide. Operators develop their bundled offerings in response to changing preferences of customers, who seek media and telecommunications services provided at competitive prices by a single operator under a single contract, a single invoice and a single fee. Given the high saturation of the pay TV and mobile telephony markets, bundled services play a very important role in maintaining the existing customer base.

In the wake of the increasing importance of convergence and bearing in mind the significant level of fragmentation of the broadband access market, it can be expected that the future shape of the Polish telecommunications and media market will be substantially impacted by consolidation trends which have been visible for a long time on more developed foreign markets, where mobile and fixed-line operators merge with content providers.

Consolidation trends in the telecommunications and pay TV markets

Our immediate competitive environment is also undergoing changes in ownership and partnerships that will shape the markets in which we operate.

Orange Polska. In July 2021, Orange Polska together with Dutch pension fund APG Group established a company Światłowód Inwestycje in order to develop a fiber optic network, mostly in areas with a low or medium level of competition. We are of the opinion that the construction of an open fiber optic network by Światłowód Inwestycje may create a chance for certain telecommunication or pay TV operators to strengthen their convergent offers.

Orange has also entered into cooperation agreements with wholesale operators such as Inea, Nexera and Tauron to extend the reach of its fiber optic services.

T-Mobile Polska. In July 2018, T-Mobile Polska and Orange Polska signed an agreement based on which T-Mobile provides broadband services to its customers through part of Orange's fiber optic network. Through this collaboration T-Mobile rolled out a convergent service offering for residential customers in mid-2019. Since 2020 the operator has also been providing convergent services relying on access to fiber optic networks of Nexera and Inea and in December 2023 started to cooperate with the wholesale operator Polski Światłowód Otwarty.

P4. In November 2020, Iliad, a French telecommunications group, took control over P4. As part of its strategy to develop convergent services in Poland, P4 acquired cable operator UPC Polska in April 2022. In March

2023, P4 transferred to Polski Światłowód Otwarty, a joint venture with French fund InfraVia Capital Partners, the broadband infrastructure of UPC Polska, covering more than 3.7 million households. As the largest dedicated wholesale operator in Poland, Polski Światłowód Otwarty makes its network infrastructure available to other telecom operators under an open and non-discriminatory wholesale access model. It intends to cover a total of more than 6 million households by 2028. In addition, in October 2022, P4 signed wholesale agreements with Orange Polska and Światłowód Inwestycje, with the aim of expanding its fixed-line broadband coverage.

Cable network operators. The fragmented Polish cable network market, which comprises around 300 operators, is undergoing consolidation. An example of the process is the acquisition by Vectra, the no. 2 operator in terms of size, of Multimedia Polska, the no. 3 cable player on the market in 2020. In addition, the Polish cable network market saw similar acquisitions but on a smaller scale, executed by, among others, Orange, P4, Vectra and Netia. In particular, in 2019-2022 Netia acquired four local cable network players. We expect that the consolidation trends on the cable network market will continue in the years to come.

Increases in pricing of mobile services

An important trend visible since 2019 in the Polish mobile telephony market is the gradual introduction by all major telecommunication operators of modifications to their retail services pricelists which in particular consist in increasing monthly fees in exchange for higher data transmission packages (the more-for-more pricing strategy), cancelling selected low-end tariff plans or increasing rates for connections made above package limits. These changes are driven by increased demand for data transmission, low level of prices of telecommunication services in Poland, inflationary pressure on costs of telecommunication activities and a shift in strategies of certain operators towards building customer value and fostering revenue and profitability connected, among others, with the investments in 5G network construction.

The strong inflationary pressure that is being experienced in the Polish market in 2022 and 2023 was reflected in the observed adjustments of price lists introduced by telecom operators, including, among others, the implementation of inflation clauses into customer contracts, increasing subscription fees after the basic 24-month contract period, withdrawing the cheapest tariffs from the offer or raising subscription thresholds in line with the more-for-more strategy.

We expect that the above mentioned changes, in connection with increasing demand for transfer in mobile devices and persisting popularity of remote working and learning, shall translate favorably into the growth of the Polish telecommunication market in the medium and long-term.

Development of the market for new technologies and devices and the consequent increase in access to and consumption of audiovisual content

With the expansion of the new technology market, the number of mobile devices owned by consumers is growing rapidly: smartphones, laptops and tablets, or smart TVs. This is leading to a fast increase in access to, and viewing of, video content. Consumers expect providers to enable them to watch content on any screen they own, anywhere, anytime. We see this group as a potential customer segment not only for TV services, but also for opportunities to monetize our audiovisual content. At the same time, this trend will lead to increased demand from our customers for data services on mobile devices, which in turn will lead to a growing revenue stream from the sale of these services to our customers.

The successive launch of 5G networks has also allowed operators for providing a far superior mobile experience. 5G technology will make it possible to achieve speeds that will ultimately exceed 1 Gbps with minimal latency, while at the same time offering significantly higher capacity in newly built networks, which means that a greater number of terminals will be able to comfortably enjoy transmissions at the same time. Work is also underway to further develop 5G technology - during the 5G tests conducted in the commercial network on the C-band, the speed of 2 Gbps was exceeded thanks to the aggregation of 1800 MHz, 2600

MHz TDD and 3500 MHz frequency bands. However, intensive use of 5G technology will require larger data bundles, which can be offered at higher tariffs.

We expect that the above-mentioned developments, combined with the growing demand for transfers between mobile devices and the continued popularity of remote working and learning, will have a positive impact on the value of the Polish mobile market in the medium to long term.

Development of 5G technology in Poland

In terms of 5G network development, operators can use any of the bands already in their possession, and the 700 MHz band will be the next one, which, as a new frequency layer not used by older technologies, will be fully available for 5G technology. The 26 GHz band remains in prospect for distribution, whereas the conditions and timing of the distribution of this band are not known yet.

On June 22, 2023, the Office of Electronic Communications (UKE) announced an auction for frequency reservations in the 3.6 GHz band, which ended on October 18, 2023. Four blocks of 100 MHz each were distributed among the four MNOs. In accordance with the auction documentation, quantitative, coverage and qualitative commitments for network development were imposed on the winners of the 5G auction in the 3.6 GHz band. The quantitative commitments consist in the launch of at least 3,800 base stations by the operators who obtained the spectrum within 48 months from the date of delivery of the decision. In terms of coverage and qualitative commitments, the quality requirements were applied which constitute a new element of the frequency distribution process in Poland. The required coverage of the country's territory also defines quality parameters of services to be provided in terms of minimum throughput and maximum latency. Winners of the auction were required to provide throughput (using any frequency band) of 95 Mbps to 99% of households nationwide within 60 months, in 90% of the country's territory within 60 months, along 95% of national roads within 84 months, along 95% of provincial roads within 84 months, along 95% of designated railroads within 84 months, and to 24-hour border crossings within 24 months from the date of delivery of the reservation decision. The implementation of these obligations will have a significant impact on our financial results, in particular the costs of further development of the 5G network, and our Group's operations.

On November 8, 2024, the President of the Office of Electronic Communications began the process of distributing frequency reservations from the 700 MHz and 800 MHz bands. Up for auction are six paired blocks of 5 MHz each in the 700 MHz band and one paired block of 5 MHz in the 800 MHz band. The asking price for a block in both the 700 MHz and 800 MHz bands was set at PLN 356.0 million. In accordance with the auction documentation, quantitative, coverage and qualitative commitments for network development will be imposed. The new auction maintains the same obligations as in the earlier 5G auction in the 3.6 GHz band, with an additional condition to provide capacity (using any frequency band) of 120 Mbps to 99% of households nationwide (excluding the areas indicated in appendix 1 to the draft reservation decisions) by the end of 2030. UKE expects to complete the entire distribution process in June 2025.

Growing demand for data transmission on smartphones

In Poland, the popularity of smartphones has been dynamically growing. Currently, smartphones have almost completely replaced traditional handsets in our sales mix. Concurrently, there is an increasing interest in more technologically advanced devices, in particular those supporting 5G technology.

The growing popularity of smartphones is reflected in increasing demand for data transmission in the small screen equipment segment. According to estimates presented in the Ericsson Mobility Report of November 2023, the scale of data transmission in the Central and Eastern Europe region, to which Poland is classified, will increase from 17 GB per month in 2023 to 43 GB per month in 2029, driven also by the increasing popularity of 5G technology.

We expect that the growing popularity, availability and technological advancement of smartphones combined with improving quality parameters of mobile data transmission and the constantly expanded offer of applications and content for customers shall continue to be the driving factor behind growing demand for data transmission services.

Situation in the electricity market

The majority of our revenue from the sale of energy produced by wind and photovoltaic farms is secured by long-term PPAs, while the sale of biomass energy and electricity trading in the market are highly dependent on the level of market energy prices and their volatility. The year 2022 was characterized by record-high energy prices and their very high volatility, as a result of the global energy crisis, fueled by the COVID-19 pandemic, followed by Russia's invasion of Ukraine and destabilization of the gas market in Europe. In 2023, electricity prices in Poland fell by 33% compared to the record year of 2022, the downward trend continued in the market in the first nine months of 2024 as well.

Volatility in market energy prices. Market energy prices affect the financial performance of the Group's various generation units in different ways. Market prices will largely determine the level of revenue from the production and sale of electricity generated by the two biomass units. PAK-PCE Biopaliwa i Wodór Sp. z o.o., which produces energy from biomass, contracts most of its production at futures market prices and also sells energy on the spot market, while also participating in the balancing market.

In order to reduce its exposure to energy price fluctuations, some of PAK-PCE Group's solar and wind generation companies have entered into Power Purchase Agreements (PPAs). This type of contract is intended to provide funds for the repayment of obligations to banks financing investments in renewable energy sources, which is particularly important from the point of view of managing the risk of fluctuations in electricity prices in a market environment characterized by significant price volatility.

Energy price regulation. In connection with the continuation of state support mechanisms for energy consumers, the conduct of business in energy trading (both electricity and gaseous fuels) is subject to restrictions on the prices charged to eligible entities. Under the current legislation, the maximum prices for the most sensitive consumers of energy, heat and gas, including households, public buildings, local government units and SMEs, were maintained. The adopted law maintains the system and mechanism of compensation of energy companies until December 31, 2024.

The Group expects that the regulations freezing energy prices for selected groups of customers in their current form will not have a significant negative impact on the financial results of the green energy segment in 2024, mainly due to the profile of the customer base and the type of products of PAK Volt, the Group's energy trading company, and the lower expected magnitude of the impact of the compensation system as a result of lower fluctuations in market energy prices than in the previous year. In addition, the obligation to make deductions to the Price Difference Payment Fund for power generators and energy traders expired on December 31, 2023.

Green certificate prices. One of our biomass sources participates in the "green certificates" support system for energy certificates of origin, i.e. PMOZE_A (a symbol on the TGE, Polish power exchange). The revenue we receive from the sale of green certificates is derived from their quantity and market price. The price of green certificates is subject to market laws, but it is also influenced significantly by regulations introduced by the legislator, in particular the so-called green certificate redemption factor. This is a factor that affects the increase or decrease in demand for certificates from entities obligated to redeem them. As a rule, an increase in this coefficient causes an increase in the price of certificates, while a decrease in the coefficient causes a decrease in the price of certificates.

Biomass prices. The biomass units owned by the Group, with a total capacity of 105 MW, produce electricity and heat using biomass as a feedstock. The Polish biomass market is highly fragmented. Certified biomass is purchased from many suppliers. Purchases are made through a competitive bidding process. It should be noted that the current biomass market does not allow for long-term price security for a large volume of supplies. Biomass supply contracts are usually signed for one year, however, the company Biopaliwa i Wodór Sp. z o.o., which operates biomass plants, is trying to gradually extend delivery terms with a guaranteed price for periods longer than one year. The price of purchased biomass has a significant impact on the profitability of energy production from this feedstock.

Seasonality and meteorological conditions affect the level of production from RES sources

Meteorological conditions, particularly wind strength and insolation levels, are an important factor influencing the level of energy production from wind and photovoltaic installations in a given period, and thus also the level of revenue generation. The peak period of energy generation from photovoltaic farms is in the spring and summer, while wind farms record the highest level of production in the first and fourth quarters. The production volume of renewable energy sources also affects the level of electricity prices. During periods of strong wind or high insolation there can be overproduction of RES energy, resulting in a temporary drop in market energy prices. On the other hand, unfavorable wind or solar conditions combined with high energy demand (e.g. due to low temperatures) lead to temporary increases in market energy prices.

The risk of meteorological conditions is therefore strongly correlated with the price risk, as the imbalance of the renewable energy generation companies will be settled on the balancing market, in spite of contracting. This means the purchase of missing energy or the sale of surplus energy at unknown prices, which will be determined by the meteorological conditions prevailing during the period.

In addition, during periods of very high RES energy production due to weather conditions, power system operators may use the mechanism of non-market curtailment of RES energy production in order to balance electricity supply with the demand for it, which is necessary to ensure the safety of grid operation. In this case, RES producers receive financial compensation based on the balancing market prices and not on the prices resulting from the PPAs of the RES sources.

5.2. Factors related to the operations of the Group

Proceedings concerning TiVi Foundation, the Company's shareholder

To the Company's best knowledge, proceedings are pending before the court in Liechtenstein to determine who is entitled to the rights set forth in the Articles of Association of TiVi Foundation. TiVi Foundation is an indirect shareholder of the Company, holding a block of 60.47% of the Company's shares entitling to 69.13% of votes at the Company's general meeting.

In the opinion of the Company's Management Board, the aforementioned proceedings have no impact on the operational and financial activities of the Company and Polsat Plus Group. Cyfrowy Polsat and its Group are operating stably, according to plan and in a normal operational mode. The Group's financial position is stable, and it consistently executes its strategy while meeting its obligations to financial institutions and bondholders on time.

On October 17, 2024, the Company received a notification letter from a shareholder of the Company – Reddev Investments Limited, informing that Reddev had been served with temporary injunctions obtained *ex parte* by advocates acting for Piotr Żak, Aleksandra Żak and Tobiasz Solorz. Concurrently, the notification states that the temporary injunctions have no force or effect in Poland and do not affect or in any way alter the ownership or management of the Company and they do not in any way affect the day-to-day operational activities of the Company or its subsidiaries.

Implementation of renewable energy investment projects

In accordance with Strategy 2023+, we are implementing large-scale investments in the development of renewable energy facilities. Between 2022 and 2026, we intend to invest about PLN 5 billion in development of clean energy production from photovoltaics, biomass, onshore wind farms or thermal waste treatment, and about PLN 0.5 billion in order to build a complete value chain for the green hydrogen economy. The Group's goal is to reach a production capacity of about 2 TWh of green energy from RES in 2026.

On July 3, 2023, we acquired a majority stake in PAK-Polska Czysta Energia, around which special purpose companies implementing RES and hydrogen projects are clustered, and began consolidating the financial results of PAK-PCE Group using the full consolidation method. The successive construction and commissioning of projects currently under construction by PAK-PCE Group companies will have a significant impact on our consolidated financial results. Due to the magnitude of the ongoing investments, we expect a significantly higher level of capital expenditures in the coming periods related to the expansion of renewable energy production capacity and the implementation of hydrogen projects, which in turn will be reflected in the Group's net debt/EBITDA ratio. At the same time, part of the investments will be financed by external bank loans, which will have an impact on the Group's debt level. On the other hand, we expect that the current projects, once in operation, will make a significant positive contribution to the Group's revenue and EBITDA.

Building an offer based on bundled services

Our bundled services offers, addressed both to our individual and business customers, enable our customers to combine products in a flexible way and benefit from attractive discounts. The possibility of selling additional products and services (cross-selling) to our customer base has a positive impact both on our stream of revenue and the level of ARPU per contract customer, and contributes to maintaining high loyalty of customers, who use our bundled services.

Furthermore, we offer a broad range of complementary services to every basic service. We combine our traditional pay TV services provided in the satellite and Internet (OTT, IPTV) technologies with VOD, PPV, Multiroom and online video services. We propose optional value added services (VAS) to our Internet access and mobile telephony services.

Thanks to the acquisition of Netia we have strengthened our market position in integrated services. We have expanded our portfolio with a wide range of fixed-line products and services, in particular with fixed-line broadband Internet offered, among others, in fiber optic technologies. These services are provided via Netia's own access network with approximately 3.4 million homes passed, out of which, as at the end of September 2024, around 2.4 million were within the reach of broadband Internet with transmission speed of 1 Gbps. Netia's own network is supported by an extensive, nationwide backbone infrastructure. Thanks to cooperation with wholesale partners, such as Orange Polska, Światłowód Inwestycje, Nexera, Fiberhost, Tauron, Vectra and Polski Światłowód Otwarty, Plus' fiber optic services already reach ca. 10 million address points.

Effective use of the potential in the area of provision of integrated services and value added services to our customers, both through up-selling of single products and value added services, as well as through the sale of bundled offers and cross-selling, may significantly increase the number of services used by each individual customer, thus increasing average revenue per customer (ARPU) and concurrently maintaining the churn ratio on a low level.

Demand for data transmission and 5G services

In 2023, our customers transferred over 2.2 EB of data as compared to over 2 EB transferred in 2022, which represents a 10% growth YoY. To meet the rapidly growing consumption of data transmission while maintaining the highest quality of our services, we continue to develop our telecommunication network.

The Group is successively expanding its 5G network, launched in May 2020, operating on dedicated frequencies in the 2600 MHz TDD band. With over 3,800 transmitters, Plus' 5G network already covers more than 25 million people living in over 1,278 towns and cities. In June 2023, we launched the 5G Ultra network, which is currently available to 16 million people in Poland and offers transfer speeds similar to fiber - 1Gbps. With the aggregation of existing radio resources with the 3600 MHz band acquired in late 2023, we will further improve the quality and coverage of our 5G network. During the 5G tests conducted on the commercial network, speeds of 2 Gbps were exceeded on the C-band. This was possible thanks to the use of aggregation of 1800 MHz, 2600 MHz TDD and 3500 MHz bands.

The TDD technology implemented at the current stage of development of our 5G network enables data transmission using one common fragment of spectrum for alternating downlink/uplink transmission. This approach offers balance between data transmission speed (up to 600 Mbps) and coverage (i.e. wide availability), while maintaining the highest quality of both parameters. With the 5G Ultra project, a 2100 MHz band in TDD technology was added to the 2600 MHz band in FDD technology, thus launching the first 5G band aggregation in Poland and achieving up to 800 Mbps transfer to the subscriber in 5G and more than 1Gbps aggregate (5G and 4G). In the future, as the 5G network develops, the current use of the 2.6 GHz band will guarantee better land mass coverage than when using the 3.4-3.8 GHz bands only and it will enable us to maintain a competitive edge during subsequent stages of 5G network roll-out by offering the possibility of aggregating 5G frequency bands.

We believe that the 5G technology is associated with demand for larger data packages and thus supports customer migration to higher tariffs and building customer value.

Development of the Group's streaming platforms

Our Internet services and applications Polsat Box Go and Netia Go strengthen our position as an aggregator and distributor of content. We continue to develop our services using our experience in sales of pay TV, which helps us achieve synergies in terms of costs and revenues. The distinguishing element of our platforms is the unique, local content produced by TV Polsat.

In September 2023, we introduced changes to our VOD service offerings. The former polsatgo.pl service, where users could watch video content free of charge in exchange for watching commercials before and during the broadcast of the material, was shut down. In turn, our subscription service polsatboxgo.pl has been enriched with a new *Polsat Box Go Start* package, whose users can watch their favorite programs for an annual fee of PLN 30 and with a very limited number of commercials aired before the video material.

Mobile video traffic is the fastest growing segment of global mobile data traffic. Bearing this in mind, we believe that online television will make an increasingly significant element of our business in the future. Therefore, we pay attention to providing users of our video services with a wide variety of attractive content. In particular, the coronavirus epidemic and the accompanying lockdowns contributed to higher interest of customers in online television offer. We think that such a trend will continue in the future and that we will benefit from it thanks to investments in the development of this segment of our operations.

Development of thematic channels

Main general entertainment channels (FTA) are experiencing a gradual decline in audience shares as a result of the high penetration level of the Polish market by pay TV which provides viewers with an increasingly greater selection of thematic channels, as well as an offer of channels available via digital terrestrial television (DTT). In turn, the advertising market share of thematic stations and channels broadcast via terrestrial television multiplexes is consistently growing.

In order to maintain total audience shares and advertising market shares, we focus on developing our thematic channels portfolio and increasing the attractiveness of content offered to our viewers. From that

point of view, the initiation of cooperation and acquisitions in the field of thematic TV channels, made by the Group from 2017 to 2023, are perfectly in line with the Group's long-term strategy to maintain a strong market presence, measured by viewership results, on an increasingly fragmented market. The channels Eska TV, Eska TV Extra, Eska Rock TV, Polo TV and Vox Music TV, acquired in December 2017, significantly strengthened the music programming of Telewizja Polsat. Moreover, in June 2018 we included Superstacja (currently Wydarzenia24), a news channel, and in May 2019 TV Okazje, a telesales channel, into our thematic channels portfolio. In turn, in September 2020 we increased our capital engagement in Nowa TV and Fokus TV channels, becoming their sole owner and, at the same time, strengthening our position among channels available via digital terrestrial television. Our most recent acquisitions include the purchase of three channels from the 4FUN family: 4FUN.TV, 4FUN DANCE and 4FUN KIDS, which target younger audiences. All of these channels have established market positions and solid viewership. On January 10, 2024, we launched a new news and current affairs channel, Polsat News Polityka, which offers viewers, among others, interviews with politicians, live broadcasts of press conferences or coverage of the Sejm (Lower House of Parliament) and Senate debates. At the same time, the Wydarzenia24 channel was moved to the national MUX1 multiplex and broadcasts under a new license.

We pay a lot of attention to creating a strong sports offering for our viewers. An important step in strengthening our position in this field consisted in entering into strategic cooperation with Eleven Sports in Poland in May 2018. By taking control over its Polish subsidiary, Eleven Sports Network, we included premium sports content of the highest quality in our retail and wholesale offering. This represented yet another strategic investment aimed at consistently creating the best programming offering for our viewers.

Investment in increasing the attractiveness of offered content and monetization of sports rights

We offer the biggest and most versatile portfolio of TV channels on the Polish market, which places us in the leading position in terms of viewership among private television groups in Poland and translates into our share in the advertising market. Our direct production covers mainly news programs, documentaries, shows and series based on international formats as well as own concepts. Moreover, we have contracts with major film studios which provide access to a wide selection of the most attractive films and series. In June 2022, we entered into cooperation with Disney+ and were the only pay TV and telecommunication service provider in Poland to include access to Disney+ platform in our packages when it entered the Polish market.

An important element that differentiates us on the market is a rich and unique broadcasting offer of the largest and most interesting sports events worldwide. Polsat Plus Group offers its viewers and subscribers matches from the prestigious club football competition – the UEFA Europa League and the UEFA Europa Conference League - for all distribution channels, including TV, Internet and mobile devices. These matches are broadcast on Polsat Sport Premium channels. We currently hold the license for the UEFA Europa League and the UEFA Europa Conference League up to and including the 2026/2027 season. In addition, we hold exclusive rights to broadcast Bundesliga football games until the end of the 2028/2029 season. Under the current agreement with the International Volleyball Federation FIVB, we will broadcast the most important events of world and national team volleyball until 2032. The package of acquired rights includes the Volleyball Nations League, the qualifying tournaments for the Volleyball Nations League - Challenger Cup and the men's and women's World Championships. We also have the rights to the next three editions of the European Volleyball Championships, and to the most important volleyball league competition, the CEV Champions League, up to and including the 2028/2029 season. We also hold the rights acquired from the Professional Volleyball League to broadcast Plus League and Tauron League matches up to and including the 2027/2028 season. Among other sports, we concluded agreements to broadcast ATP tennis tournaments, including the ATP Masters 1000 and ATP Finals, as well as future editions of Wimbledon, and the ORLEN Super League and the ORLEN Super League Women's Handball matches until 2030, extended the license agreement with the Polish Basketball League to broadcast the Energa Basket League until the end of the 2029/2030 season, acquired the exclusive rights to broadcast the Ice Hockey World Championships until 2029 and in the next year we will also continue to show the Diamond League's athletic myths.

In parallel, we also seek to monetize TV channels from our portfolio by offering them in a wholesale offer to other entities which provide pay TV services on the Polish market. This translates positively into the level of wholesale revenue that we generate in the media segment.

Strengthening of our market position in online advertising

Thanks to the strategic acquisition of Interia.pl Group in July 2020 we significantly strengthened our position on the dynamically growing Internet and online advertising market. Following the acquisition of Interia.pl Group, we have gained an additional channel for distribution and monetization of content produced by Telewizja Polsat. We achieve cost optimization thanks to the insourcing of online marketing campaigns for the brands from Polsat Plus Group's portfolio. Moreover, we have increased efficiency of sales of advertising space by Interia.pl Group thanks to its integration with our media house Polsat Media. As a result of these actions, we achieved the synergies announced during the acquisition, in particular, we doubled the EBITDA of Interia.pl Group.

Furthermore, on July 20, 2023, we acquired the website naEKRANIE.pl. It is a pop culture portal offering editorials about movies, TV series, books, comics and games, as well as technology. The above acquisition is yet another step supporting the development of Polsat Plus Group's position and significance on the new media market.

Implementation of investment projects in the real estate segment

Within the operations in the real estate segment, we are pursuing, among others, development projects in Port Praski, located in the strict center of Warsaw. In the fourth quarter of 2024, construction of a residential project located at 1 Sierakowskiego Street and 3 Sierakowska Street was completed, with more than 68% of the 174 units sold as of the date of publication of this Report. In November 2024, the transfer of ownership of sold units was initiated. In accordance with applicable accounting principles, recognition of revenue and expenses from the sale of apartments is made when the units are delivered to customers. Accordingly, we expect a significant positive impact from apartment sales on the Group's consolidated results in the fourth quarter of 2024 and the first quarter of 2025.

5.3. Financial factors

Interest rate fluctuations

Market interest rate fluctuations do not impact the Group's revenue directly, but they affect our cash flows from operating activities through the amount of interest on current bank accounts and deposits, and also cash flows from financing activities through the Group's costs of servicing debt. In particular, our liabilities under the SFA of April 28, 2023 and the issued bonds are calculated based on variable WIBOR/EURIBOR interest rates increased by a relevant margin.

From January to August 2023, the NBP kept the reference interest rate at 6.75%. After the September and October 2023 cuts, the reference rate level is 5.75% and, according to the latest announcements by the Monetary Policy Council, there is currently no prospect of further interest rate cuts in Poland and their current level should be maintained at least until the end of 2024. Part of the Group's debt is denominated in euros, and therefore the high level of the EURIBOR interest rate will also be reflected in a high level of our interest expense and, consequently, in our financial results. In June 2024, the ECB reduced interest rates for the first time after a period of increases, with further reductions in September and October 2024. Their current levels are 3.20% for deposit rate and 3.40% for refinancing rate.

We systematically analyze the Company's interest rate risk, including a risk hedging scenario. We estimate the impact of specific interest rate fluctuations on our financial result. In order to reduce exposure to interest rate risk related to interest payments based on a floating rate, we actively apply hedging strategies based on

derivative instruments, swaps (IRS and CIRS) in particular. As at September 30, 2024, transactions hedging the WIBOR interest rate changes, opened and entered into by the Group companies for future periods and maturing in different periods in the years 2024-2027, hedged around 30% of the Group's exposure in relation to the indebtedness under the PLN tranche of the SFA and the bonds issued while EURIBOR interest rate hedging transactions, maturing in 2026 and 2027, hedged about 20% of the exposure with respect to the Group's debt arising from the Euro-denominated tranche of the SFA.

Interest rate fluctuations will have a material effect (both positive and negative) on our results of operations, financial condition and prospects.

Exchange rates fluctuations

The Polish zloty (PLN) is our functional and reporting currency. The Group's revenue is primarily denominated in PLN, whereas a portion of expenses and capital expenditures is denominated in foreign currencies.

Foreign exchange rate fluctuations affect the level of our operating costs, finance costs, as well as the profit or loss on investing activities, and are expected to do so in the future. In particular, our exposure to foreign exchange rate fluctuations stems from our foreign currency payments made in different areas of our operations. These include, among others, payments for license fees, transponder capacity, purchase of content and equipment, international roaming and interconnect agreements or purchase of wind turbines or photovoltaic modules. The amount of the aforementioned equipment purchase exposure was reduced in the middle of last year as a result of the renegotiation of the terms and the switch to local currency payments.

The Group is exposed to foreign exchange risk in connection with the euro-denominated tranche of the SFA. Changes in the euro exchange rate against the zloty will result in an increase or decrease, respectively, in the zloty-denominated cash required to service interest payments on the euro-denominated tranche of the SFA, which will have a corresponding impact on the level of reported financial expenses.

Strong fluctuations in foreign exchange rates may also affect the amount of foreign exchange differences resulting from the recognition in the income statement of assets and liabilities denominated in foreign currencies, in particular the euro-denominated tranche of the SFA.

We have no control over how exchange rates change in the future, and consequently foreign exchange rate fluctuations will continue to affect (positively or negatively) our operations and financial results. Considering our open exposure to currency exchange risk, the Group has in place a market risk management policy and uses, *inter alia*, natural hedging and hedging transactions, in particular with regard to the currency risk arising from interest payments on the loan granted to the Group in EUR.

Valuation of financial Power Purchase Agreements

In recent years, the rise in market energy prices has enabled the development of renewable energy investments outside the support system, based on long-term power purchase agreements (PPAs). PPAs allow to purchase electricity directly from renewable energy producers (physical PPA) or to hedge the price of electricity against future energy prices on the Polish Power Exchange (financial PPA). A financial PPA is a financial derivative where the underlying price of electricity is settled through a contract for difference in which the parties agree on a strike price for electricity and a market reference price for the duration of the contract. Like other derivative instruments entered into by Group companies, financial PPAs are subject to periodic valuation at present value.

Due to the increasing volume of RES electricity generation by the Group's companies and the increasing use of financial PPAs by both electricity producers and consumers, the valuation of these contracts can have a significant impact on our results, in particular on gains on investment activities. The main factors influencing the valuation are the long duration of the financial PPAs (more than 10 years), changes in current and forecasted market electricity prices and fluctuations in market interest rates.

The financial PPAs are concluded both between Group companies and with third parties, so that the valuation can have different effects on the standalone results of the individual companies and on the consolidated results of the Group.

5.4. Factors related to the regulatory environment

Cap interconnect rates for termination of calls in other networks

The provisions of the European Code of Electronic Communication assume regulation of MTRs and FTRs. In line with the provisions of this directive, in 2020 the European Commission issued a delegated regulation specifying the highest levels of MTRs and FTRs that can be applied by operators in the European Union. The delegated regulation adopted by the European Commission provides for a transition period with a time schedule for reducing the rates in order to reach their assumed level in January 2024 for MTRs and January 2022 for FTRs, respectively. The time schedule for reducing the rates came into force on July 1, 2021 and is presented in the table below.

[EUR or PLN per minute]	Cap rates for termination of calls in other operators' networks in the EU from:			
	July 1, 2021 to December 31, 2021	January 1, 2022	January 1, 2023	January 1, 2024
Mobile termination rate (MTR)	EUR 0.007	EUR 0.0055	EUR 0.004	EUR 0.002
Fixed termination rate (FTR)	PLN 0.005	EUR 0.0007	EUR 0.0007	EUR 0.0007

The gradual reduction of the MTR and FTR rates implemented by the EU will impact the results of Polsat Plus Group until the end of 2024. In particular, the above mentioned regulation translates into a decrease of wholesale revenue from interconnection settlements, both mobile and fixed-line, and a decrease of interconnection costs which are recognized in our technical costs. Due to the fact that the levels of outgoing and incoming traffic in interconnection settlements are similar we expect the impact of the regulation on Polsat Plus Group's EBITDA result to remain relatively neutral.

Extension of the Rome Like at Home (RLAH) regulation

In April 2022, the regulation of the European Parliament and of the Council was published which prolonged the currently binding Roam Like At Home principle (regarding roaming costs while travelling on the territory of the European Union) until 2032.

The regulation also introduced further reductions of the maximum wholesale rates for interconnection settlements for voice call and text messages (in July 2022 and January 2025) and for Internet usage (in July 2022 and then every January in the years 2023-2027). The new price caps are, respectively:

- 0.022 EUR and 0.019 EUR per minute of an outbound voice calls.
- 0.004 EUR and 0.003 EUR per text message.
- 2 EUR, 1.8 EUR, 1.55 EUR, 1.3 EUR, 1.1. EUR and 1 EUR per 1 GB of data transmission.

The regulation also introduces obligations for operators with regard to providing connections to emergency numbers and premium rates services as well as quality of services in regulated roaming.

Changes in regulations governing the activities of telecommunications operators in Poland

Work is currently underway in Poland to implement new or amend existing regulations governing the activities of telecommunications companies. The proposed regulations may be important for the conduct of

telecommunications activities in Poland, as they involve new obligations and requirements for telecommunications operators.

On July 12, 2024, the Act - Electronic Communications Law and the Act - Introductory Provisions to the Act - Electronic Communications Law were enacted, as an implementation into the Polish legal order of, among others, Directive 2018/1972 of the European Parliament and of the Council (EU) of December 11, 2018 establishing the European Electronic Communications Code. The Electronic Communications Law entered into force on November 10, 2024 and replaced the Telecommunications Law, which has been in effect for 20 years. In many aspects, the Electronic Communications Law duplicates and continues the solutions already known from the Telecommunications Law, while introducing a number of new regulatory requirements and obligations that are costly to implement, the performance of which may negatively affect the Group's financial results. For example, the financial results may be affected by new requirements and restrictions related to the prohibition on concluding electronic communication service agreements during an unannounced visit of the entrepreneur to the consumer's residence, the provision of optional debit services, or the obligation to return, at the consumer's request, any remaining recharge funds on the account, in the event of account expiration and in the event of a change of voice communication service provider.

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Warsaw, November 20, 2024

Glossary of technical terms

Term	Definition
2G	Second-generation cellular telecommunications networks commercially launched on the GSM standard in Europe.
3G	Third-generation cellular telecommunications networks that allow simultaneous use of voice and data services.
4G	Fourth-generation cellular telecommunications networks.
5G	Fifth-generation cellular telecommunications networks.
ARPU per B2C/B2B customer	Average monthly revenue per B2C/B2B Customer generated in a given settlement period.
ARPU per prepaid RGU	Average monthly revenue per prepaid RGU generated in a given settlement period.
Base transceiver station	(or: relay station / base station / BTS / transmitter / nodeB / eNodeB) – a device equipped with an antenna transceiver which connects a mobile terminal (e.g., mobile phone or mobile router) with a transmission part of a telecommunications network. A base station uses a single technology (2G, 3G or LTE) on a separate carrier (a frequency block from a separate bandwidth). A base station shall not be mistaken with a site.
Catch-up TV	Services providing access to view selected programming content for a certain period after it was broadcast. Cyfrowy Polsat provides such services from 2011.
Churn	Termination of the contract with B2C Customer by means of the termination notice, collections or other activities resulting in the situation that after termination of the contract the Customer does not have any active service 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 the 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.
Convergent (integrated) services	A package of two or more services from our pay TV, mobile telecommunications and broadband Internet access offering, provided under a single contract and for a single subscription fee.
Customer	Natural person, legal entity or an organizational unit without legal personality who has at least one active service provided in a contract model. A customer is identified by a unique ID number (PESEL, NIP or REGON).
DTH	Satellite pay TV services provided by us in Poland from 2001.
DTT	Digital Terrestrial Television.
DVB-T	Digital Video Broadcasting – Terrestrial technology.
DVB-T2	Digital Video Broadcasting – Terrestrial Second Generation.
ERP	A family of IT systems supporting enterprise management or shared operation of a group of collaborating enterprises through data collection and enabling transactions on the collected data (enterprise resource planning).
FTR	A wholesale charge for call termination in another operator's fixed-line telecommunications network (Fixed Termination Rate).
GRP	A rating point defined as the overall number of persons viewing a given advertising spot over a specific time, expressed as a percentage share of the target group. In Poland, one GRP equals 0.2 million residents in the primary target group for advertisers aged 16-49 (Gross Rating Point).

Term	Definition
HSPA/HSPA+	Radio data transmission technology for wireless networks, increasing the capacity of the UMTS network (High Speed Packet Access/High Speed Packet Access Plus). It also covers the HSPA+ Dual Carrier technology (Evolved High Speed Packet Access Dual Carrier). It supports transmission speeds of up to 42 Mbps for download and up to 5.7 Mbps for upload.
IPTV	Technology enabling transfer of a television signal over IP broadband networks (Internet Protocol Television).
LTE	Long Term Evolution - a standard for high-speed, wireless data transmission also referred to as 4G. Based on a carrier bandwidth limited to a maximum of 20MHz it supports data transmission speed of up to 150 Mbps (downlink, using MIMO 2x2 antennas).
LTE Advanced	Subsequence standard for high-speed, wireless data transmission of the fourth generation (4G). Through carrier aggregation from different bandwidths (a total of up to 100 MHz) it allows to significantly increase maximum data transmission speed up to 3 Gbps (downlink, using MIMO 8x8 antennas).
MIMO	Multiple Input Multiple Output, a method for multiplying the capacity of a wireless network using multiple transmit and receive antennas.
MTR	A wholesale charge for call termination in another operator's mobile telecommunications network (Mobile Termination Rate).
MUX, Multiplex	A package of TV and radio channels and additional services, simultaneously transmitted digitally to the user over a single frequency channel.
ODU-IDU	Outdoor Unit Indoor Unit, a proprietary solution of Polsat Plus Group based on a set comprising an external LTE modem (ODU) and an indoor WiFi router (IDU), which increases effective coverage and improve the quality of the LTE signal.
OTT (Over-The-Top)	A method of delivering content or television over the Internet without the direct involvement of an Internet access provider (known as an open network).
PPV	Services providing paid access to selected TV content (pay-per-view).
real users	An estimated number of persons who visit a website or open an Internet application at least once in a given month (Real Users).
RGU (Revenue Generating Unit)	Single, active and generating retail revenue service of pay TV in all types of access technology, mobile and fixed-line Internet Access or mobile telephony provided in contract or prepaid model.
Site	(or: mast/tower/roof construction) – a single steel construction located in a separated geographical region which allows to install one or a number of base stations in order to provide radio signal to mobile terminals of end-users within that region.
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. In the case of free of charge Internet access services provided by Aero 2, the Internet prepaid RGUs were calculated based on only those SIM cards, which used data transmission services under paid packages within the last 90 days.