Grupa Polsat Plus

Cyfrowy Polsat S.A. Capital Group

# Annual Consolidated Report for the financial year ended December 31, 2024

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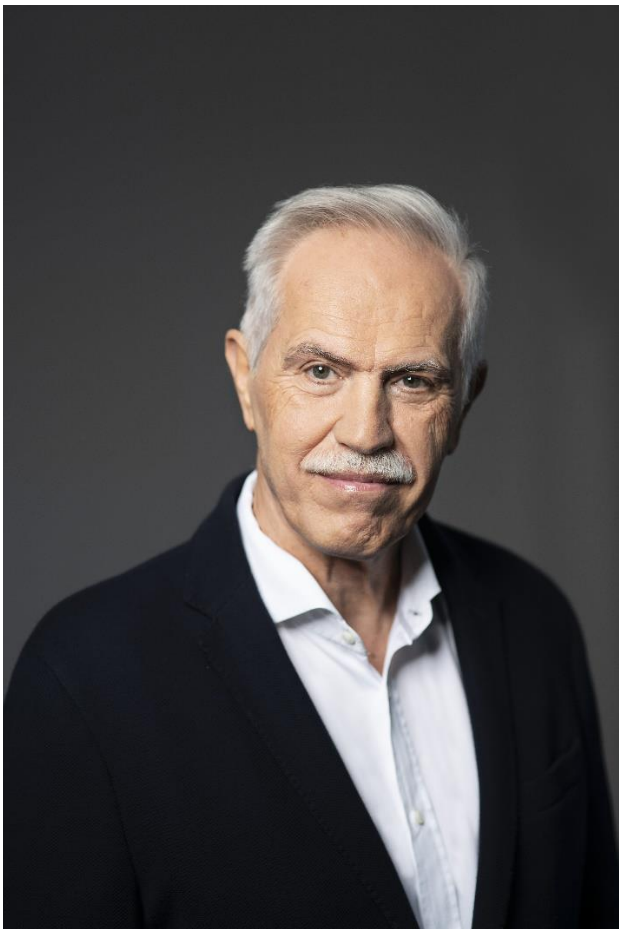
# Letter of the Chairman of the Supervisory Board



Ladies and Gentlemen,

The report presented to you summarises the activities of Polsat Plus Group in 2024.

For Polsat Plus Group, it was a very good year during which all strategic objectives and assumptions were effectively and consistently implemented. The Group continuously developed, focusing its activities on three basic pillars: telecommunications, content production, and green energy.

In 2024, the Group achieved very good operational and financial results while simultaneously realizing its strategic investments. This allowed it to smoothly and promptly – and in some cases, even ahead of schedule – meet its obligations. Among other things, the Group decided to prepay a term loan, which will save it several tens of millions zlotys in interest costs. The prepayment was made possible by the sale of Asseco shares.

In the telecommunications sector, thanks to the rationally acquired frequencies, both in terms of purpose and finance, the Group will be able to develop its 5G network, providing users with even better coverage and service quality. The Group strengthened its position in the content area – both in production and broadcasting, as well as distribution. The internet segment is functioning very well – Polsat-Interia Group, whose main portal Interia.pl and a number of thematic services are leaders in their categories.

Regarding the green energy segment, undoubtedly the key is achieving the goals set by the Group several years ago and transitioning from funding and implementing investments to their operational functioning and monetization. The Group has already completed most of the expenditures for the construction and development of this segment, and a large part of the "green" power plants are already operational – thanks to the free "resources" such as wind and sun.

Thus, the Group has secured very strong and solid foundations for the coming years of operation. However, we must remember our local and international macroeconomic environment. For the Group's situation, a reduction in interest rates would certainly be beneficial, and it could also support the entire Polish economy and business activities in Poland. The ongoing Russian aggression against Ukraine remains a significant global issue. Like all business people, I also observe the turmoil in global trade. Although our Group does not conduct international operations, no economic entity operates in isolation from such events. However, as we have demonstrated many times over the past 30 years, we are prepared for such scenarios, and I am confident that we will continue to conduct our business effectively for the benefit of our shareholders, customers, and employees.

I would like to express my special appreciation and thanks to all the employees of the Group for their commitment, diligence, motivation and efficiency in their daily work.

I would also like to thank our investors for their trust and willingness to continue to participate with me in building the future of the Polsat Plus Group as shareholders.

Yours faithfully,

Zygmunt Solorz

Chairman of the Supervisory Board, Cyfrowy Polsat S.A.

# Letter of the President of the Management Board

Ladies and Gentlemen,

2024 was a year of notable success for Polsat Plus Group. I am pleased with the operational performance achieved in all business segments, which, combined with cost discipline, resulted in strong financial results. In addition, I am proud to report that we are close to achieving the objectives of our Strategy 2023+ and completing the construction of our new business pillar – green energy and hydrogen. Last year, we also worked intensively on the implementation of our ESG strategy, including the adoption of new reporting standards - the European Sustainability Reporting Standards (ESRS).

It is with great pleasure that I present to you Polsat Plus Group's annual report for 2024, which includes the Group's first sustainability report prepared in accordance with the new standards. However, before inviting you to read the publication, I would like to share with you the most important achievements and events in a telegraphic summary.

**26 million people within the reach of Plus 5G network**

Last year, Polsat Plus Group expanded the reach of its high-speed 5G network to cover 26 million people and plans to continue its development using newly acquired frequencies. Additionally, almost 17 million Poles can now access the 5G Ultra network, offering maximum technological speed of up to 1 Gbps. Netia and Plus fixed line Internet services are available to nearly 11 million households.

In the context of sustainable development and social responsibility, Plus's involvement in providing mountain and water rescue numbers and the Ratunek (Rescue) application, promoting safety, introducing the Stop Hejt (Stop Hate) and Bezpieczna Rodzina (Safe Family) services and providing emergency assistance to flood victims in the form of a free 250 GB Internet package cannot be overlooked.

**Significant strengthening of the sports offering**

In the media segment, our TV channels achieved very good viewership figures thanks to our attractive program scheduling, and we also have a strong position in the TV advertising market. To provide our viewers with the best content, we have strengthened our sports offering with prestigious events from a variety of disciplines, including the UEFA Europa League and Conference League, the German Bundesliga, Ligue 1 McDonald's, and Formula 1. We are also looking forward to the return of the national men's and women's handball teams to Polsat.

Polsat-Interia Group has consistently expanded its position in the online segment and was the number one online publisher in Poland. In 2024, it achieved the highest reach in terms of number of users five times, the most of any online publisher. It was also the leader in the mobile category - it ranked No. 1 in this category nine times.

Sports sponsorship and charity work have a firm place in our hearts and in our social mission. The Polish national volleyball team achieved another great success by winning the silver medal at the Olympic Games in Paris. As we have been supporting Polish volleyball for 27 years, this makes us very proud. For the 21st year in a row, we realised the "Santa's Advertising Block" for the benefit of children under the care of the Polsat Foundation and a special advertising block of Telewizja Polsat and the Polsat Foundation "Advertising to the rescue. Together for the flood victims!"

**More than 1 TWh of energy from our own renewable sources**

In my view, it is the green energy sector that positions Polsat Plus Group as one of the leaders in sustainable development activities. Thanks to dynamic investments, which are nearing completion, we have become a leading producer of clean energy and have built a complete hydrogen economy chain. At the same time, we are maintaining our strategic goal of generating EBITDA of around PLN 500 million from this business segment already in 2026, which, remarkably, will be achieved with investments more than PLN 1 billion lower than originally expected.

The most significant events of the past year in this pillar were primarily the commissioning of two more wind farms in Człuchów and Przyrów, the dynamic construction of a new 139 MW wind farm in Drzeżewo, the start of green hydrogen production in Konin, the commissioning of additional NESO hydrogen refueling stations and the winning of additional tenders for the supply of Nesobus buses to various cities in Poland.

For the sake of the environment, our green energy sources produced more than 1 TWh of energy in 2024, an increase of more than 50% over the previous year. 95% of the electricity consumed by our Group came from renewable sources.

**Growth in key financial indicators**

We ended last year with exceptionally good financial results. I would like to highlight the strong growth we achieved - Group revenue increased by 4.7% year-on-year to PLN 14.3 billion, while adjusted EBITDA grew by a robust 9.6% to PLN 3.3 billion. Our priority remains to effectively manage cash flow across our broad portfolio of strategic investments and to tightly control our costs.

**About sustainability**

2024 has also been a challenging year in terms of sustainability. During this time, we have developed and updated key policies, procedures and documents that strengthen our corporate governance.

It is worth noting that we are once again disclosing information in line with the EU taxonomy. We also continue to monitor our greenhouse gas emissions across all three scopes.

**Acknowledgements**

I am proud of all the projects completed and the successes achieved in 2024. I would like to thank the employees of Polsat Plus Group for their commitment, perseverance, and many ideas. The preparation of this report was possible thanks to the excellent cooperation of many people from different business areas.

I would like to take this opportunity to thank all stakeholders for their participation in the dialogue and in the double materiality study, which helped us to identify the environmental impact of our organization for the sustainability statement. I would also like to thank our shareholders, financial partners and the representatives of the Supervisory Boards and Management Boards of the Group companies - thanks to your tremendous support and trust, we are consistently achieving our goals.

To our customers and viewers, thank you for being with us, for appreciating the quality of our services and for motivating us to do even more. Our priorities will always be to develop and increase the value of each of our businesses so that our customers benefit from ever better services and our shareholders enjoy the satisfaction of being part of our Group.

Yours faithfully,

Mirosław Błaszczyk

President of the Management Board, Cyfrowy Polsat S.A.

*This document is a conversion to pdf format of the official consolidated financial statements issued in xhtml format.*

# Cyfrowy Polsat S.A. Capital Group

## Consolidated Financial Statements
## for the year ended 31 December 2024

## Prepared in accordance
## with International Financial Reporting Standards
## as adopted by European Union

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# Approval of the Consolidated Financial Statements

On 9 April 2025, the Management Board of Cyfrowy Polsat S.A. approved the consolidated financial statements of Cyfrowy Polsat S.A. Capital Group prepared in accordance with International Financial Reporting Standards as adopted by the European Union, which include:

## Consolidated Income Statement for the period

from 1 January 2024 to 31 December 2024 showing a net profit for the period of: PLN 777.3

## Consolidated Statement of Comprehensive Income for the period

from 1 January 2024 to 31 December 2024 showing a total comprehensive income for the period of: PLN 776.8

## Consolidated Balance Sheet as at

31 December 2024 showing total assets and total equity and liabilities of: PLN 37,468.0

## Consolidated Cash Flow Statement for the period

from 1 January 2024 to 31 December 2024 showing a net decrease in cash and cash equivalents amounting to: PLN 629.3

## Consolidated Statement of Changes in Equity for the period

from 1 January 2024 to 31 December 2024 showing an increase in equity of: PLN 764.1

## Notes to the Consolidated Financial Statements

The consolidated financial statements have been prepared in million of Polish zloty ('PLN') except where otherwise indicated.

**Mirosław Błaszczyk**
President of the Management Board

**Maciej Stec**
Vice-President of the Management Board

**Jacek Felczykowski**
Member of the Management Board

**Aneta Jaskólska**
Member of the Management Board

**Agnieszka Odorowicz**
Member of the Management Board

**Katarzyna Ostap-Tomann**
Member of the Management Board

Warsaw, 9 April 2025

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

# Consolidated Income Statement

| | | for the year ended | |
|---|---|---|---|
| | Note | 31 December 2024 | 31 December 2023 *(restated data)* |
| ***Continuing operations*** | | | |
| Revenue | 9 | 14,265.9 | 13,626.3 |
| *Financing component of revenue from installment sales* | | *189.0* | *186.1* |
| Operating costs | 10 | (12,629.3) | (12,488.8) |
| *Cost of debt collection services and bad debt allowance and receivables written off* | | *(90.6)* | *(121.0)* |
| Gain on disposal of a subsidiary and an associate | | 10.0 | 219.7 |
| Other operating income/(cost), net | | 119.6 | (45.6) |
| **Profit from operating activities** | | **1,766.2** | **1,311.6** |
| Finance income | 11 | 426.2 | 452.7 |
| Finance costs | 12 | (1,112.2) | (1,372.2) |
| *Expected credit losses on loans* | | *(18.6)* | - |
| Share of the profit/(loss) of associates accounted for using the equity method | | (0.7) | 29.7 |
| **Gross profit for the period** | | **1,079.5** | **421.8** |
| Income tax | 13 | (302.2) | (110.2) |
| **Net profit for the period** | | **777.3** | **311.6** |
| Net profit attributable to equity holders of the Parent | | 710.5 | 278.5 |
| Net profit attributable to non-controlling interest | | 66.8 | 33.1 |
| **Basic earnings per share (in PLN)** | 15 | **1.41** | **0.57** |
| **Diluted earnings per share (in PLN)** | 15 | **1.41** | **0.57** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

# Consolidated Statement of Comprehensive Income

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| **Net profit for the period** | **777.3** | **311.6** |
| *Items that may not be reclassified subsequently to profit or loss:* | | |
| Actuarial gain/(loss) | 0.7 | (2.6) |
| *Items that may be reclassified subsequently to profit or loss:* | | |
| Valuation of hedging instruments | (0.2) | (23.3) |
| Share of other comprehensive income of subsidiaries and associates | (1.0) | (23.1) |
| **Other comprehensive income/(loss), net of tax** | **(0.5)** | **(49.0)** |
| **Total comprehensive income for the period** | **776.8** | **262.6** |
| Total comprehensive income attributable to equity holders of the Parent | 710.2 | 234.4 |
| Total comprehensive income attributable to non-controlling interest | 66.6 | 28.2 |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

# Consolidated Balance Sheet - Assets

| | Note | 31 December 2024 | 31 December 2023 |
|---|---|---|---|
| Property, plant and equipment | 16 | 7,423.3 | 6,494.3 |
| Goodwill | 17 | 10,975.3 | 10,980.2 |
| Customer relationships | 20 | 120.1 | 300.2 |
| Brands | 18 | 1,906.3 | 1,979.7 |
| Other intangible assets | 20 | 4,993.0 | 4,835.8 |
| Right-of-use assets | 21 | 724.8 | 644.6 |
| Non-current programming assets | 22 | 335.7 | 304.8 |
| Investment property | 23 | 700.3 | 700.0 |
| Non-current deferred distribution fees | 24 | 92.2 | 85.0 |
| Non-current receivables | 25 | 903.8 | 968.1 |
| Non-current loans granted | 26 | 2.2 | 10.9 |
| Other non-current assets, includes: | 25 | 83.6 | 702.8 |
| *shares in associates and joint ventures accounted for using the equity method* | | - | *10.1* |
| *shares in third parties valued in fair value through profit or loss* | | *5.5* | *615.9* |
| *derivative instruments* | 41 | *40.2* | *35.2* |
| Deferred tax assets | 13 | 180.5 | 142.8 |
| **Total non-current assets** | | **28,441.1** | **28,149.2** |
| Current programming assets | 22 | 641.0 | 678.2 |
| Contract assets | 27 | 342.0 | 349.0 |
| Inventories | 28 | 1,028.0 | 1,215.6 |
| Trade and other receivables | 29 | 3,052.7 | 2,947.1 |
| Current loans granted | 26 | 22.8 | 116.2 |
| Income tax receivables | | 34.3 | 20.0 |
| Current deferred distribution fees | 24 | 245.4 | 227.4 |
| Other current assets, includes: | 30 | 970.3 | 139.7 |
| *shares in other investments held for trading* | | *808.6* | - |
| *derivative instruments* | 41 | *40.4* | *21.6* |
| Cash and cash equivalents | 31 | 2,653.0 | 3,306.0 |
| Restricted cash | 31 | 34.1 | 19.7 |
| **Total current assets** | | **9,023.6** | **9,018.9** |
| **Assets held for sale, includes:** | | **3.3** | **8.6** |
| *cash and cash equivalents* | | - | *1.2* |
| **Total assets** | | **37,468.0** | **37,176.7** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

# Consolidated Balance Sheet - Equity and Liabilities

| | Note | 31 December 2024 | 31 December 2023 |
|---|---|---|---|
| Share capital | 32 | 25.6 | 25.6 |
| Share premium | 32 | 7,174.0 | 7,174.0 |
| Share of other comprehensive income of associates | | - | - |
| Other reserves | 32 | 2,790.8 | 2,752.8 |
| Retained earnings | | 8,987.4 | 8,334.1 |
| Treasury shares | 32 | (2,854.7) | (2,854.7) |
| **Equity attributable to equity holders of the Parent** | | **16,123.1** | **15,431.8** |
| Non-controlling interests | 32 | 946.2 | 873.4 |
| **Total equity** | | **17,069.3** | **16,305.2** |
| Loans and borrowings | 34 | 9,142.7 | 9,534.3 |
| Issued bonds | 35 | 3,670.8 | 3,955.4 |
| Lease liabilities | 36 | 502.8 | 444.6 |
| Deferred tax liabilities | 13 | 1,087.5 | 1,035.0 |
| Other non-current liabilities and provisions, includes: | 38 | 301.6 | 385.6 |
| *derivative instruments* | 41 | *10.8* | *24.0* |
| **Total non-current liabilities** | | **14,705.4** | **15,354.9** |
| Loans and borrowings | 34 | 1,315.1 | 1,069.7 |
| Issued bonds | 35 | 366.9 | 393.7 |
| Lease liabilities | 36 | 181.9 | 166.2 |
| Contract liabilities | | 678.0 | 682.2 |
| Trade and other payables, includes: | 39 | 3,090.9 | 3,172.6 |
| *derivative instruments* | 41 | *8.2* | *20.2* |
| Income tax liability | | 60.5 | 31.4 |
| **Total current liabilities** | | **5,693.3** | **5,515.8** |
| Liabilities held for sale | | - | 0.8 |
| **Total liabilities** | | **20,398.7** | **20,871.5** |
| **Total equity and liabilities** | | **37,468.0** | **37,176.7** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## Consolidated Cash Flow Statement

| | | for the year ended | |
|---|---|---|---|
| | Note | 31 December 2024 | 31 December 2023 |
| **Net profit** | | **777.3** | **311.6** |
| **Adjustments for:** | | **2,783.3** | **2,316.6** |
| Depreciation, amortization, impairment and liquidation | 10 | 1,671.4 | 1,919.6 |
| Payments for film licenses and sports rights | | (571.7) | (654.0) |
| Amortization of film licenses and sports rights | | 519.7 | 660.5 |
| Interest expense | | 1,031.1 | 1,078.2 |
| Change in inventories | | 117.5 | 150.1 |
| Change in receivables and other assets | | (153.5) | (32.1) |
| Change in liabilities and provisions | | 445.8 | (268.5) |
| Change in contract assets | | 7.0 | 13.9 |
| Change in contract liabilities | | (4.2) | (38.0) |
| Foreign exchange (gains)/losses, net | | (41.2) | (119.8) |
| Income tax | | 302.2 | 110.2 |
| Net increase in reception equipment | | (141.1) | (145.8) |
| Share of the (profit)/loss of associates accounted for using the equity method | | 0.7 | (29.7) |
| Gain on sale of shares in a subsidiary/ associate | | (10.0) | (219.7) |
| Cost of premium for scheduled 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 | | (0.2) | (28.8) |
| (Profit)/loss on derivatives, net | | (67.8) | 6.7 |
| Dividend income | | (30.8) | - |
| Change in value of Asseco Poland S.A. shares | | (194.2) | (0.8) |
| Gain on disposal of IP | | (198.7) | - |
| Other adjustments | | 103.4 | (95.5) |
| **Cash from operating activities** | | **3,560.6** | **2,628.2** |
| Income tax paid | | (271.8) | (342.1) |
| Interest received from operating activities | | 138.4 | 106.3 |
| **Net cash from operating activities** | | **3,427.2** | **2,392.4** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | | | |
|---|---|---|---|
| Acquisition of property, plant and equipment | | (1,465.9) | (1,289.4) |
| Acquisition of intangible assets | | (318.3) | (312.5) |
| Concessions payments | | (564.6) | (1,345.9) |
| Acquisition of subsidiaries, net of cash acquired | 40 | (237.4) | (84.9) |
| Proceeds from disposal of a subsidiary and an associate | | 13.3 | 913.8 |
| Proceeds from sale of property, plant and equipment | | 258.0 | 26.2 |
| Loans granted | | (11.3) | (343.4) |
| Repayment of loans granted | | 96.0 | 133.0 |
| Acquisition of bonds | | - | (20.0) |
| Bonds redemption with interest | | 21.9 | 22.0 |
| Dividends received from associate | | 30.8 | 73.8 |
| Other inflows/(outflows) | | 3.5 | 11.6 |
| **Net cash from/(used in) investing activities** | | **(2,174.0)** | **(2,215.7)** |
| Bonds issue[(1)] | | - | 2,145.3 |
| Loans and borrowings inflows | 34 | 565.8 | 3,885.1 |
| Repayment of loans and borrowings | 34 | (730.5) | (2,327.0) |
| Bonds redemption | 35 | (311.9) | - |
| Payment of interest on loans, borrowings, bonds, and commissions[(2)] | | (1,200.4) | (1,203.3) |
| Payment of lease liabilities | 36 | (210.3) | (195.5) |
| Payment of interest on lease liabilities | 36 | (36.0) | (27.4) |
| Hedging instrument effect | | 24.7 | 60.8 |
| Other inflows/(outflows) | | 16.1 | (1.8) |
| **Net cash from/(used in) financing activities** | | **(1,882.5)** | **2,336.2** |
| **Net increase/(decrease) in cash and cash equivalents** | | **(629.3)** | **2,512.9** |
| **Cash and cash equivalents at the beginning of the period** | | **3,325.7**[(3)] | **817.8**[(4)] |
| Effect of exchange rate fluctuations on cash and cash equivalents | | (9.3) | (3.8) |
| Transfer to assets held for sale | | - | (1.2) |
| **Cash and cash equivalents at the end of the period** | | **2,687.1**[(5)] | **3,325.7**[(3)] |

(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.
(3) Includes restricted cash amounting to PLN 19.7.
(4) Includes restricted cash amounting to PLN 9.3.
(5) Includes restricted cash amounting to PLN 34.1.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## Consolidated Statement of Changes in Equity for the year ended 31 December 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 | - | - | - | - | - | - | **-** | (8.6) | **(8.6)** |
| Option valuation | - | - | - | 39.5 | - | - | **39.5** | (44.9) | **(5,4)** |
| Acquisition/disposal of subsidiaries/associates | - | - | - | (1.2) | (57.2) | - | **(58.4)** | 59.7 | **1.3** |
| Total comprehensive income/(loss) | - | - | - | (0.3) | 710.5 | - | **710.2** | 66.6 | **776.8** |
| *Hedge valuation reserve* | - | - | - | *(0.2)* | - | - | ***(0.2)*** | - | ***(0.2)*** |
| *Share of other comprehensive income of subsidiaries and associates* | - | - | - | *(0.8)* | - | - | ***(0.8)*** | *(0.2)* | ***(1.0)*** |
| *Actuarial gains/(losses)* | - | - | - | *0.7* | - | - | ***0.7*** | - | ***0.7*** |
| *Net profit for the period* | - | - | - | - | *710.5* | - | ***710.5*** | *66.8* | ***777.3*** |
| **Balance as at 31 December 2024** | **25.6** | **7,174.0** | **-** | **2,790.8** | **8,987.4** | **(2,854.7)** | **16,123.1** | **946.2** | **17,069.3** |

[1] In accordance with the provisions of the Commercial Companies Code, joint-stock companies are required to transfer at least 8% of their annual net profits to reserve capital until its amount reaches one third of the amount of their share capital. As at 31 December 2024 the capital excluded from distribution amounts to PLN 8.5.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

# Consolidated Statement of Changes in Equity for the year ended 31 December 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)** | (9.3) | **(11.3)** |
| Increase in capital of subsidiaries | - | - | - | - | - | - | **-** | 1.6 | **1.6** |
| Option valuation | - | - | - | (39.5) | - | - | **(39.5)** | - | **(39.5)** |
| Acquisition/disposal of subsidiaries/associates | - | - | (39.4) | 8.0 | - | - | **(31.4)** | 312.4 | **281.0** |
| Total comprehensive income/(loss) | - | - | (12.5) | (31.6) | 278.5 | - | **234.4** | 28.2 | **262.6** |
| *Hedge valuation reserve* | *-* | *-* | *-* | *(23.3)* | *-* | *-* | ***(23.3)*** | *-* | ***(23.3)*** |
| *Share of other comprehensive income of subsidiaries and associates* | *-* | *-* | *(12.5)* | *(5.7)* | *-* | *-* | ***(18.2)*** | *(4.9)* | ***(23.1)*** |
| *Actuarial gains/(losses)* | *-* | *-* | *-* | *(2.6)* | *-* | *-* | ***(2.6)*** | *-* | ***(2.6)*** |
| *Net profit for the period* | *-* | *-* | *-* | *-* | *278.5* | *-* | ***278.5*** | *33.1* | ***311.6*** |
| **Balance as at 31 December 2023** | **25.6** | **7,174.0** | **-** | **2,752.8** | **8,334.1** | **(2,854.7)** | **15,431.8** | **873.4** | **16,305.2** |

[1] In accordance with the provisions of the Commercial Companies Code, joint-stock companies are required to transfer at least 8% of their annual net profits to reserve capital until its amount reaches one third of the amount of their share capital. As at 31 December 2023 the capital excluded from distribution amounts to PLN 8.5.

# Notes to the Consolidated Financial Statements for the year ended 31 December 2024

## General information

| | |
|---|---|
| **Name of reporting entity or other means of identification:** | Cyfrowy Polsat S.A. |
| **Domicile of entity:** | Poland |
| **Legal form of entity:** | joint stock company |
| **Country of incorporation:** | Poland |
| **Address of entity's registered office:** | Łubinowa 4a, 03-878 Warsaw |
| **Principal place of business:** | Poland |

## 1. The Parent Company

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

The Parent operates in Poland as a provider of a paid digital satellite platform under the name of 'Polsat Box' and paid digital terrestrial television as well as telecommunication services provider.

The Company was incorporated under the Notary Deed dated 30 October 1996.

These consolidated financial statements comprise the Parent and its subsidiaries ('the Group') and joint ventures. The Group operates in four segments:

- B2C and B2B services which relates mainly to the provision of services to the general public, including digital television transmission signal, Internet access services, mobile TV services, online TV services, mobile services, production of set-top boxes,
- media which consist mainly of production, acquisition and broadcasting of information and entertainment programs as well as TV series and feature films broadcasted on television channels in Poland,
- real estate segment, which mainly includes the implementation of construction projects as well as the sale, rental and management of own or leased real estate,
- green energy segment, which mainly includes production and sale of energy from renewable sources, construction of a complete hydrogen-based value chain as well as investments in projects focused on the production of energy from photovoltaics and wind farms.

## 2. Composition of the Management Board of the Company

- Mirosław Błaszczyk — President of the Management Board,
- Maciej Stec — Vice-President of the Management Board,
- Jacek Felczykowski — Member of the Management Board,
- Aneta Jaskólska — Member of the Management Board,
- Agnieszka Odorowicz — Member of the Management Board,
- Katarzyna Ostap-Tomann — Member of the Management Board.

## 3. Composition of the Supervisory Board of the Company

- Zygmunt Solorz — Chairman of the Supervisory Board,
- Justyna Kulka — Vice-Chairman of the Supervisory Board (since 20 June 2024),
- Piotr Żak — Vice-Chairman of the Supervisory Board (until 3 July 2024),
- Tobias Solorz — Vice-Chairman of the Supervisory Board (until 8 October 2024),
- 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 consolidated financial statements

### Statement of compliance

These consolidated financial statements for the year ended 31 December 2024 have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU (IFRS EU). The Group applied the same accounting policies in the preparation of the financial data for the year ended 31 December 2024 and the consolidated financial statements for the year 2023, presented in the consolidated annual report, except for the EU-endorsed standards and interpretations which are effective for the reporting periods beginning on or after 1 January 2024.

During the year ended 31 December 2024 the following become 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 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 Financial Instruments and IFRS 7 Financial Instruments: Disclosures: 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,
- Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity – changes in assessment of own use, hedge accounting and disclosure requirements.

The Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

The Group is currently analyzing the impact of the published standards that have not entered into force and believes that, apart from additional disclosures, they should not have a significant impact on the consolidated financial statements.

## 5. Group structure

These consolidated financial statements for the year ended 31 December 2024 include the following entities:

| | Entity's registered office | Activity | Share in voting rights (%)* 31 December 2024 | Share in voting rights (%)* 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% |
| **naEKRANIE.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% |

(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 (%)* 31 December 2024 | 31 December 2023 |
|---|---|---|---|---|
| **Subsidiaries accounted for using full method (cont):** | | | | |
| **CPSPV1 Sp. z o.o.**[(g)] | Łubinowa 4a, 03-878 Warsaw | technical services | -[(g)] | 100% |
| **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% |

(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 (%)* 31 December 2024 | Share in voting rights (%)* 31 December 2023 |
|---|---|---|---|---|
| **Subsidiaries accounted for using full method (cont):** | | | | |
| **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% |
| **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.**(p) | Al. Wyścigowa 6, 02-681 Warsaw | technical services | 100% | 51.25% |
| **Alledo Express Sp. z o.o.**(p) | Broniwoja 3/85, 02-655 Warsaw | rental services | 100% | 51.25% |
| **Alledo Parts Sp. z o.o.**(p) | Broniwoja 3/85, 02-655 Warsaw | wholesale | 100% | 51.25% |
| **Alledo Parts Sp. z o.o. Sp.k.**(p) | Broniwoja 3/85, 02-655 Warsaw | wholesale | 100% | 51.25% |
| **Alledo Setup Sp. z o.o.**(p) | Broniwoja 3/85, 02-655 Warsaw | technical services | 100% | 51.25% |
| **Alledo Setup Sp. z o.o. Sp.k.**(p) | Broniwoja 3/85, 02-655 Warsaw | technical services | 100% | 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 Sp. z o.o. in liquidation**(r) | Fabryczna 5a, 00-446 Warsaw | holding activities | 100% | 100% |

(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 (%)* 31 December 2024 | Share in voting rights (%)* 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% |
| **Vindix NSFIZ** | Mokotowska 49, 00-542 Warsaw | financial services | ** | ** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | | | Share in voting rights (%)* | |
|---|---|---|---|---|
| | Entity's registered office | Activity | 31 December 2024 | 31 December 2023 |
| **Subsidiaries accounted for using full method (cont):** | | | | |
| **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% |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | | | Share in voting rights (%)* | |
|---|---|---|---|---|
| | Entity's registered office | Activity | 31 December 2024 | 31 December 2023 |
| **Subsidiaries accounted for using full method (cont):** | | | | |
| **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% |
| **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),(q) | Gdańska 14/1, 01-691 Warsaw | property rental and management | -(n),(q) | 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.** | 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% |

(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 (%)* 31 December 2024 | Share in voting rights (%)* 31 December 2023 |
|---|---|---|---|---|
| **Subsidiaries accounted for using full method (cont):** | | | | |
| **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% |
| **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 Drzeżewo 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% |

(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 (%)* 31 December 2024 | 31 December 2023 |
|---|---|---|---|---|
| **Subsidiaries accounted for using full method (cont):** | | | | |
| **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% |
| **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. (formely Farma Wiatrowa Przyrów Sp. z o.o.)[(k)]** | 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.)[(i)]** | 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. (formely Park Wiatrowy Pałczyn 1 Sp. z o.o.)[(h)]** | Al. Wojska Polskiego 68, 70-479 Szczecin | production of electricity | 50.5% | 50.5% |
| **Global Continental Sp. z o.o.[(o)]** | Legionów 18, 97-200 Tomaszów Mazowiecki | production of electricity | 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.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

(d) On 31 January 2024 merger of PAK-PCE Wiatr Sp. z o.o. (acquiring company) with companies: PAK-PCE FW Jastrowie Sp. z o.o., PAK-PCE FW Okonek Sp. z o.o. and Mese Sp. z o.o. (acquired companies) was registered.
(e) On 14 March 2024 Cyfrowy Polsat S.A. aquired additional 10% shares in BCAST Sp. z o.o. Following the transaction, Cyfrowy Polsat S.A. held 80.01% shares in BCAST Sp. z o.o. as at 31 December 2024. On 24 January 2025 Cyfrowy Polsat S.A. aquired additional 10% shares in BCAST Sp. z o.o. Following the transaction, Cyfrowy Polsat S.A. holds 90.01% 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.
(o) On 4 November 2024, PAK-PCE Sp. z o.o. acquired 100% of shares in Global Continental Sp. z o.o.
(p) On 5 December 2024, Cyfrowy Polsat S.A. acquired 48.75% of shares in Esoleo Sp. z o.o. After this transaction, Cyfrowy Polsat holds 100% of shares in Esoleo Sp. z o.o. and its subsidiaries.
(q) On 30 December 2024, the merger of Laris Investments Sp. z o.o. (acquiring company) with Megadex Development Sp. z o.o. (acquired company) was registered.
(r) On 7 March 2025, the court decided to remove Mobiem Polska Sp. z o.o. in liquidation from the National Court Register.

Investments accounted for under the equity method:

| | | | Share in voting rights (%)* | |
|---|---|---|---|---|
| | Entity's registered office | Activity | 31 December 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 indirect shares

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

Additionally, the following entities were included in these consolidated financial statements for the year ended 31 December 2024:

| | | | Share in voting rights (%) | |
|---|---|---|---|---|
| | Entity's registered office | Activity | 31 December 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. Accounting and consolidation policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements by all entities within the Group.

### a) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for derivative financial instruments, which are stated at fair value and other financial instruments valued at fair value through profit or loss.

### b) Going concern

These consolidated financial statements have been prepared assuming that the Group's entities will continue as a going concern in the foreseeable future, not shorter than 12 months from 31 December 2024.

### c) Functional and presentation currency

These consolidated financial statements are presented in the Polish zloty, rounded to million, the Group's functional currency.

### d) Use of estimates and judgments

The preparation of consolidated financial statements in conformity with EU IFRS 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. Information about critical estimates and judgments in applying accounting policies is included in note 52.

### e) Comparative financial information

Comparative data or data presented in previously published financial statements has been updated, if necessary, in order to reflect presentational changes introduced in the current period. The changes had no impact on previously reported amounts of net income or equity.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

The company made presentational changes to the statement of profit or loss in order to restructure finance income and expenses.

## Finance Income

| | for the year ended | | |
|---|---|---|---|
| | **31 December 2023** ***(reported data)**** | **change of presentation** | **31 December 2023** ***(restated data)*** |
| Leasing interest | (29.5) | 29.5 | - |
| Interest on loans granted | 31.8 | - | 31.8 |
| Other interest income | 76.1 | 26.7 | 102.8 |
| Other exchange differences, net | (19.6) | 19.6 | - |
| Valuation of PAK-PCE shares held | 151.3 | - | 151.3 |
| Valuation of existing relationships in connection with the acquisition of PAK-PCE | (83.9) | 83.9 | - |
| Change in the value of shares of Asseco Poland S.A. | 0.8 | - | 0.8 |
| Exchange differences from loan valuation | - | 82.1 | 82.1 |
| One-off revenue resulting from modification of cash flows in result of conversion/redemption of bonds | - | 20.8 | 20.8 |
| Realization and valuation of hedging instruments - hedging the cost of exchange rate differences | - | (0.3) | (0.3) |
| Realization and valuation of instruments for which hedge accounting was not applied - hedging the cost of exchange rate differences | - | (0.2) | (0.2) |
| Other income | 35.4 | 28.2 | 63.6 |
| **Total** | **162.4** | **290.3** | **452.7** |

* data reported as gain/(loss) on investing activities, net and finance costs, net

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

### Finance costs

| | for the year ended | | |
|---|---|---|---|
| | 31 December 2023 *(reported data)** | change of presentation | 31 December 2023 *(restated data)* |
| Interest on loans and credits | 796.0 | - | 796.0 |
| Interest on issued bonds | 347.4 | - | 347.4 |
| Exchange differences from loan valuation | (82.1) | 82.1 | - |
| One-time income resulting from the modification of cash flows resulting from the conversion of bonds | (20.8) | 20.8 | - |
| Effect of one-off loan repayment | 20.8 | - | 20.8 |
| Realization and valuation of hedging instruments - interest cost hedging | (14.4) | (0.3) | (14.7) |
| Realization and valuation of instruments for which hedge accounting was not applied - interest cost hedging | 28.5 | (0.2) | 28.3 |
| Valuation of existing relationships in connection with the acquisition of PAK-PCE | - | 83.9 | 83.9 |
| Leasing interest | - | 29.5 | 29.5 |
| Other interest costs | - | 26.7 | 26.7 |
| Guarantee costs, bank commissions and other fees | 6.5 | - | 6.5 |
| Exchange rate differences | - | 19.6 | 19.6 |
| Other costs | - | 28.2 | 28.2 |
| **Total** | **1,081.9** | **290.3** | **1,372.2** |

* data reported as finance costs, net and gain/(loss) on investing activities, net

## f) Basis of consolidation

### Subsidiaries

Subsidiaries are entities controlled by the Parent. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The financial statements of subsidiaries are prepared for the same period as the financial statements of the Company and using the accounting policies that are consistent with those of the Company for like transactions and events.

Equity transactions between a parent entity and the non-controlling interests are treated as transactions between shareholders, provided that the transactions do not result in a change of control. No gains or losses are recognised in consolidated profit or loss for transactions between the parent entity and the non-controlling interest, unless control is lost. Transactions where control is not lost are recorded within equity.

Put options granted in business combinations to holders of non-controlling interest in the subsidiary (ie. obligating the Group to acquire non-controlling interests in particular circumstances in the future for a particular price) give rise to a financial liability recognised in the consolidated balance sheet.

As at 31 December 2024 the Group recognized long-term financial liabilities in relation to put option, granted at the moment of obtaining control over companies.

While such put option remains unexercised, at the end of each reporting period the Group determines the amount of non-controlling interest (including share of profit/losses attributable to the non-controlling interest), de-recognises the controlling interest as if was acquired at that balance sheet date and recognises a financial liability measured at present value of the redemption amount. The difference is accounted for as a transaction between a parent entity and the non-controlling interests as described above.

On expiry of an unexercised put option the Group derecognises the financial liability in full and recognises non-controlling interest as if the put option was never granted.

## Associates and Joint arrangements

Associates are all entities over which the Group has significant influence but not control or joint control, over the financial and operating policies. This is generally the case where the Group hold between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method.

The Group applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in an equity-accounted investment equals or exceeds its interests in the entity (which includes any long term interests that, in substance, form part of the Group's net investment), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates or joint venture.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

## Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

## Business combinations under common control

IFRS 3 scopes out business combinations under common control and is not prescriptive otherwise as to the method of accounting for such transactions.

Group assessed that in case of the acquisition of control over Port Praski Group it acquired control over significant processes including the development of construction projects as well as the sale, rental and management of owned or leased properties. Moreover, the expenditures and processes significantly lead to Port Praski Group's ability to generate results. In light of the above it was determined that the acquisition method as defined in IFRS 3 is appropriate to account for the acquisition of control over Port Praski Group.

In case of the transaction of acquiring control over PAK-PCE Group, the acquisition was part of the implementation of the Group's strategy (as a result of the acquisition, a new operating segment "Green Energy" was identified). This transaction was carried out at fair values, and the consideration under the transaction was paid in cash. Furthermore external parties were involved in this transaction, in case of both Cyfrowy Polsat and ZE PAK S.A. (the entity from which the PAK-PCE shares were purchased) the beneficiaries of this transaction were their non-controlling shareholders. In light of the above facts and circumstances, the Group concluded that the transaction of acquiring control over the PAK-PCE Group has economic substance, therefore the most appropriate method to account for this transaction is the acquisition method as defined in IFRS 3.

## g) Foreign currency transactions

### Foreign currency transactions

Transactions in foreign currencies are translated to the Polish zloty at exchange rates in effect one day prior to the recording of these transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Polish zloty at the average exchange rate quoted by the National Bank of Poland (“NBP”) for that date. The foreign currency exchange differences arising on translation of transactions denominated in foreign currencies and from the reporting date retranslation of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss. Non-monetary assets and liabilities in a foreign currency that are measured in terms of historical cost are translated using the average NBP exchange rate in effect at the date of the initial recognition. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated at the average NBP foreign exchange rate in effect at the date the fair value was determined.

## h) Financial instruments

### Non-derivative financial instruments

#### *Financial assets*

Financial assets are classified in the following measurement categories depending on the business model in which assets are managed and their cash flow characteristics:

- assets measured at amortized cost - if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of this financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;
- financial asset measured at fair value through other comprehensive income – if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of this financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;
- assets measured at fair value through profit or loss - all other financial assets.

Financial assets at initial recognition are measured at fair value plus, in the case of financial assets not measured at fair value through profit or loss, directly attributable transaction costs. Trade receivables that do not have a significant financial component are initially measured at their transaction price.

*Financial assets measured at amortized cost*

Financial assets measured at amortized cost include trade and other receivables, loans granted and cash and cash equivalents. Interest income from these financial assets is calculated using the effective interest rate method and is presented within Finance Income on investment activities.

*Financial asset measured at fair value through other comprehensive income*

Financial asset measured at fair value through other comprehensive income include investments in equity instruments for which at initial recognition Group make an irrevocable election to present in other comprehensive income subsequent changes in their fair value. Gains and losses on these financial assets are never recycled to profit or loss.

*Financial assets measured at fair value through profit or loss*

Financial assets measured at fair value through profit or loss include derivative instruments not designated as hedging instruments, and equity instruments for which the Group made such choice (shares of Asseco Poland S.A.). Financial assets classified to this category are measured at fair value and the subsequent changes in their fair value are recognized in profit or loss. The subsequent changes in their fair value of derivative instruments not designated as hedging instruments are presented in Finance income or Finance costs depending on the economic substance of hedged transaction.

A financial asset is derecognised when the contractual rights to receive cash flows from the asset have expired or the Group has transferred substantially all the risks and rewards of the asset.

## *Financial liabilities*

Financial liabilities include financial liabilities measured at amortized cost and financial liabilities measured at fair value through profit or loss.

Financial liabilities are recognised initially at fair value and, in case of financial liabilities which are not measured at fair value through profit or loss, net of directly attributable transaction costs.

*Financial liabilities measured at amortized cost*

Financial liabilities measured at amortized cost include loans and borrowings, issued bonds, trade and other payables and lease liabilities. Interest expense related to these financial liabilities is calculated using the effective interest rate method and is presented as Finance costs.

*Financial liabilities measured at fair value through profit or loss*

Financial liabilities measured at fair value through profit or loss include derivative instruments not designated as hedging instruments. Financial liabilities classified to this category are measured at fair value and the subsequent changes in their fair value are recognized in profit or loss. The subsequent changes in their fair value of derivative instruments not designated as hedging instruments are presented in Finance income or Finance costs depending on the economic substance of hedged transaction.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss. In early repayment case, the difference between the carrying amount of the repaid liability and the carrying amount of the new liability is recognized in profit or loss.

Accounting policies related to gains and losses on investment activities and finance costs are presented in 6u.

### *Derivative financial instruments*

*Hedge accounting*

The Group may use derivative financial instruments such as forward currency contracts, foreign exchange call options, interest rate swaps and cross-currency interest rate swaps to hedge its foreign currency and interest rate risks.

For the purpose of hedge accounting, the Group's hedges are classified as cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Group will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

For cash flow hedges the effective portion of the gain or loss on the hedging instrument is recognized directly as other comprehensive income in the hedge valuation reserve, while any ineffective portion is recognized immediately in profit or loss.

The amounts recognized within other comprehensive income are transferred from equity to the income statement when the hedged transaction affects profit or loss, such as when the related gain or loss is recognized in Finance income or costs or when a forecast sale occurs.

Gains and losses from the settlement of derivative instruments that are designated as, and are effective hedging instruments, are presented in the same position as the impact of the hedged item. The derivative instrument is divided into a current portion and a non-current portion only if a reliable allocation can be made.

In accordance with IFRS 9, the Group chose to apply hedge accounting requirements as in IAS 39 instead of those included in IFRS 9.

## i) Equity

### Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.

### Preference share capital

Preference share capital is classified as equity, if it is non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Dividends thereon are recognized as distributions within equity.

### Costs attributable to issue and public offering of shares

Costs attributable to a new issue of shares are recognized in equity while costs attributable to a public offering of existing shares are recognized directly in finance costs. These costs relating to both new issue and sale of existing shares are recognized on a pro-rata basis in equity and finance costs.

### Share premium

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

### Retained earnings

In accordance with the provisions of article 396 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. This capital is excluded from distribution, however, it can be utilised to cover accumulated losses.

## j) Property, plant and equipment and investment property

### Property, plant and equipment owned by the Group

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes purchase price of the asset and other expenditure that is directly attributable to the acquisition and bringing the asset to a working condition for its intended use, including initial delivery as well as handling and storage costs. The cost of purchased assets is reduced by the amounts of vendor discounts, rebates and other similar reductions received.

The cost of self-constructed assets and assets under construction includes all costs incurred for their construction, installation, adoption, and improvement as well as borrowing costs incurred until the date they are accepted for use (or until the reporting date for an asset not yet accepted for use). The above cost also may include, if necessary, the estimated cost of dismantling and removing the asset and restoring the site.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

### Investment property

Investment property is defined as a property (land, building, or both) held by the Group to earn rentals or for capital appreciation or both.

Investment property is also property (land) whose purpose as of balance sheet date is not specified or the investment process will not begin within three years from the balance sheet date.

Investment property is measured initially at cost.

Once recognized all investment property held by the Group are measured using the cost model as set out in IAS 16. This means that the assets are recognized at cost model as presented in Property, plant and equipment owned by the Group above.

Investment property is removed from the balance sheet on disposal or when it is permanently withdrawn from use and no further economic benefits are expected from its disposal.

### Subsequent costs

Subsequent cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group and the amount of the cost can be measured reliably. Replaced item is derecognized. Other property, plant and equipment related costs are recognized in profit and loss as incurred.

### Depreciation

Depreciation expense is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment.

Land is not depreciated.

The following are estimated useful lives of respective group of property, plant and equipment:

| | | |
|---|---|---|
| Reception equipment | 2 or 3 or 5 | years |
| Buildings and structures | 2-61 | years |
| Technical equipment and machinery | 2-30 | years |
| Vehicles | 2-10 | years |
| Other | 2-26 | years |

Depreciation methods, useful lives and residual values of material assets are reviewed at each financial year-end.

### Leased assets

Assets used under lease, tenancy, rental or similar contracts which meet lease criteria, are classified separately in the balance sheet as right-of-use assets.

Set-top boxes, modems and routers that are provided to customers under operating lease agreements are recognized within non-current assets (Reception equipment in the balance sheet) and depreciated as described in Depreciation above. The set-top boxes are depreciated over a period that exceeds the period the lease agreements are entered into.

Carrying amounts of reception equipment and other items of property, plant and equipment as well as right-of-use assets may be reduced by impairment losses whenever there is any indication that an asset may be impaired and there is uncertainty as to those assets' revenue generating potential or their future use in the Group's operations. The accounting policies relating to impairment are presented in note 6n.

Detailed accounting policies related to lease contracts are described in point 6v.

## k) Intangible assets

### Goodwill

Goodwill represents the excess of the sum of consideration transferred and payable, the amount of non-controlling interest in the acquiree and the fair value as at the date of acquisition of any previously held equity interest in the acquiree over the fair value of the identifiable net assets acquired.

Goodwill is presented at purchase price less accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if possible impairment is indicated. Goodwill is allocated to acquirer's cash-generating units for the purpose of testing for impairment. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, but not higher than segment.

### Customer relationships

Customer relationships acquired as a result of the acquisition of subsidiaries are amortized on a straight-line basis over their useful lives, i.e. over the period of 2.5 to 17.5 years.

### Brands

Brands acquired as a result of the acquisition of subsidiaries are amortized on a straight-line basis over their useful lives, except where an indefinite period of use is justified. Brands with an indefinite useful life are tested annually for impairment or more frequently if impairment indicators exist. The estimated useful lives for respective brands are as follows:

- Polsat, TV4, TV6 and Polo TV brands: 20 years (i.e. 2042),
- Plus brand: 51 years (i.e. 2065),
- Netia brand: 10 years (i.e. 2028),
- Eleven Sports brand: 15 years (i.e. 2035),
- Interia brand: 30 years (i.e. 2050),
- Premium Mobile brand: 30 years (i.e. 2051),
- 4FUN brand: 20 years (i.e. 2042),
- naEKRANIE.pl brand: 20 years (i.e. 2042).

### Other intangible assets

The Group capitalizes costs of IT software internally generated, including employee-related expenses, directly resulting from generating and preparing an asset to be capable of operating, if the Group is able to measure reliably the expenditure attributable to such development and when it can reliably establish the commencement as well as the completion date of the software development activities.

Other intangible assets acquired by the Group are measured at cost less accumulated amortization and impairment losses.

Subsequent expenditure on existing intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in the profit or loss as incurred.

Amortization expense is based on the cost of an asset or production cost less its residual value.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The recoverable amounts of intangible assets which are not yet available for use are measured as at each balance sheet date.

The estimated useful lives for respective intangible assets groups are as follows:

- Computer software: 2-15 years,
- Concessions: period resulting from an administrative decision,
- Other: 2-7 years.

## l) Programming assets

Programming assets comprise acquired formats, licenses and copyrights for broadcasting feature films, series, news and shows, capitalized costs of commissioned external productions ordered by the Group, capitalized sports rights and advance payments made (including advance payments for sports rights).

### Initial recognition

Programming rights, other than sports rights, are recognized at cost as programming assets when the legally enforceable license period begins and all of the following conditions have been met:

- the cost of each program is known or reasonably determinable,
- the program material has been accepted by the licensee in accordance with the conditions of the license agreement,
- the program is available for its first showing.

Capitalized costs of productions include costs of programs ordered by the Group, including productions made based on licenses purchased from third parties. Capitalized costs of productions are measured individually for each program at their respective production or acquisition costs, not to exceed their recoverable amounts.

Sports broadcasting rights are recognized at purchased price at the time of TV transmission. Broadcasting rights to seasonal sport events, acquired under long-term contracts (frequently multi-seasonal), are recognized at the relative value determined by internal experts and allocated to each of the sport events' season as part of the purchased programming package. The Group's method of recognition of sports broadcasting rights is dependent on the type of sports channel on which the use of these rights is planned:

- sports broadcasting rights for premium sports channels are recognized in relation to all seasons contracted by the Group at the start of the first of them,
- sports broadcasting rights for other channels are recognized separately for each season at the start of each of them.

Advance payments for acquired programming assets, prior to license begin date, are recognized as prepayments for programming assets.

Signed and binding contracts for purchase of programming, which do not meet recognition criteria for programming assets are not recognized in the balance sheet and are instead disclosed as contractual commitments in the amount of the outstanding contract liability at the reporting date.

Programming assets are classified as non-current or current based on the estimate timing of the broadcast. A programming asset is recognized as current when the expected broadcast falls within 1 year from the reporting date. Sport rights and prepayments for sport rights are classified as current or non-current based on dates of related sport events (or start of the sport season).

### Amortization

Programming assets are amortized using the method reflecting the manner of consuming the economic benefits embodied in the licenses acquired within their estimated useful lives limited by the term of the respective license agreements.

The depreciation method and rate depend on the asset category and the allowable number of emissions:

- Films are amortized on a straight-line basis over the months of their broadcast, generally no more than over the first 4-10 runs (depending on the nature of the television program in which they are broadcast and the number of available runs).
- Licenses purchased for series are amortized on a straight-line basis over the months of their broadcast, generally no more than for the first 4-5 broadcasts (depending on the nature of the television program in which they are broadcast).
- Series produced for the Group are amortized in the months of their broadcast, depending on the television program in which they are broadcast:
    - 80% in the first broadcast and 20% in the second broadcast – for titles produced for the Polsat program;

  - 25% in each of the first 4 broadcasts – for titles produced for the TV4 program;
  - 100% in the first broadcast – for titles produced for other thematic programs.
- Sports broadcasting rights - 100% of the right's value is recognized as an expense in the income statement at the time of the first broadcast, however acquired rights to game seasons or rights to many seasons or a series of competitions are amortized on a straight-line basis over the period between the beginning of the first season and the end of the last season in respect to sports broadcasting rights primarily intended for premium sports channels or over the duration of the season or series of competitions in respect to sports broadcasting rights intended for other channels.
- Commissioned external productions intended for only one run are fully amortized on their first broadcast.
- News programming is fully amortized at its first broadcast.
- General entertainment shows are fully amortized at their first broadcast.

Amortization of programming assets is presented in Content costs line in the operating costs of the income statement.

### Impairment

Programming assets are reviewed for impairment at least annually and whenever there is any indication that the carrying amount may not be recoverable. Impairment losses are recognized on each license in case of withdrawal from broadcasting an item in the expected future (resulting from changes in strategic program scheduling, changing audience tastes, media law restrictions on the usability of films) or expected future losses anticipated on disposal of the rights.

Impairment write downs on programming assets are recognized as increase in the content costs. Impairment of programming assets is reversed if the reason for the original impairment ceases to exist. The reversals are recorded as content cost reductions.

## m) Inventories

Inventories are measured at the lower of cost and net realizable value. Cost of acquisition or production cost of inventories is determined by using the weighted average cost method.

The cost of inventories includes expenditure incurred in acquiring the inventories and other costs incurred in making them available for use or sale. In case of finished products and work in progress, cost includes an appropriate share of production overheads determined based on normal operating capacity.

Net realizable value is the current market price in the ordinary course of business, less the estimated costs of completion and selling expenses. In case of set-top boxes, mobile phones, modems and tablets, which under the business model applied by the Group are sold below cost, the loss on the sale is recorded when transferred to the customer.

The Group creates an allowance for slow-moving or obsolete inventories.

Inventories also include real estate built for sale (work in progress) and ready-to-sell properties (finished products) as part of development activities. Capitalized expenditures include, but are not limited to, construction planning and design costs, costs of land acquisition or perpetual usufruct of land for construction, remuneration payable to contractors and construction financing costs.

In companies engaged in development activities, the way investment properties are classified depends on the advancement of the investment process. The companies assume that all investments in which a significant portion will be residential units, and whose investment process is likely to begin within the next three years, will be presented in the Balance Sheet under the item "inventories".

### Certificate of origin

Included in the inventory are certificates of origin purchased for redemption, resale, as well as self-generated. These rights are tradable and are a subject to exchange trading.

Certificates of energy origin received free of charge for production from renewable sources are recognized on initial recognition at fair value at the time it becomes probable that they will be received, i.e. at the end of the month in which they were produced. The fair value is a reflection of the market situation, i.e. quotations on the commodity energy exchange (POLPX). Unpaid acquisition of certificates is recognized in correspondence with other income. The Group sells surplus certificates, which are presented in inventory.

Acquired energy certificates of origin are recognized as inventory at the purchase price. The outflow of energy certificates of origin is valued according to the method of detailed identification.

The Group is required to obtain energy certificates of origin and submit them for redemption by June 30 of the year following the accounting year. If, as of the reporting date, there are not enough certificates required to fulfill the obligations imposed by the Energy Law and the Energy Efficiency Law, the Group creates reserves for the redemption of energy origin and energy efficiency certificates or the payment of replacement fees.

## n) Impairment of assets

### Financial assets measured at amortized cost

The Group measures the loss allowance at an amount equal to lifetime expected credit losses for trade receivables (including loans granted) and contract assets. The trade receivables are assessed for impairment collectively in groups that share similar credit risk characteristics. The expected credit losses are estimated based on historical pattern for repayment and collection efficiency adjusted with currently available forward-looking information. The credit risk characteristics of contract assets correspond to the credit risk characteristics of trade receivables for a particular type of contract.

The Group considers financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full.

The Group considers a financial asset to be credit impaired when events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred, including significant financial difficulty of the debtor or a breach of contract, such as a default or past due event.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### Non-financial assets

The carrying amounts of non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated by the Group. The recoverable amount of intangible assets which are not yet available for use as well as of goodwill and brands with indefinite useful life is estimated at each reporting date.

An impairment loss is recognized when the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount. A cash-generating unit represents the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of thereof. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of a cash-generating unit are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of units), and then to reduce the carrying amounts of the other assets in the cash-generating unit on a pro rata basis.

The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In case of assets that do not generate independent cash inflows, the value in use is estimated for the smallest identifiable cash-generating unit to which the asset belongs.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recorded in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

## o) Employee benefits

### Defined contribution plan

All Group entities that act as employers have an obligation, under applicable legislation, to collect and remit contributions to the state pension fund. According to IAS 19 Employee Benefits such benefits represent state plans that are classified as defined contribution plans. Therefore, the Group's obligations for a given period are estimated as the amount of contributions to be remitted for that period.

### Defined benefit plan – retirement benefits

The Group entities have an obligation, under applicable legislation, to pay retirement benefits calculated in accordance with the relevant provisions of the Polish labor code. The minimum retirement benefit is as per the labor code provisions at the moment of payment.

The calculation is carried out using the Projected Unit Credit Method. Employee turnover is estimated based on historical experience and expected future employment levels.

Changes in the amount of the retirement benefits liability are recognized in the income statement. Actuarial gains and losses are recognized in the equity, in other comprehensive income in full in the period they originated.

### Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recognized as an expense as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term bonus, if the Group has a present legal or constructive obligation to make such payments as a result of past services provided by the employees and the obligation can be estimated reliably.

## p) Provisions

A provision is recognized if, as a result of past event, the Group has a present obligation, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. When the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Certain disclosures may not be included in these consolidated financial statements as they relate to sensitive information.

### Warranties

A provision for warranties is recognized when the underlying products or goods are sold. The amount of the provision is based on historical warranty data and a weighting of all possible outflows against their associated probabilities.

### Onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of fulfilling the contract. Before a provision is established, the Group recognizes any impairment loss on the assets dedicated to that contract.

### Provision for presentation for redemption of certificates of energy origin

The provision for the obligation to present for redemption certificates of origin for electricity generated from renewable energy sources or from high-efficiency cogeneration is recognized • in the part covered by certificates of origin held as of the balance sheet date - at the value of the certificates held, • in the part not covered by certificates of origin as of the balance sheet date - at the lower of the market value of the certificates required to meet the obligation as of the balance sheet date and the possible penalty. The cost of the established provision is presented in the income statement in the cost of sales.

## q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events, but its amount cannot be estimated reliably or it is not probable that there will be an outflow of resources embodying economic benefits.

The Group does not recognize a contingent liability, except for contingent liability assumed in a business combination.

Unless the possibility of any outflow of resources embodying economic benefits is remote, the Group discloses for each class of contingent liability at the end of the reporting period a brief description of the nature of the contingent liability and, where practicable:

- an estimate of its financial effect,
- an indication of the uncertainties relating to the amount or timing of any outflow,
- the possibility of any reimbursement.

## r) Revenue

### Identification of the contract

The Group applies contract-by-contract approach, meaning that transaction price and separate performance obligations and rights arising under the contract are determined at the level of distinct contract with subscriber. Group does not apply portfolio approach.

### Determination of the transaction price

The estimation regarding transaction price is updated during contract period. When variable consideration is present in a contract, Group always recognizes the minimum value of consideration at the moment of concluding the contract. As far as the contract length is concerned, the nominal basic period resulting from the contract terms is assumed.

In case of prepaid services, the value of the balance unused by the customer is recognized as revenue when the grace period of the account expires.

The time value of money is included in the transaction price if the contract contains a material financing factor. This factor is considered at the contract level. Group recognizes a significant financing factor only within installment sales. Identification of the discount causes a reduction in nominal sales revenues by the financing factor value and recognition of interest during the term of the contract. To calculate the significant financing factor, Group uses a discount rate that reflects the customer's credit risk at the moment of concluding the contract.

Group adopted the following hierarchy of methods for determining the fair price (unit price) of equipment (the preferred method is the method of prices obtained from the sale of similar goods):

(a) Price obtained from the sale of similar goods,
(b) Price based on accounting cost.

Group adopted the following hierarchy of methods for determining the unit price of a service:

(a) Price obtained from the sale of similar goods,
(b) Residual approach (in the B2B area).

## Revenue recognition

Revenues are recognized in the value of transaction price for the sale of services and equipment net of any discounts, refunds and rebates in the ordinary course of business. Revenues are recognized only when there is a high probability that the subscriber makes payment, the associated expenses can be reliably assessed and the revenue amount can be reliably measured. If it is probable that rebates are granted and their value can be precisely measured, then such rebates decrease sales revenue when it is recognized.

In order to properly recognize revenue, Group assesses at the contract inception whether each separate performance obligation is satisfied over time or at a point in time.

The Group's main sources of revenue are recognized as follows:

- Retail revenues from residential and business customers include revenues resulting from the provision of telecommunications and television services and equipment rental services to post-paid customers, recognized over the nominal term of the contract. Retail revenues from residential and business customers also include revenues from the unused balance of prepaid customers whose grace period has expired, recognized in a given point in time. Activation and installation fees do not represent a separate service obligation, so there is no revenue recognition for these categories.

- Wholesale revenue comprises advertising and sponsorship revenue, revenue from cable and satellite operator fees, revenue from the lease of infrastructure, interconnect revenue, revenue from roaming, revenue from the sale of broadcasting and signal transmission services and revenue from the sale of licenses, sublicenses and property rights and revenue from premium rate services.

  Advertising and sponsorship revenue is derived primarily from broadcasting of advertising content and is recognized in the period when the advertising is broadcast. Revenue is recognized in profit or loss in the amount due from customers net of value added tax, taxes on revenue from advertising of alcohol beverages and any rebates granted. Advertising and sponsorship revenue also comprises revenue on commissions on sales of commercial airtime when the Group acts as an agent on behalf of third parties. The commissions are recognized at amounts due from the buyers of advertising airtime or sponsorship services, less of any amounts due to television broadcasters. Revenue from commissions on sales of commercial airtime and from sponsorship is recognized in the consolidated income statement when these services are rendered.

Revenue from services provided to cable and satellite operators includes fees from cable and satellite operators for reemission (rebroadcasting) of programs broadcasted by the Group. Revenue is recognized when the related programs are broadcast.

Services revenues are recognized in profit and loss in the period when related services are rendered, net of any discount given.

- Revenue from sale of equipment is measured at the fair value of the consideration received or receivable, in case of multi-element contracts after the allocation of the transaction price based on the standalone selling price net of discounts, rebates and returns. Revenue from the sale of goods is recognized in profit or loss when control has been transferred to the customer.

- Other revenue is recognized, net of any discount given, when the relevant goods or service are provided.

  Other revenue includes, among others revenue from interest on installment sales, revenue from the sale of electricity, revenue from the sale of real estate and other sales revenue.

The Group's process for revenue recognition from multi-element contracts (e.g. mobile contract and handset) consists of:

- assessment of all goods and services provided to the client under the contract and identifying separate performance obligations in that contract,
- determining and allocating the transaction prices to separate performance obligations in the contract; the allocation is based on the reference to their relative standalone selling prices that could be obtained if the promised goods and services were sold individually in a separate transaction.

Contract asset is Group's right to consideration in exchange for goods or services that the Group has transferred to a customer. It includes the correction of consideration due according to the contract with customer regarding promotional offer that compose initial discounted periods.

Contract liabilities is Group's obligation to transfer services to a customer in exchange for remuneration Group received (or the remuneration is due). It includes the correction of consideration due according to the contract with customer for the current or previous periods, allocated to obligations not completely fulfilled or partially unfulfilled.

### Revenue from sales of goods in the real estate segment

Revenue from the sale of residential units is recognized when the performance obligation is fulfilled. The Group considers this moment to be the transfer to the customer of control over the unit, parking space, garage locker, storage unit or other building element sold, i.e. at the moment of delivery under condition the customer has paid 100% price of the real estate. Sales are reported net of value added tax and after taking into account any discounts granted.

### Energy, gas sales

Revenues from the sale of energy and gas are recognized at the time of their delivery to the Group's customers. The amount of energy and gas delivered is determined based on metering data provided by distribution network operators, and in the absence of metering data, the amount is subject to estimation by the Group. At the same time, the Group creates cost provisions for the value of energy and gas consumed by its customers and not invoiced by the supplier, as well as for the value of energy certificates of origin, the obligation to redeem of which is related to sales made to customers. Sales prices result from signed contracts, tariffs or their amount on the Polish Power Exchange.

### Revenue from the power market

Beginning 1 January 2024, the Group recognizes revenues from the power market. Revenues from the power market are revenues from the performance of power contracts (obligations) concluded as a result of the 2019, 2023 and 2024 Auctions (primary market) and the performance of power obligations resulting from agreements concluded in the secondary market. The power market is a market mechanism aimed at ensuring stable electricity supply in the long-term horizon. The Group is entitled to remuneration from PSE S.A. after the end of each month for the performance of the power obligation. Accordingly, Group companies that are power suppliers to PSE S.A. recognize revenue from power market transactions each month.

## s) Distribution fees

Commissions payable to distributors for acquiring new subscribers and for retention of existing subscribers are recognized over the minimum base period of the subscription agreement and presented in Income Statement in Distribution, marketing, customer relation management and retention costs.

Commissions for distributors which will be settled within 12 months of the reporting date are classified as other current assets, while the commissions, which will be settled more than 12-months after the reporting date, are classified as non-current assets.

## t) Barter revenue and cost

Barter revenue for dissimilar services or goods is recognized when the services are rendered or goods delivered. Programming licenses, products and services received are expensed or capitalized when received or used. The Group recognizes barter transactions at the estimated fair value of the programming licenses, products or services received. When products or services are received before related advertising is broadcast, a liability is recognized by the Group. Conversely, when advertising is broadcast before products or services are received, a receivable is recognized by the Group.

## u) Finance income and finance costs

Finance income include interest income on funds invested, dividends income, gains on financial instruments at fair value through profit or loss, net foreign exchange gains/losses and results on completed forward exchange contracts and call options.

Interest income and expense (other than interest expense on borrowings) is recognized as it accrues in profit or loss using the effective interest rate's method. Dividends income is recognized in profit or loss on the date that the Group's right to receive payment is established.

Finance costs comprise interest expense on borrowings (including bank loans and bonds) and leasing liabilities, realization and valuation costs of hedging instruments and instruments not under hedge accounting related to finance activities, bank and other charges on borrowings as well as guarantee fees resulting from the indebtedness. Borrowing costs are recognized in profit or loss using the effective interest rate's method. Finance costs also include impairment losses on financial assets.

## v) Lease payments

### Group as a lessor

Agreements which meet the lease definition are classified as finance lease or operating lease. The main criterion is the extent to which the risks and rewards associated with the leased asset are transferred between the Group and the lessee.

Similarly to agreements in which the Group acts as a lessee, the Group as a lessor also determines for each agreement: commencement date, lease term, lease payments and interest rate. At the commencement date lessor accounts for the finance lease by:

- excluding carrying amount of the underlying asset,
- recognizing net investment in the lease,
- recognizing selling profit or loss in profit and loss statement (if applicable).

For operating lease, Group recognize revenue in profit and loss statement on a straight line basis over the lease term.

## Group as lessee

### *Assets*

Assets used under agreements which meet the leasing definition are recognized as right-of-use assets and lease liabilities representing the Group's obligation to make payments for the underlying asset on the day when the leased assets are available for use by the Group.

At the commencement date, the right-of-use assets are measured at cost and consist of the following:

- the amount of the initial measurement of the lease liability,
- any lease payments made to the lessor at or before the commencement date, less any lease incentives received from the lessor,
- any initial direct costs incurred by the lessee,
- an estimate of the costs to be incurred by the lessee in dismantling, removing and restoring the underlying assets and/or the site where it is located.

After the commencement date, the right-of-use assets are measured at cost less accumulated depreciation, accumulated impairment losses and adjusted for remeasurement of the lease liability resulting from reassessment or lease modification which does not require recognition of a separate lease component.

Right-of-use assets are depreciated on a straight-line basis over the shorter of: the term of the lease agreement or the useful life of the underlying asset. If the Group is reasonably certain that ownership of the underlying asset will be transferred to the lessee by the end of the lease term – then the right-of-use asset shall be depreciated from the commencement date to the end of its useful life.

The Group depreciates the right-of-use assets as follows:

- technical infrastructure - premises for telecommunications equipment installations: 2-24 years,
- telecommunications infrastructure, including links ("dark fibers"): 2-13 years,
- office space, other premises and perpetual usufruct: 1.5-100 years,
- point of sales premises: 2-7 years,
- vehicles: 3-5 years.

Right-of-use assets are subject to impairment based on the accounting policies as presented in note 6n.

### *Liabilities*

At the commencement date, the lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option,
- payments of penalties for terminating the lease (understood as any economic factors discouraging the Group from terminating the contract), if the lease term reflects that the lessee will exercise the option to terminate the lease,
- amounts expected to be payable by the lessee under residual value guarantees.

Lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. Otherwise the incremental borrowing rate is used.

After the commencement date, the Group shall measure the lease liability by:

- increasing the carrying amount to reflect interest on the lease liability,
- reducing the carrying amount to reflect the lease payments made,
- remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g. change in the lease term or the amount of future lease payments.

Interest expenses on lease liabilities are recognized in profit or loss over the term of the lease.

## w) Income tax

Income tax expense/benefit comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income.

Current tax is the tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet approach, in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are measured based on the expected manner of recovery or settlement of the carrying amounts of assets and liabilities, respectively, using tax rates that are enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. An amount of deferred tax assets is reduced to the extent that it is no longer probable that the related tax benefit will be partly or wholly realized. When not recognized deferred tax asset becomes recoverable, it is recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered. The Group recognizes a deferred tax asset used to carry over unused tax losses to the extent that it is probable that the future taxable profits will be available and unused tax losses may be utilized. While assessing whether the future taxable profits available will be sufficient, the Group takes into account inter alia forecasted future tax revenues.

Deferred tax assets and liabilities are offset by the Group companies.

## x) Non-current assets held for sale

The Group classifies non-current assets (or disposal group of assets) as held for sale when their carrying value will be recovered principally through a sale transaction rather than through continuing use. In such case the asset must be available for immediate sale in its present condition and its sale must be highly probable. The fact of classifying an asset as held for sale means that the Group's management intends to complete the sale transaction within 12 months from the date of such classification.

Non-current assets that have been classified as held for sale are measured at the lower of (i) their carrying value and (ii) their fair value less costs to sell.

Non-current assets that are classified as held for sale are not depreciated.

### y) Earnings per share

The Group presents basic and diluted earnings per share for its ordinary and preference shares. Basic earnings per share are calculated by dividing the period's profit or loss from continuing operations attributable to ordinary and preference shareholders of the Company by the weighted average number of ordinary and preference shares outstanding during the period. Diluted earnings per share are calculated by dividing the period's profit or loss from the continuing operations attributable to ordinary and preference shareholders by the weighted average number of ordinary and preference shares, adjusted by the effects of all dilutive potential ordinary and preference shares.

### z) Segment reporting

An operating segment is a component of the Group:

- that is engaged in business activities from which it may earn revenues and incur expenses (including revenues and expenses that relate to transactions with other components of the same unit);
- whose operating results are reviewed on regular basis by the main responsible authority for making operational decisions in the unit and using those results when making decisions on the resources allocated to the segment and when assessing the results of the segment's activities;
- when separate financial information are available.

The Group presents operating segments according to its internal management accounting principles applied in the preparation of periodical management reports. These reports are analyzed on regular basis by the Management Board of Cyfrowy Polsat S.A., which was identified as the chief operating decision maker.

### zz) Cash flows statement

Cash and cash equivalents in the cash flow statement are equal to cash and cash equivalents presented in the consolidated balance sheet.

Purchases of set-top boxes to be provided to customers under operating lease contracts are classified in the cash flows statement within operating activities. The purchases and disposals of these set-top boxes are classified in the cash flows statement within operating activities and presented as Net disposals/(additions) of reception equipment provided under operating lease.

Acquisition of items of property, plant and equipment or intangible assets are presented in their net amount (net of related value added tax).

Payments for film licenses and sport rights are presented on a net basis (net of related value added tax) within operating activities. Expenditures on the acquisition of programming assets also include the amount of withholding tax paid to the relevant tax authorities.

## 7. Determination of fair values

A number of accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The methods for determining fair values are described below. When applicable further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

### Derivatives

The fair value of derivatives is calculated based on their quoted closing bid price at the balance sheet date or, in the lack thereof, other inputs that are observable for the asset or liability, either directly (i. e. as prices) or indirectly (i. e. derived from prices). In the second case, the fair value of derivatives is estimated as the present value of future cash flows, discounted using the market interest rate at the reporting date. Information on the structure of Polish and Eurozone interest rates and Polish zloty exchange rate are used in order to estimate future cash flows and market interest rate.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

### Non-derivative financial assets

The fair value of non-derivative financial asset for disclosure purposes is estimated as the present value of future cash flows discounted using the market interest rate as at the balance sheet date. If the instruments are quoted, the fair value is estimated based on market prices.

### Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on liabilities' quoted closing bid price at the balance sheet date or, in the lack thereof, estimated on the present value of future principal and interest cash flows, discounted using the market interest rate at the reporting date. Market interest rate is estimated as interbank interest rate for a given currency zone (WIBOR, EURIBOR) plus a margin regarding the Group's credit risk. A market interest rate for a  lease contract is estimated based on interest rates for similar lease contracts.

## 8. Approval of the Consolidated Financial Statements

These consolidated financial statements were approved for publication by the Management Board of Cyfrowy Polsat S.A. on 9 April 2025.

### Explanatory notes

## 9. Revenue

| | for the year ended | |
|---|---|---|
| | **31 December 2024** | **31 December 2023** |
| Retail revenue | 7,181.8 | 6,987.1 |
| Wholesale revenue | 3,260.4 | 3,379.9 |
| Sale of equipment | 1,794.5 | 1,921.7 |
| Energy revenue | 1,230.0 | 557.6 |
| Other revenue | 799.2 | 780.0 |
| **Total** | **14,265.9** | **13,626.3** |

Retail revenue mainly consists of pay-TV and telecommunication subscription revenues, 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.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 10. Operating costs

| | | for the year ended | |
|---|---|---|---|
| | Note | 31 December 2024 | 31 December 2023 |
| Technical costs and cost of settlements with telecommunication operators | | 3,364.7 | 3,332.7 |
| Depreciation, amortization, impairment and liquidation | | 1,613.1 | 1,900.4 |
| Cost of equipment sold | | 1,431.9 | 1,539.9 |
| Content costs | | 2,073.8 | 2,126.1 |
| Cost of energy sold, includes: | | 961.5 | 523.3 |
| *Depreciation** | | *53.9* | *17.8* |
| Distribution, marketing, customer relation management and retention costs | | 1,079.1 | 1,026.9 |
| Salaries and employee-related costs | a) | 1,243.4 | 1,158.2 |
| Cost of debt collection services, bad debt allowance and receivables written off | | 90.6 | 121.0 |
| Other costs, includes: | | 771.2 | 760.3 |
| *Depreciation** | | *4.4* | *1.4* |
| **Total** | | **12,629.3** | **12,488.8** |

*depreciation costs included within energy and bus production costs.

### a) Salaries and employee-related costs

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Salaries | 1,022.5 | 953.7 |
| Social security contributions | 162.2 | 149.4 |
| Other employee-related costs | 58.7 | 55.1 |
| **Total** | **1,243.4** | **1,158.2** |

*excludes production employees

### Average headcount of non-production employees*

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Employment contracts (full-time equivalents) | 8,219 | 8,020 |

*excluding workers who did not perform work in the reporting period due to long-term absences

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 11. Finance income

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 (restated data) |
| Interest on loans granted | 6.4 | 31.8 |
| Interest income from leasing | 1.1 | - |
| Other interest income | 140.6 | 102.8 |
| Change in the value of shares of Asseco Poland S.A. | 194.2 | 0.8 |
| Foreign exchange differences on loans and borrowings | 38.0 | 82.1 |
| One-time income resulting from the modification of cash flows as a result of the conversion/redemption of bonds | 2.5 | 20.8 |
| Realization and valuation of hedging instruments - hedging the cost of foreign exchange differences | (0.8) | (0.3) |
| Realization and valuation of instruments not used in hedge accounting - hedging the cost of foreign exchange differences | (0.2) | (0.2) |
| Valuation of PAK-PCE shares held* | - | 151.3 |
| Other income | 44.4 | 63.6 |
| **Total** | **426.2** | **452.7** |

* impact of accounting for the purchase price allocation of PAK-PCE under IFRS 3 requirements

## 12. Finance costs

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 *(restated data)* |
| Interest expense on loans and credits | 682.5 | 796.0 |
| Interest expense on issued bonds* | 380.0 | 347.4 |
| Realization and valuation of hedging instruments - interest cost hedging** | (6.3) | (14.7) |
| Realization and valuation of instruments not used in hedge accounting - interest cost hedging | (64.7) | 28.3 |
| One-time loans repayment | - | 20.8 |
| Valuation of existing relationships in connection with the acquisition of PAK-PCE*** | - | 83.9 |
| Interest on lease | 41.3 | 29.5 |
| Other interest costs | 20.0 | 26.7 |
| Expected credit losses on loans | 18.6 | - |
| Exchange rate differences | 12.1 | 19.6 |
| Guarantee fees, bank commissions and other fees | 10.6 | 6.5 |
| Other costs | 18.1 | 28.2 |
| **Total** | **1,112.2** | **1,372.2** |

* includes early redemption bonuses
** includes hedging of interest costs on loans and bonds
*** impact of accounting for the purchase price allocation of PAK-PCE under IFRS 3 requirements

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## Financing costs

Net financing costs, i.e. costs directly related to the financing obtained, consisted of the following costs and income:

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Interest expense on loans and credits | 682.5 | 796.0 |
| Interest expense on issued bonds* | 380.0 | 347.4 |
| Foreign exchange differences on loans and borrowings | (38.0) | (82.1) |
| One-time income resulting from the modification of cash flows as a result of the conversion/redemption of bonds | (2.5) | (20.8) |
| One-time loans repayment | - | 20.8 |
| Realization and valuation of hedging instruments | (5.5) | (14.4) |
| Realization and valuation of instruments not used in hedge accounting - interest cost hedging | (64.5) | 28.5 |
| **Total** | **952.0** | **1,075.4** |

* includes early redemption bonuses

# 13. Income tax

## Income tax expense

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Current tax expense | 289.4 | 285.6 |
| Change in deferred tax | 14.8 | (175.4) |
| Other | (2.0) | - |
| **Income tax expense in the income statement** | **302.2** | **110.2** |

## Change in deferred income tax

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Tax losses carried forward | 12.7 | 7.4 |
| Receivables and other assets | 111.9 | (62.4) |
| Liabilities | (75.9) | 17.9 |
| Other property, plant and equipment and intangible assets | (45.9) | (132.9) |
| Other | 12.0 | (5.4) |
| **Change in deferred tax recognized in income statement – total** | **14.8** | **(175.4)** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## Income tax recognized in the statement of other comprehensive income

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Change in deferred income tax on hedge valuation | - | (5.5) |
| **Income tax expense recognized in other comprehensive income - total** | **-** | **(5.5)** |

## Effective tax rate reconciliation

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Gross profit | 1,079.5 | 421.8 |
| **Income tax at applicable statutory tax rate of 19%** | **205.1** | **80.1** |
| Excess financing costs | 51.6 | 53.8 |
| Other | 45.5 | (23.7) |
| **Tax expense for the year** | **302.2** | **110.2** |
| **Effective tax rate** | **28.0%** | **26.1%** |

## Deferred tax assets

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Tax losses carried forward | 15.1 | 27.8 |
| Liabilities | 568.0 | 467.1 |
| Tangible and intangible assets | 49.8 | 26.4 |
| Receivables and other assets | 120.0 | 129.0 |
| Other | (4.2) | 3.4 |
| **Total deferred tax assets** | **748.7** | **653.7** |
| Set off of deferred tax assets and liabilities | (568.2) | (510.9) |
| **Deferred tax assets in the balance sheet** | **180.5** | **142.8** |

## Tax loss

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| 2024 tax loss carried forward | 65.8 | - |
| 2023 tax loss carried forward | 66.1 | 68.9 |
| 2022 tax loss carried forward | 39.6 | 42.2 |
| 2021 tax loss carried forward | 43.8 | 53.9 |
| 2020 tax loss carried forward | 32.8 | 37.8 |
| 2019 tax loss carried forward | 40.7 | 34.8 |
| 2018 tax loss carried forward | - | 24.2 |
| **Tax losses carried forward – total** | **288.8** | **261.8** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## Tax losses recognized

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| 2024 tax loss carried forward | 16.6 | - |
| 2023 tax loss carried forward | 19.3 | 70.5 |
| 2022 tax loss carried forward | 9.1 | 8.5 |
| 2021 tax loss carried forward | 15.0 | 23.4 |
| 2020 tax loss carried forward | 20.2 | 18.5 |
| 2019 tax loss carried forward | 1.9 | 25.6 |
| **Tax losses carried forward – total** | **82.1** | **146.5** |

As at 31 December 2024 the Group recognized deferred tax asset on tax losses to the extent that it was probable that they would be utilized in the future.

According to Art. 7 of the Polish Corporate Income Tax Act dated 15 February 1992, tax losses incurred in a given financial year can be utilized in the subsequent five fiscal years. However, no more than 50% of a tax loss for any given year can be utilized in a single subsequent fiscal year.

## Deferred tax liabilities

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Receivables and other assets | 613.8 | 510.9 |
| Liabilities | 70.4 | 45.4 |
| Tangible and intangible assets | 929.0 | 951.5 |
| Other | 42.5 | 38.1 |
| **Total deferred tax liabilities** | **1,655.7** | **1,545.9** |
| Set off of deferred tax assets and liabilities | (568.2) | (510.9) |
| **Deferred tax liabilities in the balance sheet** | **1,087.5** | **1,035.0** |

The tax authorities may at any time inspect the books and records within 5 years from the end of the year when a tax declaration was submitted, and may impose additional tax assessments with penalty interest and penalties. Furthermore, on 15 July 2016 provisions of General Anti-Avoidance Rule (GAAR) were introduced, which aim at preventing establishing and using artificial legal arrangements with tax savings as its principal purpose. Frequent amendments in the tax laws and contradicting legal interpretations among the tax authorities result in uncertainties and lack of consistency in the tax system, which in fact lead to difficulties in the judgement of the tax consequences in the foreseeable future.

### *International Tax Reform - Global Minimum Tax Rate*

In light of the obligation to incorporate the provisions of Council Directive (EU) 2022/2523 dated 14 December 2022, concerning the establishment of a global minimum tax rate for international corporate groups and large domestic groups within the European Union, which aims to mitigate competition regarding corporate income tax rates by instituting a global minimum tax rate, Poland has enacted the law dated 6 November 2024, regarding the taxation of equalization for components of international and domestic groups (hereinafter referred to as "the Law"). This Law took effect on 1 January 2025.

Pursuant to the Law, the tax may encompass components of international and domestic groups operating in Poland, whose revenues reported in the consolidated financial statements of the ultimate parent company amounted to no less than EUR 750 in at least two of the four tax years immediately preceding the relevant tax year.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

Groups subject to the global equalization tax framework are mandated to compute the effective tax rate (ETR) on income derived from each jurisdiction in which they operate. Should this rate fall below 15%, there arises an obligation to remit the equalization tax.

The principles of Pillar 2 have introduced a transitional simplification for the years 2024-2026, stipulating that if a group meets at least one of three tests (termed "safe harbors") in a given country during a particular year, the equalization tax is deemed zero, and the group is only required to submit a simplified declaration.

Within the Cyfrowy Polsat Capital Group, a project has been initiated aimed at assessing the implications of the Law's provisions on the Company's obligations within the Capital Group, particularly regarding the potential application of the so-called transitional safe harbors, which facilitate simplified calculations of the equalization tax, as well as the administrative duties arising from the Law.

The Group has implemented the mandatory exception concerning the recognition and disclosure of information regarding deferred tax assets and liabilities associated with income tax under Pillar 2, in accordance with the amendments to IAS 12 issued in May 2023.

## 14. EBITDA (unaudited)

EBITDA (earnings before interest, taxes, depreciation, amortization, impairment and liquidation) presents the Group’s key measure of earnings performance. The level of EBITDA measures the Group’s ability to generate cash from recurring operations, however it is neither a measure of liquidity nor cash level. The Group defines EBITDA as operating profit adjusted by depreciation, amortization, impairment and liquidation (including depreciation costs within energy and bus production costs). EBITDA is not an IFRS EU measure, and as such can be calculated differently by other entities.

| | | **for the year ended** |
|---|---|---|
| | **31 December 2024** | **31 December 2023** ***(restated data)*** |
| Net profit for the period | 777.3 | 311.6 |
| Income tax | 302.2 | 110.2 |
| Finance income | (426.2) | (452.7) |
| Finance costs | 1,112.2 | 1,372.2 |
| Share of the (profit)/loss of associates accounted for using the equity method | 0.7 | (29.7) |
| Depreciation, amortization, impairment and liquidation (note 10) | 1,613.1 | 1,900.4 |
| Depreciation and amortization within energy and bus production costs (note 10) | 58.3 | 19.2 |
| **EBITDA (unaudited)** | **3,437.6** | **3,231.2** |
| Profit from the sale of a subsidiary and an associate | (10.0) | (219.7) |
| **EBITDA adjusted (unaudited)** | **3,427.6** | **3,011.5** |

## 15. Basic and diluted earnings per share

At the reporting date, the Company did not have any financial instruments that could have a dilutive effect, therefore the diluted earnings per share are equal to basic earnings per share.

| | for the year ended | |
|---|---|---|
| | **31 December 2024** | **31 December 2023** |
| Net profit | 777.3 | 311.6 |
| Weighted average number of ordinary and preference shares in the period | 550,703,531 | 550,703,531 |
| **Earnings per share in PLN (not in millions)** | **1.41** | **0.57** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 16. Property, plant and equipment

| | Reception equipment | Land | Buildings and structures | Technical equipment and machinery | Vehicles | Other | Tangible assets under construction | **Property, plant and equipment** |
|---|---|---|---|---|---|---|---|---|
| **Cost as at 1 January 2024** | **1,315.7** | **169.3** | **1,204.2** | **4,005.6** | **221.2** | **318.9** | **1,832.2** | **9,067.1** |
| Additions | 141.1 | 0.4 | 214.8 | 688.5 | 39.9 | 17.4 | 591.3 | **1,693.4** |
| Transfer between groups | - | (7.4) | (0.4) | 0.8 | - | 0.1 | (43.2) | **(50.1)** |
| Transfer to assets held for sale | - | - | (2.4) | - | - | - | - | **(2.4)** |
| Transfer from assets under construction | - | - | 259.3 | 514.2 | 2.3 | 14.5 | (789.2) | **1.1** |
| Disposals | (103.7) | (2.4) | (6.9) | (94.5) | (48.6) | (11.1) | (4.8) | **(272.0)** |
| **Cost as at 31 December 2024** | **1,353.1** | **159.9** | **1,668.6** | **5,114.6** | **214.8** | **339.8** | **1,586.3** | **10,437.1** |
| **Accumulated impairment losses as at 1 January 2024** | **4.9** | **-** | **0.4** | **2.4** | **-** | **0.2** | **21.2** | **29.1** |
| Recognition | 0.1 | - | - | 1.0 | - | - | 2.5 | **3.6** |
| Reversal | (0.7) | - | (0.3) | (0.6) | - | - | (4.5) | **(6.1)** |
| **Accumulated impairment losses as at 31 December 2024** | **4.3** | **-** | **0.1** | **2.8** | **-** | **0.2** | **19.2** | **26.6** |
| **Accumulated depreciation as at 1 January 2024** | **996.8** | **-** | **169.2** | **1,122.3** | **65.8** | **189.6** | **-** | **2,543.7** |
| Additions | 129.0 | - | 54.5 | 425.7 | 24.8 | 30.0 | - | **664.0** |
| Transfer between groups | - | - | - | - | - | (0.1) | - | **(0.1)** |
| Disposals | (102.3) | - | (3.6) | (90.8) | (13.2) | (10.5) | - | **(220.4)** |
| **Accumulated depreciation as at 31 December 2024** | **1,023.5** | **-** | **220.1** | **1,457.2** | **77.4** | **209.0** | **-** | **2,987.2** |
| **Carrying amount as at 1 January 2024** | **314.0** | **169.3** | **1,034.6** | **2,880.9** | **155.4** | **129.1** | **1,811.0** | **6,494.3** |
| **Carrying amount as at 31 December 2024** | **325.3** | **159.9** | **1,448.4** | **3,654.6** | **137.4** | **130.6** | **1,567.1** | **7,423.3** |

The Group recognized impairment losses on fixed assets whose carrying amount exceeded their recoverable amount. Impairment losses on property, plant and equipment are recognized under 'depreciation, impairment and liquidation'. As of 31 December 2024, the net value of tangible assets under construction includes the value of capitalized interest in the amount of PLN 125.1.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | Reception equipment | Land | Buildings and structures | Technical equipment and machinery | Vehicles | Other | Tangible assets under construction | **Property, plant and equipment** |
|---|---|---|---|---|---|---|---|---|
| **Cost as at 1 January 2023** | **1,251.2** | **148.6** | **572.7** | **2,870.3** | **195.6** | **284.4** | **652.4** | **5,975.2** |
| Acquisition of subsidiaries | - | 77.6 | 238.8 | 583.3 | 7.1 | 3.2 | 917.9 | **1,827.9** |
| Additions | 145.8 | 0.5 | 84.5 | 131.3 | 12.5 | 18.3 | 1,077.3 | **1,470.2** |
| Transfer between groups | - | (55.7) | 114.5 | 10.7 | 1.0 | 0.6 | (21.3) | **49.8** |
| Transfer to assets held for sale | - | - | - | - | - | - | (1.0) | **(1.0)** |
| Transfer from assets under construction | - | - | 269.6 | 469.4 | 17.3 | 21.8 | (778.1) | **-** |
| Disposals | (81.3) | - | (15.3) | (59.4) | (12.3) | (9.4) | (15.0) | **(192.7)** |
| Disposal of a subsidiary | - | (1.7) | (60.6) | - | - | - | - | **(62.3)** |
| **Cost as at 31 December 2023** | **1,315.7** | **169.3** | **1,204.2** | **4,005.6** | **221.2** | **318.9** | **1,832.2** | **9,067.1** |
| **Accumulated impairment losses as at 1 January 2023** | **4.0** | **-** | **0.1** | **1.1** | **-** | **-** | **18.2** | **23.4** |
| Recognition | 0.9 | - | 0.3 | 1.7 | - | 0.1 | 4.0 | **7.0** |
| Transfer between groups | - | - | - | (0.1) | - | 0.1 | - | **-** |
| Reversal | - | - | - | (0.3) | - | - | (1.0) | **(1.3)** |
| **Accumulated impairment losses as at 31 December 2023** | **4.9** | **-** | **0.4** | **2.4** | **-** | **0.2** | **21.2** | **29.1** |
| **Accumulated depreciation as at 1 January 2023** | **965.2** | **-** | **135.2** | **755.6** | **51.3** | **161.6** | **-** | **2,068.9** |
| Additions | 111.7 | - | 38.3 | 412.1 | 23.8 | 34.8 | - | **620.7** |
| Transfer between groups | - | - | 7.5 | 6.6 | - | 0.7 | - | **14.8** |
| Disposals | (80.1) | - | (11.7) | (52.0) | (9.3) | (7.5) | - | **(160.6)** |
| Disposal of a subsidiary | - | - | (0.1) | - | - | - | - | **(0.1)** |
| **Accumulated depreciation as at 31 December 2023** | **996.8** | **-** | **169.2** | **1,122.3** | **65.8** | **189.6** | **-** | **2,543.7** |
| **Carrying amount as at 1 January 2023** | **282.0** | **148.6** | **437.4** | **2,113.6** | **144.3** | **122.8** | **634.2** | **3,882.9** |
| **Carrying amount as at 31 December 2023** | **314.0** | **169.3** | **1,034.6** | **2,880.9** | **155.4** | **129.1** | **1,811.0** | **6,494.3** |

The Group recognized impairment losses on fixed assets whose carrying amount exceeded their recoverable amount. Impairment losses on property, plant and equipment are recognized under 'depreciation, impairment and liquidation'. As of 31 December 2023, the net value of tangible assets under construction includes the value of capitalized interest in the amount of PLN 81.7

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 17. Goodwill

| | 2024 | 2023 |
|---|---|---|
| **Balance as at 1 January** | **10,980.2** | **10,818.1** |
| Acquisition of 69 Specialist Sales and Customer Service Points | - | 0.1 |
| Acquisition of 60% shares of 4FUN Sp. z o.o. (see note 40)[1] | (3.5) | 26.0 |
| Acquisition of 60% shares of naEKRANIE.pl Sp. z o.o. (see note 40)[1] | (0.7) | 10.3 |
| Acquisition of 50.5% shares of PAK-Polska Czysta Energia Sp. z o.o. (see note 40) | - | 125.7 |
| Disposal of 100% shares of Muzo.fm Sp. z o.o.[2] | (4.8) | - |
| Acquisition of 100% shares of Global Continental Sp. z o.o (see note 40) | 4.1 | - |
| **Balance as at 31 December** | **10,975.3** | **10,980.2** |

[1] Goodwill has been adjusted to reflect the effect of the final purchase price allocation and the fair value assessment of identified net assets.
[2] On 27 March 2024, Telewizja Polsat Sp. z o.o. sold 100% shares in Muzo.fm Sp. z o.o.

Impairment tests performed on goodwill balances as at 31 December 2024 did not indicate impairment (see note 19 for impairment test assumptions).

## 18. Brands

| | 2024 | 2023 |
|---|---|---|
| **Balance as at 1 January** | **1,979.7** | **2,060.9** |
| Aquisition of 4FUN brand | 7.1 | - |
| Aquisition of naEKRANIE.pl brand | 1.4 | - |
| Amortisation of TV4, TV6 brands | (2.2) | (2.2) |
| Amortisation of Polsat brand | (42.0) | (42.0) |
| Amortisation of Polo TV brand | (0.2) | (0.2) |
| Amortisation of Plus brand | (24.1) | (24.1) |
| Amortisation of Netia brand | (8.9) | (8.8) |
| Amortisation of Eleven Sports brand | (0.1) | (0.1) |
| Amortisation of Interia brand | (2.8) | (2.8) |
| Amortisation of Premium Mobile brand | (1.0) | (1.0) |
| Amortisation of 4FUN brand | (0.5) | - |
| Amortisation of naEKRANIE.pl brand | (0.1) | - |
| **Balance as at 31 December** | **1,906.3** | **1,979.7** |

### *Plus*

Following the acquisition of Metelem Holding Company Ltd. in 2014, the Group recognized a value of the Plus brand. The brand is amortized over the useful life of 51 years (until the year 2065). The carrying amount of the brand was allocated to "B2C and B2B services" cash-generating unit.

*Polsat*

The value of the Polsat brand is recognized following the acquisition of Telewizja Polsat S.A. (currently Telewizja Polsat Sp. z o.o.) in 2011. Group disclosed brand value in consolidated financial statements in amount of PLN 840.0.

The Group recognized that there is a foreseeable period in which the Polsat brand will be beneficial to the Group, and for this reason a specific useful life was assumed starting in 2023. The Polsat brand is amortized over usufel life of 20 years (until the year 2042). The carrying amount of the brand was allocated to “Media: television and online” cash-generating unit.

*TV4 and TV6*

In the consolidated financial statements, as a result of acquisition of Polskie Media S.A., the Group has recognized in 2013 among others goodwill and TV4 and TV6 brands. Group disclosed brand value in consolidated statements in amount of PLN 43.0.

The Group recognized that there is a foreseeable period during which the TV4 and TV6 brands will benefit the Group, and for this reason a specific useful life was assumed starting in 2023.The TV4 and TV6 brands are amortized over usufel life of 20 years (until the year 2042). The carrying amount of the brand was allocated to ”Media: television and online” cash-generating unit.

*Polo TV*

The value of the Polo TV brand is recognized following the acquisition of Lemon Records Sp. z o.o. on 4 December 2017. Group disclosed brand value in consolidated financial statements in amount of PLN 4.7.

The Group recognized that there is a foreseeable period during which the Polo brand will benefit the Group, and for this reason a specific useful life was assumed starting in 2023.The Polo TV brand is amortized over its useful life of 20 years (until the year 2042). The carrying amount of the brand was allocated to ”Media: television and online” cash-generating unit.

*Netia*

The value of the Netia brand is recognized following obtaining control by the Group over Netia S.A. on 22 May 2018. The value of Netia brand recognized in the consolidated financial statements amounted to PLN 88.5.

The brand is amortized over the useful life of 10 years (until the year 2028). The carrying amount of the brand was allocated to ”B2C and B2B services” cash-generating unit.

*Interia*

The value of the Interia brand is recognized following obtaining in 2020 control by the Group over Interia Group, i.e. Grupa Interia.pl Sp. z o.o., Grupa Interia.pl Sp. z o.o. Sp.k., Grupa Interia.pl Media Sp. z o.o. Sp.k., Mobiem Polska Sp. z o.o. and Mobiem Polska Sp. z o.o. Sp.k. In 2021 the Group finalized the purchase price allocation and recognized among others Interia brand in the amount of PLN 82.7. The brand is amortized over the useful life of 30 years (until the year 2050).

The carrying amount of the brand was allocated to ”Media: television and online” cash-generating unit.

*Premium Mobile*

The value of the Premium Mobile brand is recognized following obtaining in 2021 control by the Group over Premium Mobile Group, i.e. Premium Mobile Sp. z o.o., Visignio Sp. z o.o., Saveadvisor Sp. z o.o. and Mobi Dealer Sp. z o.o. In 2022 the Group finalized the purchase price allocation and recognized among others Premium Mobile brand in the amount of PLN 28.7. The brand is amortized over the useful life of 30 years (until the year 2051).

The carrying amount of the brand was allocated to ” B2C and B2B services” cash-generating unit.

*4FUN*

As a result of the acquisition on 21 July 2023 of 60% of shares in 4FUN Sp. z o.o., the Group finalized the allocation of the purchase price in 2024 and recognized the value of the 4FUN brand in the amount of PLN 7.1. The 4FUN brand, for which the useful life was established at almost 20 years, i.e. until 2042, is subject to amortization.

The carrying amount was assigned to the cash-generating unit "Media: television and online".

*naEKRANIE.pl*

As a result of the acquisition on 20 July 2023 of 60% of shares in naEKRANIE.pl Sp. z o.o., the Group finalized the allocation of the purchase price in 2024 and recognized the value of the naEKRANIE.pl brand in the amount of PLN 1.4. The naEKRANIE.pl brand, for which the useful life was established at almost 20 years, i.e. until 2042, is subject to amortization.

The carrying amount was assigned to the cash-generating unit "Media: television and online".

## 19. Impairment test (including goodwill and intangible assets with indefinite useful life)

The Group recognized goodwill in the consolidated financial statements. Their carrying amounts were allocated to the cash-generating units which also represent the Group’s operating segments.

Goodwill is tested for impairment annually or more frequently if possible impairment is indicated. Goodwill is allocated to the below cash-generating units for the purpose of testing for impairment. The allocation was made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

The Group tests the total carrying amount of the cash-generating units and any impairment identified is recognized in the profit or loss immediately with respect to goodwill first and is not subsequently reversed. If goodwill is fully impaired the remaining amount of the impairment loss is allocated to the brands and other assets of the cash-generating unit on a pro rata basis.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

Goodwill allocated to:

| | 2024 |
|---|---|
| **“B2C and B2B services” cash-generating unit** | |
| Cash-generating unit as at 1 January | 7,826.4 |
| Cash-generating unit as at 31 December | 7,826.4 |
| **“Media: television and online” cash-generating unit** | |
| Cash-generating unit as at 1 January | 3,010.7 |
| Adjustment recognized on the acquisition of 4FUN Sp. z o.o.* | (3.5) |
| Adjustment recognized on the acquisition of naEKRANIE.pl Sp. z o.o.* | (0.7) |
| Allocated goodwill on disposal of 100% of shares in Muzo.fm Sp. z o.o. | (4.8) |
| Cash-generating unit as at 31 December | 3,001.7 |
| **“Real Estate” cash-generating unit** | |
| Cash-generating unit as at 1 January | 17.4 |
| Cash-generating unit as at 31 December | 17.4 |
| **“Green Energy” cash-generating unit** | |
| Cash-generating unit as at 1 January | 125.7 |
| Goodwill recognized on the acquisition of Global Continental Sp. z o.o. | 4.1 |
| Cash-generating unit as at 31 December | 129.8 |

* Adjustment resulting from the completion of the final purchase price allocation of acquisitions of shares.

The recoverable amounts of all the cash generating units have been determined based on the value-in-use calculations. These calculations were based on discounted free cash flows and involved the use of estimates related to cash flow before tax projections based on actual financial business plans covering the 5-year period until 2029 or 10-year period until 2034, taking into account the benefits and factors (including transfers between individual CGUs) that a rational market participant would take into account. Cash flow projections after 5-year or 10-year forecast period are estimated using the terminal growth. Terminal growth rate does not exceed the long-term average growth rate for the country in which the Group operates.

### The key financial assumptions used in the value-in-use calculations

The most sensitive key financial assumptions used in the value-in-use calculations of “Media: television and online” cash-generating unit, “B2C and B2B Services” cash-generating unit, “Real Estate” and “Green energy” cash-generating unit were as follows:

- discount rates,
- terminal growth rate used for estimating the cash flows beyond the period of financial plans,
- energy prices,
- profile and and volume of energy production.

Discount rate – the discount rate reflects the management’s estimation of the risks specific to each cash-generating unit, taking into account the time value of money and risks specific to the asset. The discount rate was estimated on the basis of weighted average cost of capital method (WACC) and considered Group’s and its operating segments’ business environment. WACC considers both debt and equity. Cost of equity is based on the return on investment expected by the Group’s investors while cost of debt is based on the interest bearing debt instruments. Operating segment- specific risk is considered by the estimation of beta. Beta is estimated annually and is based on the market data.

Terminal growth rate – growth rates are based on widely available published market data.

Energy prices – most of the revenues in the Green energy segment come from the sale of energy produced from RES sources and from trading electricity on the market, and are largely dependent on the level of market energy prices and their volatility. Market prices will largely determine the level of revenues generated from the production and sale of electricity. In order to reduce exposure to energy price fluctuations, some of the PAK-PCE Group's solar and wind generation companies have entered into Power Purchase Agreement (PPA) contracts.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

Energy production volume – the peak period of energy production from photovoltaic farms is in the spring and summer, while wind farms record the highest production levels during the first and fourth quarters. An important factor influencing the level of energy production in a given period, and thus the revenues generated, from wind and photovoltaic installations are meteorological conditions, in particular wind power and sunshine levels. The volume of production of RES sources also affects the level of electricity prices. Periods with high windiness or a high level of insolation can lead to an overproduction of RES energy and, as a result, 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) cause shortages of energy produced from PV and wind sources and translate into temporary increases in market energy prices.

The key financial assumptions used for value-in-use calculations in 2024 and 2023 are as follows:

| | Media: television and online | | B2C and B2B services | | Real Estate | | Green Energy | |
|---|---|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Terminal growth | 2.5% | 2.5% | 2.0% | 2.0% | 2.0% | 2.0% | 2.5% | 2.5% |
| Discount rate before tax | 12.8% | 11.6% | 9.8% | 8.9% | 9.6% | 9.0% | 11.4% | 11.3% |

The impairment tests for goodwill allocated to "Media: television and online", "B2C and B2B services", "Real Estate" and "Green Energy" cash-generating units did not indicate impairment as at 31 December 2024.

The Group believes that the key assumptions made in testing for impairment of the "Media: television and online", "B2C and B2B services", "Real Estate" and "Green Energy" cash-generating units as at 31 December 2024 are reasonable and are based on our experience and market forecasts that are published by the industry experts.

## Sensitivity analysis of key financial assumptions in the "Media: television and online", "B2C and B2B services" and "Green energy"

### *Media segment*

The CGU's value-in-use amounted to PLN 6,350.1 as at 31 December 2024 and exceeded its carrying amount by PLN 1,356.7, therefore no impairment of the CGU and the goodwill assigned to it were identified.

Had any of the key assumptions changes as follows, the CGU's value-in-use would equal its carrying amount as at 31 December 2024:

- decrease in the cash flows after the 5-year forecast period by 30.5% or

- decrease in the terminal growth rate by 3.2 p.p. or

- increase of the discount rate by 2.8 p.p.

Unfavorable exemplary changes in the key assumptions adopted in the test (without changing its other parameters) would result in decrease in value-in-use of assets assigned to the CGU by:

- PLN 560.6, had the discount rate (before tax) increased by 1 p.p.; or

- PLN 406.2, had the terminal growth rate decreased by 1 p.p.; or

- PLN 445.5, had the cash flows after the 5-year forecast period decreased by 10%.

*B2C and B2B services*

The CGU's value-in-use amounted to PLN 22,764.1 as at 31 December 2024 and exceeded its carrying amount by PLN 4,197.5, therefore no impairment of the CGU and the goodwill assigned to it were identified.

Had any of the key assumptions changes as follows, the CGU's value-in-use would equal its carrying amount as at 31 December 2024:

- decrease in the cash flows after the 5-year forecast period by 23.9% or

- decrease in the terminal growth rate by 1.8 p.p. or

- increase of the discount rate by 1.7 p.p.

Unfavorable exemplary changes in the key assumptions adopted in the test (without changing its other parameters) would result in decrease in value-in-use of assets assigned to the CGU by:

- PLN 293.7, had the discount rate (before tax) increased by 0.1 p.p.; or

- PLN 1,124.8, had the terminal growth rate decreased by 0.5 p.p.; or

- PLN 351.0, had the cash flows after the 5-year forecast period decreased by 2%.

*Green energy*

The CGU's value-in-use amounted to PLN 6,041.0 as at 31 December 2024 and exceeded its carrying amount by PLN 1,070.6, therefore no impairment of the CGU and the goodwill assigned to it were identified.

Had any of the key assumptions changes as follows, the CGU's value-in-use would equal its carrying amount as at 31 December 2024:

- decrease in the cash flows after the 10-year forecast period by 23.9% or

- decrease in the terminal growth rate by 1.9 p.p. or

- increase of the discount rate by 1.6 p.p.

Unfavorable exemplary changes in the key assumptions adopted in the test (without changing its other parameters) would result in decrease in value-in-use of assets assigned to the CGU by:

- PLN 370.7, had the discount rate (before tax) increased by 0.5 p.p.; or

- PLN 187.4, had the terminal growth rate decreased by 0.5 p.p.; or

- PLN 224.4, had the cash flows after the 10-year forecast period decreased by 5%.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 20. Customer relationships and other intangible assets

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Customer relationships | 120.1 | 300.2 |
| **Customer relationships total** | **120.1** | **300.2** |
| Software and licenses | 756.4 | 741.3 |
| Concessions | 2,403.2 | 2,372.7 |
| Other | 955.5 | 956.5 |
| Other intangible assets under development | 877.9 | 765.3 |
| **Other intangible assets total** | **4,993.0** | **4,835.8** |

The customer relationships and telecommunication concessions (900 MHz, 1800 MHz and 2100 MHz) were recognized in the balance sheet following the acquisition of Metelem Holding Company Limited based on the Group's acquisition accounting. The carrying amount of the customer relationships and concessions was allocated to ”B2C and B2B services” cash-generating unit.

The telecommunication concessions (800 MHz, 900 MHz, 1800 MHz and 2600 MHz) were recognized in the balance sheet following the acquisition of Midas S.A. based on the Group's acquisition accounting. The carrying amount of the customer relationships and concessions was allocated to ”B2C and B2B services” cash-generating unit.

Customer relationships as at 31 December 2024 include the following:

| | Amortization period |
|---|---|
| Customer relationships with retail clients | 8 or 10 years |
| Customer relationships – roaming | 13 years |
| Customer relationships on energy market | 2.5 or 17.5 years |

Concessions as at 31 December 2024 include the following:

| | Expiry date |
|---|---|
| License for frequencies in the 900 MHz band | 24.02.2026 |
| License for frequencies in the 1800 MHz band | 14.09.2029 |
| License for frequencies in the 2600 MHz FDD band | 24.01.2031 |
| License for frequencies in the 420 MHz band | 31.12.2035 |
| License for frequencies in the 2600 MHz TDD band | 31.12.2024 |
| License for frequencies in the 1800 MHz band | 31.12.2037 |
| License for frequencies in the 2100 MHz band | 31.12.2037 |
| License for frequencies in the 3.6 GHz band | 30.11.2038 |
| License for frequencies in the 900 MHz band | 31.12.2038 |

Additionally, in 2024 the following license decisions were issued, the period of which is after 31 December 2024:

| | Expiry date |
|---|---|
| License for frequencies in the 2600 MHz band | 31.12.2039 |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | Customer relationships | Software and licenses | Concessions | Other | Other intangible assets under development | Other intangible assets |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| **Cost as at 1 January 2024** | **4,882.7** | **2,368.8** | **5,699.9** | **1,032.6** | **766.4** | **9,867.7** |
| Additions | **-** | 16.6 | 14.1 | 4.4 | 641.2 | **676.3** |
| Transfer from intangible assets under development | **-** | 244.7 | 284.7 | 12.7 | (542.1) | **-** |
| Disposals | **-** | (9.8) | (26.2) | (18.0) | - | **(54.0)** |
| Transfer between groups | **-** | 0.1 | - | (4.2) | 17.3 | **13.2** |
| **Cost as at 31 December 2024** | **4,882.7** | **2,620.4** | **5,972.5** | **1,027.5** | **882.8** | **10,503.2** |
| **Accumulated impairment losses** | | | | | | |
| **Accumulated impairment losses as at 1 January 2024** | **-** | **1.2** | **-** | **0.5** | **1.1** | **2.8** |
| Recognition/(reversal) | **-** | - | - | (0.1) | 3.8 | **3.7** |
| **Accumulated impairment losses as at 31 December 2024** | **-** | **1.2** | **-** | **0.4** | **4.9** | **6.5** |
| **Accumulated amortization** | | | | | | |
| **Accumulated amortization as at 1 January 2024** | **4,582.5** | **1,626.3** | **3,327.2** | **75.6** | **-** | **5,029.1** |
| Additions | **180.1** | 245.7 | 268.6 | 17.3 | - | **531.6** |
| Disposals | **-** | (9.2) | (26.5) | (17.9) | - | **(53.6)** |
| Transfer between groups | **-** | - | - | (3.4) | - | **(3.4)** |
| **Accumulated amortization as at 31 December 2024** | **4,762.6** | **1,862.8** | **3,569.3** | **71.6** | **-** | **5,503.7** |
| **Carrying amounts** | | | | | | |
| **Carrying amount as at 1 January 2024** | **300.2** | **741.3** | **2,372.7** | **956.5** | **765.3** | **4,835.8** |
| **Carrying amount as at 31 December 2024** | **120.1** | **756.4** | **2,403.2** | **955.5** | **877.9** | **4,993.0** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | **Customer relationships** | Software and licenses | Concessions | Other | Other intangible assets under development | **Other intangible assets** |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| **Cost as at 1 January 2023** | **4,794.6** | **2,049.5** | **4,931.4** | **118.1** | **768.3** | **7,867.3** |
| Additions | **-** | 23.7 | 781.6 | 14.8 | 338.0 | **1,158.1** |
| Acquisition of subsidiaries | **88.1** | 0.3 | - | 892.2* | 9.9 | **902.4** |
| Transfer from intangible assets under development | **-** | 340.8 | - | 7.7 | (348.5) | **-** |
| Disposals | **-** | (45.5) | (12.8) | (0.2) | - | **(58.5)** |
| Transfer between groups | **-** | - | - | - | (1.3) | **(1.3)** |
| Transfer to assets held for sale | **-** | - | (0.3) | - | - | **(0.3)** |
| **Cost as at 31 December 2023** | **4,882.7** | **2,368.8** | **5,699.9** | **1,032.6** | **766.4** | **9,867.7** |
| **Accumulated impairment losses** | | | | | | |
| **Accumulated impairment losses as at 1 January 2023** | **-** | **2.1** | **-** | **0.5** | **0.8** | **3.4** |
| Recognition/(reversal) | **-** | (0.9) | - | - | 0.3 | **(0.6)** |
| **Accumulated impairment losses as at 31 December 2023** | **-** | **1.2** | **-** | **0.5** | **1.1** | **2.8** |
| **Accumulated amortization** | | | | | | |
| **Accumulated amortization as at 1 January 2023** | **4,150.9** | **1,448.8** | **3,011.6** | **62.9** | **-** | **4,523.3** |
| Additions | **431.6** | 221.3 | 328.5 | 12.7 | - | **562.5** |
| Disposals | **-** | (43.8) | (12.9) | - | - | **(56.7)** |
| **Accumulated amortization as at 31 December 2023** | **4,582.5** | **1,626.3** | **3,327.2** | **75.6** | **-** | **5,029.1** |
| **Carrying amounts** | | | | | | |
| **Carrying amount as at 1 January 2023** | **643.7** | **598.6** | **1,919.8** | **54.7** | **767.5** | **3,340.6** |
| **Carrying amount as at 31 December 2023** | **300.2** | **741.3** | **2,372.7** | **956.5** | **765.3** | **4,835.8** |

* The position includes the value of intangible assets recognized as a result of the acquisition of PAK-PCE Group, regarding wind farms and covering inter alia the value of power supply connection and energy production concession.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 21. Right-of-use assets

| | Technical infrastructure | Dark fibers | Vehicles | Points of sale premises | Office space and other premises | **Right-of-use assets** |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| **Cost as at 1 January 2024** | **305.7** | **223.9** | **31.0** | **348.0** | **551.0** | **1,459.6** |
| Additions | 60.8 | 35.3 | 19.4 | 70.2 | 132.1 | **317.8** |
| Disposals | (32.9) | (16.9) | (6.0) | (11.9) | (15.4) | **(83.1)** |
| **Cost as at 31 December 2024** | **333.6** | **242.3** | **44.4** | **406.3** | **667.7** | **1,694.3** |
| **Accumulated impairment losses** | | | | | | |
| **Accumulated impairment losses as at 1 January 2024** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Accumulated impairment losses as at 31 December 2024** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Accumulated depreciation** | | | | | | |
| **Accumulated depreciation as at 1 January 2024** | **182.6** | **146.5** | **7.8** | **221.0** | **257.1** | **815.0** |
| Additions | 41.3 | 35.1 | 5.3 | 51.5 | 71.4 | **204.6** |
| Disposals | (18.3) | (9.6) | (4.5) | (8.4) | (9.3) | **(50.1)** |
| **Accumulated depreciation as at 31 December 2024** | **205.6** | **172.0** | **8.6** | **264.1** | **319.2** | **969.5** |
| **Carrying amount** | | | | | | |
| **Carrying amount as at 1 January 2024** | **123.1** | **77.4** | **23.2** | **127.0** | **293.9** | **644.6** |
| **Carrying amount as at 31 December 2024** | **128.0** | **70.3** | **35.8** | **142.2** | **348.5** | **724.8** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | Technical infrastructure | Dark fibers | Vehicles | Points of sale premises | Office space and other premises | **Right-of-use assets** |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| **Cost as at 1 January 2023** | **280.2** | **192.2** | **26.0** | **299.5** | **409.8** | **1,207.7** |
| Acquisition of subsidiary | - | - | - | - | 89.9 | **89.9** |
| Additions | 66.4 | 48.9 | 17.0 | 71.8 | 75.7 | **279.8** |
| Disposals | (40.9) | (17.2) | (12.0) | (23.3) | (24.4) | **(117.8)** |
| **Cost as at 31 December 2023** | **305.7** | **223.9** | **31.0** | **348.0** | **551.0** | **1,459.6** |
| **Accumulated impairment losses** | | | | | | |
| **Accumulated impairment losses as at 1 January 2023** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Accumulated impairment losses as at 31 December 2023** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Accumulated depreciation** | | | | | | |
| **Accumulated depreciation as at 1 January 2023** | **160.1** | **123.1** | **11.3** | **186.8** | **199.4** | **680.7** |
| Additions | 41.1 | 32.6 | 4.5 | 52.5 | 62.5 | **193.2** |
| Disposals | (18.6) | (9.2) | (8.0) | (18.3) | (4.8) | **(58.9)** |
| **Accumulated depreciation as at 31 December 2023** | **182.6** | **146.5** | **7.8** | **221.0** | **257.1** | **815.0** |
| **Carrying amount** | | | | | | |
| **Carrying amount as at 1 January 2023** | **120.1** | **69.1** | **14.7** | **112.7** | **210.4** | **527.0** |
| **Carrying amount as at 31 December 2023** | **123.1** | **77.4** | **23.2** | **127.0** | **293.9** | **644.6** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 22. Programming assets

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Acquired film licenses | 210.1 | 277.2 |
| Capitalized cost of external production and sports rights | 420.5 | 500.6 |
| Co-productions | - | 2.5 |
| Prepayments | 346.1 | 202.7 |
| **Total** | **976.7** | **983.0** |
| *Of which: Current* | *641.0* | *678.2* |
| *Non-current* | *335.7* | *304.8* |

### Change in programming assets

| | 2024 | 2023 |
|---|---|---|
| **Net carrying amount as at 1 January** | **983.0** | **1,201.0** |
| Increase* | 560.1 | 416.2 |
| Change in impairment losses: | (4.3) | (0.1) |
| *Film licenses* | - | *(0.1)* |
| *Internal production* | *(4.3)* | - |
| Change in internal production* | (41.5) | 29.3 |
| Amortization of film licenses and sports rights | (519.7) | (660.5) |
| Disposals: | (0.6) | (2.9) |
| *Sale of film licenses* | *(0.6)* | *(2.9)* |
| Liquidation: | (0.2) | - |
| *Liquidation of film licenses* | *(0.2)* | - |
| Other decrease | (0.1) | - |
| **Net carrying amount as at 31 December** | **976.7** | **983.0** |

* includes change in prepayments

Commitments related to acquisition of programming assets by the Group are presented in note 51.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 23. Investment property

| | 2024 | 2023 |
|---|---|---|
| **Cost as at 1 January** | **724.8** | **690.8** |
| Acquisitions | - | 184.6 |
| Additions | 14.5 | 19.6 |
| Disposals | (1.0) | (73.6) |
| Transfer between groups | (4.1) | (96.6) |
| **Cost as at 31 December** | **734.2** | **724.8** |
| **Write-offs as of 1 January** | **0.8** | **-** |
| Additions | 6.0 | 0.8 |
| Transfer between groups | (2.4) | - |
| **Write-offs as of 31 December** | **4.4** | **0.8** |
| **Accumulated depreciation as at 1 January** | **24.0** | **43.8** |
| Additions | 8.3 | 19.3 |
| Disposals | - | (3.5) |
| Transfer between groups | (2.8) | (35.6) |
| **Accumulated depreciation as at 31 December** | **29.5** | **24.0** |
| **Carrying amount as at 1 January** | **700.0** | **647.0** |
| **Carrying amount as at 31 December** | **700.3** | **700.0** |

## 24. Deferred distribution fees

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Deferred distribution fees | **337.6** | **312.4** |
| *Of which: Current* | *245.4* | *227.4* |
| *Non-current* | *92.2* | *85.0* |

Deferred distribution fees include commissions for distributors for contracts effectively concluded with subscribers. These costs are expensed by the Group to profit or loss over the minimum base period of the subscription contracts.

As at 31 December 2024, the balance of distribution fees relating to agreements whose basic period as at the date of signing was more than 12 months amounted to PLN 334.3 (as at 31 December 2023: PLN 308.6).

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 25. Non-current receivables and other non-current assets

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Non-current lease receivables | 30.6 | - |
| Non-current trade receivables | 873.2 | 968.1 |
| **Non-current receivables total** | **903.8** | **968.1** |
| Shares in associates and joint ventures accounted for using the equity method | - | 10.1 |
| Bonds | - | 20.8 |
| Deferred costs | 10.0 | 9.7 |
| Deposits paid | 26.4 | 9.8 |
| Other shares | 7.0 | 617.2 |
| Derivative instruments (note 41) | 40.2 | 35.2 |
| **Total** | **83.6** | **702.8** |

As at 31 December 2024 and 31 December 2023 Non-current trade receivables include receivables from installment plan purchases.

Non-current trade receivables are denominated in PLN.

## 26. Loans granted

| Loans granted | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Current loans granted | 22.8 | 116.2 |
| Non-current loans granted | 2.2 | 10.9 |
| **Total** | **25.0** | **127.1** |

Loans granted as of 31 December 2024 mainly include loans to Dystrybucja Mówi Serwis Sp. z o.o. Sp.k. and Epicom Ltd. with a maturity date in 2025. Loans granted as of 31 December 2023 mainly include a loan to Goalscreen Holdings Limited with a maturity date in 2024.

| Change in loans granted | 2024 | 2023 |
|---|---|---|
| **Loans granted as at 1 January** | **127.1** | **576.1** |
| Repayment of granted loans – capital | (96.0) | (133.0) |
| Repayment of granted loans – interests | (4.5) | (16.0) |
| Granting new loans | 11.3 | 343.4 |
| Interest accrued | 6.4 | 31.8 |
| Foreign exchange | (0.7) | (25.3) |
| The effect of gaining control over PAK-PCE Group and consolidation | - | (645.5) |
| The effect of gaining control over Port Praski City II Sp. z o.o. and Port Praski Medical Center Sp. z o.o. and consolidation | - | (4.4) |
| Expected credit losses | (18.6) | - |
| **Loans granted as at 31 December** | **25.0** | **127.1** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 27. Contract assets

### Change in contract assets

| Contract assets | 31 December 2024 | 31 December 2023 |
|---|---|---|
| **Contract assets as at 1 January** | **363.2** | **377.1** |
| Additions | 249.8 | 236.6 |
| Disposals (invoiced amounts transferred to trade receivables) | (256.8) | (250.5) |
| **Contract assets as at 31 December** | **356.2** | **363.2** |
| Write-off | (14.2) | (14.2) |
| **Contract assets as at 31 December** | **342.0** | **349.0** |

## 28. Inventories

| Types of inventories | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Mobile phones | 111.3 | 125.0 |
| Laptops, tablets and modems | 26.7 | 40.2 |
| Set-top boxes and disc drives | 66.6 | 101.7 |
| Apartments | 474.7 | 480.3 |
| Certificates of origin | 20.7 | 24.2 |
| Other inventories | 328.0 | 444.2 |
| **Total net book value** | **1,028.0** | **1,215.6** |

Other inventories consisted mainly of components for photovoltaic installations and related products (such as heat pumps and energy storage systems) as well as materials for the production of decoders.

| Write-offs of inventories | 2024 | 2023 |
|---|---|---|
| **Opening balance** | **7.3** | **6.0** |
| Increase | 76.7 | 5.2 |
| Utilisation | (3.5) | (3.1) |
| Decrease | (0.2) | (0.8) |
| Effect of selling a subsidiary | (0.5) | - |
| **Closing balance** | **79.8** | **7.3** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 29. Trade and other receivables

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Trade receivables from related parties | 7.3 | 11.5 |
| Trade receivables from third parties | 2,766.6 | 2,650.1 |
| Tax and social security receivables | 183.8 | 182.4 |
| Other receivables | 95.0 | 103.1 |
| **Total** | **3,052.7** | **2,947.1** |

Trade receivables from third parties include primarily receivables from individual customers, media houses and distributors.

### Trade receivables by currency

| Currency | 31 December 2024 | 31 December 2023 |
|---|---|---|
| PLN | 2,706.9 | 2,501.4 |
| EUR | 51.0 | 143.4 |
| USD | 14.5 | 15.0 |
| Other | 1.5 | 1.8 |
| **Total** | **2,773.9** | **2,661.6** |

### Movements in the allowance for impairment of accounts receivable (trade and other receivables)

| | 2024 | 2023 |
|---|---|---|
| **Opening balance** | **205.1** | **206.3** |
| Increase | 89.2 | 124.4 |
| Reversal | (7.3) | (7.2) |
| Utilisation | (117.8) | (118.3) |
| **Closing balance** | **169.2** | **205.1** |
| *Of which: Short-term* | *128.9* | *150.4* |
| *Long-term* | *40.3* | *54.7* |

## 30. Other current assets

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Shares in other investments held for trading | 808.6 | - |
| Derivative instruments (note 41) | 40.4 | 21.6 |
| Unbilled revenue | 48.6 | 46.0 |
| Other deferred costs | 60.9 | 52.7 |
| Other | 11.8 | 19.4 |
| **Total** | **970.3** | **139.7** |

## 31. Cash and cash equivalents

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Cash on hand | 2.7 | 2.1 |
| Current accounts | 367.3 | 318.1 |
| Cash in transit | 0.6 | 0.4 |
| Deposits* | 2,282.4 | 2,985.4 |
| **Total** | **2,653.0** | **3,306.0** |

* with maturity of up to 3 months from the date of establishing the deposit

The Group places its cash and cash equivalents in banks and financial institutions with reliability proven by ratings awarded by widely recognized agencies Standard & Poor's, Moody's or Fitch, in Plus Bank or EFG, required by the loan agreement and policies adopted therein.

| Currency | 31 December 2024 | 31 December 2023 |
|---|---|---|
| PLN | 1,891.3 | 2,191.9 |
| EUR | 748.3 | 1,104.8 |
| USD | 13.3 | 9.2 |
| CHF | 0.1 | 0.1 |
| **Total** | **2,653.0** | **3,306.0** |

As the Group cooperates with well-established Polish and international banks, the risks relating to deposited cash are considerably limited.

Restricted cash in the amount of PLN 34.1 includes mainly funds held in an escrow account in accordance with the Developers Act (Act of 20 May 2021 on the Protection of the Rights of the Purchaser of a Residential Unit or a Single-Family House and the Developer's Guarantee Fund) and guarantee deposits.

## 32. Equity

### Share capital

Presented below is the structure of the Company's share capital as at 31 December 2024 and at 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 31 December 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] 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 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 in the Liechtenstein court 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 the 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 17 October 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 Tobias 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.

The Company will report, to the best of its knowledge, by way of relevant reports, any further material developments in the case.

## Share premium

Share premium includes the excess of issue value over the nominal value of shares issued decreased by share issuance-related consulting 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, the total amount of the net profit was allocated to the supplementary capital amounted to PLN 639.6.

### Other reserves

Other reserves as at 31 December 2024 include mainly the reserve capital created for the purposes of the share buyback program in the amount of PLN 2,914.8.

### Treasury shares

Treasury shares as at 31 December 2024 and as at 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 interests

Non-controlling interests relate primarily to interests attributable to non-controlling shareholders of PAK-Polska Czysta Energia Sp. z o.o. and its subsidiaries and 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.

The table below shows aggregate data for PAK-PCE Group subsidiaries that have project financing:

| | For the year ended 31 December 2024 | For the period from July to December 2023 |
|---|---|---|
| Revenue from sales | 735.5 | 345.5 |
| Operating costs | (531.5) | (348.8) |
| *Including: depreciation* | *(62.2)* | *(20.7)* |
| Operating profit/(loss) | 206.7 | (5.5) |

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Cash | 171.1 | 250.4 |
| Loan liabilities* | (1,421.2) | (1,226.5) |
| Lease liabilities | (85.7) | (59.0) |

* excludes inter-company loans

## 33. Hedge valuation reserve

The Company concluded the following interest rate swap transactions, which consisted in exchange of interest payments based on a floating rate WIBOR 3M or WIBOR 6M into interest payments based on a fixed interest rate:

| Conclusion date | Contractor | Nominal amount secured | Hedge start date | Hedge end date | Fixed interest rate |
|---|---|---|---|---|---|
| 29.04.2022 | Santander Bank Polska S.A. | 125.0 | 31.03.2023 | 31.03.2025 | 6.5750% |
| 19.05.2022 | Santander Bank Polska S.A. | 125.0 | 31.03.2023 | 31.03.2025 | 6.2450% |
| 22.07.2022 | BNP Paribas | 125.0 | 31.03.2023 | 30.06.2025 | 6.0600% |
| 20.05.2024 | BNP Paribas | 250.0 | 28.06.2024 | 30.06.2027 | 5.1470% |
| 06.06.2024 | PKO Bank Polski S.A. | 250.0 | 28.06.2024 | 30.06.2027 | 5.0800% |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

The Company concluded the following currency interest rate swap transactions, which consisted in exchange of interest payments denominated in euro based on a floating rate EURIBOR 3M into interest payments based on a fixed interest rate:

| Conclusion date | Contractor | Nominal amount secured | Hedge start date | Hedge end date | Fixed interest rate |
|---|---|---|---|---|---|
| 26.09.2023 | Societe Generale | 25.0 | 29.09.2023 | 30.09.2026 | 3.6350% |
| 17.11.2023 | Societe Generale | 25.0 | 28.03.2024 | 31.03.2027 | 3.1020% |

The Company concluded the following forward transactions, which consisted on the purchase by the Company of euro currency at a fixed date in the future at the exchange rate determined on the date of the transaction:

| Conclusion date | Contractor | Nominal amount | Maturity date | Forward exchange rate |
|---|---|---|---|---|
| 13.08.2024 | PKO Bank Polski S.A. | 0.55 | 31.01.2025 | 4.3504 |
| 06.09.2024 | PKO Bank Polski S.A. | 0.40 | 28.02.2025 | 4.3338 |
| 05.12.2024 | PKO Bank Polski S.A. | 0.30 | 30.05.2025 | 4.3424 |
| 10.10.2024 | Bank Pekao S.A. | 0.35 | 28.02.2025 | 4.3473 |
| 10.10.2024 | Bank Pekao S.A. | 0.40 | 31.03.2025 | 4.3592 |
| 07.11.2024 | Bank Pekao S.A. | 0.25 | 31.01.2025 | 4.3569 |
| 07.11.2024 | Bank Pekao S.A. | 0.35 | 30.04.2025 | 4.3929 |

## Impact of hedging instruments valuation on assets and liabilities as at 31 December 2024

| | IRS | CIRS | Forward transactions |
|---|---|---|---|
| Assets | | | |
| Short-term | 2.3 | - | - |
| Liabilities | | | |
| Long-term | (2.9) | (2.7) | - |
| Short-term | (0.9) | (2.7) | (0.1) |
| **Total** | **(1.5)** | **(5.4)** | **(0.1)** |

## Impact of hedging instruments valuation on assets and liabilities as at 31 December 2023

| | IRS | CIRS | Forward transactions |
|---|---|---|---|
| Assets | | | |
| Short-term | 4.3 | - | - |
| Liabilities | | | |
| Long-term | (2.0) | (5.2) | - |
| Short-term | (3.7) | (0.6) | (0.4) |
| **Total** | **(1.4)** | **(5.8)** | **(0.4)** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

### 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 | (0.2) | (28.8) |
| Deferred tax | 0.0 | 5.5 |
| **Change for the period** | **(0.2)** | **(23.3)** |
| **Balance as at 31 December** | **(5.3)** | **(5.1)** |

## 34. Loans and borrowings

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Short-term liabilities | 1,315.1 | 1,069.7 |
| Long-term liabilities | 9,142.7 | 9,534.3 |
| **Total** | **10,457.8** | **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 Global Continental Sp. z o.o. (see note 40) | 1.3 | - |
| Loans and borrowings on acquisition of PAK-Polska Czysta Energia Sp. z o.o. | - | 1,704.2 |
| Effect of obtaining control over PAK-Polska Czysta Energia Sp. z o.o. and consolidation | - | (645.5) |
| Loans and borrowings on acquisition of Port Praski City II Sp. z o.o. and Port Praski Medical Center Sp. z o.o. | - | 8.8 |
| Effect of obtaining control over Port Praski City II Sp. z o.o. and Port Praski Medical Center Sp. z o.o. | - | (4.4) |
| Loans and borrowings inflows* | 610.2 | 12,157.0 |
| Loan conversion | - | (8,255.0) |
| Repayment of capital | (730.5) | (2,327.0) |
| Repayment of interest and commissions** | (857.0) | (1,018.6) |
| One-time loans repayment | - | 20.8 |
| Interest accrued and commissions | 867.8 | 908.4 |
| Foreign exchange | (38.0) | (82.1) |
| **Balance as at 31 December** | **10,457.8** | **10,604.0** |

* includes capital increase due to capitalization of accrued interest
** includes interest settled under capitalization of interest on principal

### Security

Pursuant to the Facilities Agreement, certain members of the Company's capital group are to grant guarantees under the English law to each of the financing parties under the Senior Facilities Agreement and other finance documents executed in relation thereto (in the amount of the facility increased by all fees and receivables contemplated in the Senior Facilities Agreement or other finance documents executed in relation thereto). The guarantees secure:

(i) the timely discharge of the obligations under the Senior Facilities Agreement and other finance documents executed in relation thereto;

(ii) a payment of amounts due under the Senior Facilities Agreement and other finance documents executed in relation thereto and

(iii) an indemnification of the financing parties against any liabilities, costs and losses that such financing parties may incur in relation to the unenforceability, ineffectiveness or unlawfulness of any obligation secured by the guarantee described above.

The period of the guarantees has not been specified. The guarantors will be remunerated at arm’s length for granting the guarantees.

The Senior Facilities Agreement provides for the establishment by the Company and other entities of the Polsat Plus Group of security for the repayment of loans granted under it. If the debt ratio is equal to or lower than 3.30:1, the Company may request the release of security established in connection with the Senior Facilities Agreement. The released security will have to be re-established if the debt ratio is higher than 3.30:1. Moreover, if certain entities from the Group incur a secured debt, the same security will be established on an equivalent basis (pari passu) in favor of the Security Agent (acting, among others, on behalf of the lenders under the Senior Facilities Agreement).

In order to secure the repayment of receivables under the Senior Facilities Agreement, the Company and the Security Agent concluded and signed agreements and other documents providing for the establishment of the following security:

(i) registered pledges on sets of movables and property rights of variable composition constituting the Company's enterprise;

(ii) financial and registered pledges on all shares held by the Company in Polkomtel Sp. z o.o., Telewizja Polsat Sp. z o.o., Polsat Media Sp. z o.o. as well as all shares held by the Company in Netia S.A. 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 for which the applicable law is the Polish law;

(iv) powers of attorney to the bank accounts of the Company which the applicable law is the Polish law;

(v) registered pledges over the rights to the trademarks of the Company for which the applicable law is Polish law;

(vi) assignment of receivables for security under hedging agreements payable to the Company, 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;

(viii) statements of the Company 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 Łubinowa, land and mortgage register No. WA3M/00104992/7, (b) land property located in Warsaw, Targówek district, in the area of Łubinowa, land and mortgage register No. WA3M/00102149/9, (c) land property located in Warsaw, Targówek district, in the area of Łubinowa, land and mortgage register No. WA3M/00103400/4, (d) land property located in Warsaw, Targówek district, in the area of Zabraniecka, land and mortgage register No. WA3M/00131411/9, (e) land property located in Warsaw, Praga Północ district, in the area of Zabraniecka, land and mortgage register No. WA3M/00100110/3, (f) land property located in Warsaw, Praga Północ district, in the area of 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 Zabraniecka, land and mortgage register No. WA3M/00132063/1, (i) land property located in Warsaw, Targówek district, in the area of Zabraniecka, land and mortgage register No. WA3M/00101039/8, (j) land property located in Warsaw, Targówek district, in the area of 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 Utrata, land and mortgage register No. WA3M/00186120/2.

In order to secure the repayment of claims under the Senior Facilities Agreement, other Group subsidiaries of the Company and the Security Agent have 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 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 of Polsat Media Sp. z o.o. held by 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 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 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 Polkomtel Sp. z o.o., Telewizja 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 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 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 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 contractual mortgage, governed by Polish law, over land property located in Warsaw, Ursynów district, in the area of Baletowa and Puławska, land and mortgage register No. WA5M/00478842/7, owned by Polkomtel Sp. z o.o.;

(x) 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 Luciany Frassati-Gawrońskiej, land and mortgage register KR1P/00359665/5, (c) land property located in Warsaw, Ursynów district, in the area of Poleczki, land and mortgage register WA2M/00142936/8, (d) land property located in Warsaw, Ursynów district, in the area of Poleczki, land and mortgage register WA5M/00468204/0, (e) land property located in Warsaw, Ursynów district, in the area of Tango, land and mortgage register WA2M/00138733/4.

## Financing of projects related to the production of green Energy

In 2021-2024, the companies of the PAK-PCE Group concluded investment loan agreements to finance the implementation of investment projects related to renewable energy sources.

### *PAK-PCE Biopaliwa i Wodór Sp. z o.o.*

On 1 July 2022, an amendment agreement to the loan agreement of 29 January 2021 was made between ZE PAK S.A., PAK-PCE Biopaliwa i Wodór Sp. z o.o. (PAK-PCE BiW) and Bank Polska Kasa Opieki S.A., on the basis of which a loan in the total amount of up to PLN 160.0 was transferred to PAK-PCE BiW intended to finance an investment project aimed at adapting an existing coal-fired unit, located at the Konin power plant, to burn biomass. The loan is repayable in quarterly installments of equal amount starting from 30 June 2022 and the final repayment date is 31 December 2030. The loan bears interest at a variable rate which is the sum of the WIBOR rate for the relevant interest period and a margin. The carrying value of the loan as of 31 December 2024 was PLN 109.1.

In order to secure the repayment of the loan granted, the following were established and signed: (i) a mortgage on the indicated properties of PAK-PCE BiW, (ii) financial and registered pledge on bank accounts maintained by the PAK-PCE BiW in Bank Pekao S.A. and power of attorney for each of the aforementioned bank accounts, (iii) transfer for collateral from insurance policies of assets of PAK-PCE BiW as well as assignment of receivables from heat supply contracts for the city Konin and (iv) a statement of submission of PAK-PCE BiW to execution pursuant to Article 777 § 1 point 5 of the Code of Civil Procedure.

On 23 June 2022 PAK-PCE BiW entered with Bank Polska Kasa Opieki S.A. into a credit limit agreement with maximum amount of PLN 25.0 to finance the company's general corporate purposes. Credit limit agreement expires on 30 November 2025. The loan bears interest at a variable rate, which is the sum of the WIBOR rate for the relevant interest period and a margin. As of 31 December 2024, the company has not used the limit.

### *PAK-PCE Kazimierz Biskupi Sp. z o.o. (formerly Farma Wiatrowa Kazimierz Biskupi Sp. z o.o.)*

On 20 September 2022 PAK-PCE Kazimierz Biskupi Sp. z o.o. (formerly Farma Wiatrowa Kazimierz Biskupi Sp. z o.o.) (FW Kazimierz Biskupi) entered into an investment loan agreement with Bank Gospodarstwa Krajowego intended for the construction of a wind farm. The loan agreement provides for a term loan up to a maximum amount of PLN 135.0 and VAT loan up to maximum amount of PLN 30.0. The interest rate on the loans is variable and is the sum of the WIBOR rate for the relevant interest periods and a margin. The term loan is repaid in quarterly installments starting from 20 June 2024 and the final repayment date is 20

December 2038 for term loan. The total carrying amount of investment loan as at 31 December 2024 was PLN 119.7.

In order to secure the repayment of the loan granted, the following were established and signed: (i) financial and registered pledge (subject to its registration) on all shares in the share capital of FW Kazimierz Biskupi together with a power of attorney to exercise the corporate rights of such shares, (ii) financial and registered pledge (subject to its registration) on receivables from bank account agreements of FW Kazimierz Biskupi, (iii) financial pledge (subject to its registration) on collection of property and property rights belonging to FW Kazimierz Biskupi, (iv) assignment as collateral to the bank of rights and receivables inter alia, an electricity sales contract, a construction contract, and loan agreements, (v) a debt subordination agreement, according to which claims of PAK-PCE against FW Kazimierz Biskupi were subordinated to the bank's claims under the loan agreement, (vi) power of attorney over bank accounts FW Kazimierz Biskupi and (vii) declarations of FW Kazimierz Biskupi and PAK-PCE on submission to execution under Article 777 of the Code of Civil Procedure.

### *PAK-PCE Miłosław Sp. z o.o. (formerly Park Wiatrowy Pałczyn 1 Sp. z o.o.)*

On 20 April 2023 PAK-PCE Miłosław Sp. z o.o. (formerly Park Wiatrowy Pałczyn 1 Sp. z o.o.) (PW Pałczyn) entered into a investment loan agreement with Bank Polska Kasa Opieki S.A. intended for the construction of a wind farm Miłosław. The loan agreement provides for a term loan up to a maximum amount of PLN 95.5 and VAT loan up to maximum amount of PLN 5.0. On 15 March 2024 unused amount of PLN 18.8 was cancelled. The interest rate on the loans is variable and is the sum of the WIBOR rate for the relevant interest periods and a margin. The term loan is repaid in quarterly installments (equal installments) starting from 20 June 2024 and the final repayment date is 20 December 2038 for term loan. The total carrying amount of investment loan as at 31 December 2024 was PLN 75.6.

In order to secure the repayment of the loan granted, the following were established and signed: (i) financial and registered pledge on shares of PW Pałczyn, (ii) financial and registered pledge on bank accounts of PW Pałczyn and power of attorney for each of the aforementioned bank accounts, (iii) registered pledge on assets, (iv) assignment from contracts that are essential project documentation, (v) assignment of insurance policies, and (vi) declarations of PW Pałczyn on submission to execution under Article 777, paragraph 1 points 5 and 6 of the Code of Civil Procedure.

### *PAK-PCE Fotowoltaika Sp. z o.o.*

On 12 March 2021 PAK-PCE Fotowoltaika Sp. z o.o. concluded with a consortium of banks consisting of: PKO BP S.A., Bank Pekao S.A. and mBank S.A. credit agreement, under which an investment loan was made available to the company up to a maximum amount of PLN 175.0 to finance the construction of a photovoltaic farm, of which the term loan is PLN 138.0 and the loan to finance VAT is PLN 37.0. The VAT loan was repaid on 30 June 2022. Pursuant to an amendment agreement dated 31 March 2023, the term loan limit was raised to a maximum amount of PLN 182.0. The loan bears interest at a variable rate that is the sum of the WIBOR rate for the relevant interest periods and a margin. The term loan is repayable in quarterly installments according to the payment schedule starting from 31 March 2022 while the final repayment date is 31 December 2035. The total carrying amount of investment loan as at 31 December 2024 was PLN 140.8.

In order to secure the repayment of the loan granted, the following were established and signed: (i) mortgage on the property, (ii) financial and registered pledge on bank accounts, (iii) financial and registered pledge on shares in PAK-PCE Fotowoltaika Sp. z o.o., (iv) registered pledge on movable assets, (v) assignment of receivables from the main contracts of the project, including the insurance policies, (vi) declarations on submission to execution under

Article 777 of the Code of Civil Procedure, (vii) ZE PAK surety up to PLN 10.0, (viii) power of attorney for PAK-PCE Fotowoltaika Sp. z o.o. bank accounts.

In addition, PAK-PCE Fotowoltaika Sp. z o.o. signed 3 loan agreements with ZE PAK S.A. (on 8 March 2021, 9 March 2021 and 29 March 2022) for a total maximum amount of up to PLN 9.5. The funds from the loans received were used to build a photovoltaic farm and finance the company's current operations. The loans bear interest at a variable rate, which is the sum of the WIBOR rate for the relevant interest periods and a margin. The loans mature on 31 December 2035. Total debt under the loans as of 31 December 2024 was PLN 12.1.

*PAK-PCE Polski Autobus Wodorowy Sp. z o.o.*

On 22 December 2022 PAK-PCE Polski Autobus Wodorowy Sp. z o.o. (PAK-PCE PAW) concluded with the National Environmental Protection and Water Management Fund an agreement on financing in the form of a loan for the construction of a production plant for innovative hydrogen buses in Świdnik. The loan was granted for a maximum amount of PLN 50.0. The loan bears interest at a variable rate of the WIBOR rate with a minimum rate limitation. The term loan is repayable in quarterly equal installments according to the payment schedule starting from 20 December 2025 while the final repayment date is 20 December 2037. The total carrying amount of investment loan as at 31 December 2024 was PLN 40.0.

In connection with the loan agreement, the following were signed: (i) a blank promissory note with a promissory note declaration, (ii) a promissory note guarantee of ZE PAK S.A. along with a promissory note declaration, (iii) a mortgage on the real estate on which the project is implemented, (iv) a declaration of submission to execution on the subject of the mortgage, and (v) a pledge on a set of property and rights - once the project is implemented.

On 10 May 2024 PAK-PCE Polski Autobus Wodorowy signed 10 loan agreements with PKO Leasing, each for the amount of approx. PLN 2.9. Their goal is to refinance the production costs of NesoBus hydrogen-powered buses. The loan bears variable interest - WIBOR and margin. All 10 loans were disbursed on 16 September 2024. All loans will be repaid in monthly installments in accordance with the payment schedule starting from 30 October 2024, and the final repayment date will be no later than 30 September 2034. As at 31 December 2024, the carrying amount of all 10 loans was PLN 28.4.

The loans are secured by: (i) in blanco promissory note issued by PAK-PCE Polski Autobus Wodorowy with a promissory note declaration, (ii) a guarantee by ZE PAK S.A., (iii) transfer of ownership to secure movable property, i.e. buses, on the basis of an agreement on transfer of ownership as security, (iv) transfer to secure rights under an insurance policy, and (v) submission by ZE PAK S.A. rigor of execution under Art. 777.

*PAK-Volt S.A.*

PAK-Volt S.A. entered into two loan agreements with ZE PAK S.A. to finance the company's current operations: on 15 December 2020 in maximum amount of PLN 13.0 and on 24 November 2022 in maximum amount of PLN 120.0. The loans bore interest at a variable rate that was the sum of the WIBOR rate for the relevant interest periods and a margin. The 15 December 2020 loan was repaid with interest on 2 October 2023. The 24 November 2022 loan matures on 31 December 2025, and as of 31 December 2024, it had not been utilized.

*PAK-PCE Przyrów Sp. z o.o. (formerly Farma Wiatrowa Przyrów Sp. z o.o.)*

On 16 October 2023, PAK-PCE Przyrów Sp. z o.o. (formerly Farma Wiatrowa Przyrów Sp. z o.o.) (FW Przyrów) entered into a loan agreement with EFG Bank (Luxembourg) S.A. providing for the granting of financing in the form of a term loan up to the amount of PLN 360.0, bearing interest at a variable rate representing the sum of the WIBOR rate for the relevant interest periods and a margin. The funds raised are used to implement the "Przyrów" wind power project with a target estimated installed capacity of 50.4 MW. The loan amount is secured by a third party entity related to the main shareholder. The loan repayment date was set for 16 October 2028. On 20 December 2024, the loan was partially repaid in the amount of PLN 220.0. The carrying amount of the loan as at 31 December 2024 was PLN 77.4.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

On 19 December 2024 FW Przyrów concluded an agreement with IB Towarzystwo Funduszy Inwestycyjnych S.A. a loan agreement providing for financing in the form of a loan up to PLN 220.0, bearing interest at a variable interest rate constituting the sum of the WIBOR rate for the relevant interest periods and the margin. The funds obtained are used to implement the "Przyrów" wind farm project with a target estimated installed capacity of 50.4 MW. The loan repayment date was set for 16 October 2028. On 19 December 2024 the loan was disbursed in the amount of PLN 220.0. The carrying amount of the loan as at 31 December 2024 was PLN 220.5.

*PAK-PCE Człuchów Sp. z o.o. (formerly Great Wind Sp. z o.o.)*

On 9 November 2023 PAK-PCE Człuchów Sp. z o.o. (formerly Great Wind Sp. z o.o.) (Great Wind) concluded with a consortium of banks consisting of: BGK, mBank S.A., Santander Bank Polska S.A. and PKO BP S.A. credit agreement, on the basis of which a term loan up to the maximum amount of PLN 656.0 revolving credit up to a maximum amount of PLN 44.0 and VAT revolving credit up to a maximum amount of PLN 100.0 was made available to the company. The loans will be used to finance the construction of a Człuchów wind farm. The loan bears interest at a variable rate that is the sum of the WIBOR rate for the relevant interest periods and a margin. The term loan is repayable in quarterly installments according to the payment schedule starting from 20 March 2025 while the final repayment date is 20 December 2039. The revolving credit will be repaid by 31 December 2029. The VAT revolving credit will be repaid by 30 June 2025. As of 31 December 2024, the carrying amount of the term loan and VAT loan (combined) was PLN 605.7. The revolving credit facility had not been used as of 31 December 2024.

In order to secure the repayment of the loan granted, the following were established and signed: (i) registered pledge on a collection of movables and property rights of variable composition, which are part of an enterprise Great Wind, (ii) financial pledges and registered pledges on all shares in Great Wind held by PAK-PCE, together with a power of attorney to exercise corporate rights from shares in Great Wind; (iii) financial and registered pledges on claims under Great Wind's bank account agreements; (iv) powers of attorney to Great Wind's bank accounts; (v) guarantee of contribution by PAK-Polska Czysta Energia Sp. z o.o.; (vi) guarantee of cost overruns by ZE PAK S.A.. In addition, subordination and assignment by way of security of certain claims of PAK-Polska Czysta Energia Sp. z o.o. against Great Wind with respect to the claims of the financing parties under the loan agreement and related documents, assignment by way of security of claims under the project documents and guarantees owed to Great Wind, agreements for the sale of electricity generated at the renewable energy source and financial settlement agreement (contract for difference) were concluded with the contractors; and declarations of submission to execution were made by Great Wind and PAK-PCE.

## 35. Issued bonds

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Short-term liabilities | 366.9 | 393.7 |
| Long-term liabilities | 3,670.8 | 3,955.4 |
| **Total** | **4,037.7** | **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 |
| Bond issue (series F bonds) | - | 400.0 |
| Bonds redemption (series B and C bonds*) | (311.9) | (1,688.1) |
| Repayment of interest and commissions** | (379.3) | (254.8) |
| One-time income resulting from cash flow modification as a result of the conversion/redemption of bonds | (2.5) | (20.8) |
| Interest accrued and commissions | 382.3 | 366.9 |
| **Balance as at 31 December** | **4,037.7** | **4,349.1** |

* 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.

In accordance with Article 35 Paragraphs 1a and 1c of the Bond Law, the Company presented on its website in the investor relations section forecasts of the development of financial liabilities, including the estimated value of financial liabilities and the estimated structure of financing understood as the value and percentage of liabilities from loans and borrowings, issuance of debt securities, leases in the total equity and liabilities of the Company's balance sheet and of the Group's consolidated balance sheet.

The following table compares the forecast with actual results based on the Company's standalone balance sheet and the Group's consolidated balance sheet as at 31 December 2024.

| | 31 December 2024 forecast[1)] [PLN billion] | 31 December 2024 actual results [PLN billion] |
|---|---|---|
| **Cyfrowy Polsat S.A.** | | |
| Value of financial liabilities (from loans and borrowings, issuance of debt securities and leases) | 6.3 | 6.2 |
| Share in total equity and liabilities | 33% | 31% |
| **Cyfrowy Polsat S.A. Capital Group** | | |
| Value of financial liabilities (from loans and borrowings, issuance of debt securities and leases) | 16.9 | 15.2 |
| Share in total equity and liabilities | 44% | 41% |

1) Forecast published in December 2023

On a standalone basis, at the end of 2024, the value of financial liabilities (for loans and borrowings, bonds and leases) and the share in the Company's total liabilities were in line with the forecast published in December 2023.

On a consolidated basis, the deviation from the estimate of the actual value of the Group's financial liabilities (due to loans and borrowings, issued bonds and leasing) at the end of 2024 amounted to approximately PLN 1.7 billion (not in millions) and resulted mainly from: the repayment of the entire debt under the revolving facility loan in the amount of PLN 1 billion (not in millions) in December 2023, (ii) lower than expected demand for external financing for investments related to the development of the green energy segment, and (iii) the appreciation of PLN, which affected the balance sheet debt valuation denominated in EUR.

## 36. Lease liabilities

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Short-term liabilities | 181.9 | 166.2 |
| Long-term liabilities | 502.8 | 444.6 |
| **Total** | **684.7** | **610.8** |

Change in lease liabilities:

| | 2024 | 2023 |
|---|---|---|
| **Balance as at 1 January** | **610.8** | **524.2** |
| Acquisition of a subsidiary | - | 76.4 |
| Changes | 281.6 | 214.2 |
| Interest accrued | 41.3 | 29.5 |
| Repayment of capital and interest | (246.3) | (222.9) |
| Foreign exchange differences | (2.7) | (10.6) |
| **Balance as at 31 December** | **684.7** | **610.8** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

# 37. Group as a lessor

## Operating lease

The Group entered into contracts with third parties, which are classified as operating leases based on their economic substance. The contracts relate to the rental of reception equipment and lease of office and other premises. Assets connected with such contracts are presented as either reception equipment or other property, plant and equipment.

Lease contracts for set-top boxes were concluded for a base contractual period ranging from 12 to 24 months. After each base period, the contracts are converted into contracts with indefinite term, unless terminated by the subscribers or new contracts are signed.

Future minimum lease payments with respect to operating lease are as follows.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| less than 1 year | 209.8 | 217.6 |
| between 1 and 5 years | 153.0 | 146.1 |
| more than 5 years | 147.7 | 41.4 |
| **Total** | **510.5** | **405.1** |

The Group generated revenues from operating leasing agreements in the amount of PLN 323.4 in 2024 and in the amount of PLN 320.9 in 2023.

## Finance lease

The Group entered into contract in 2024, which is classified as finance lease based on their economic substance. The contract relates to the leasing of 10 hydrogen buses. Assets connected with such contract is presented as non-current and current receivables.

Lease contract for hydrogen buses was concluded for 10 years.

Future minimum lease payments with respect to finance lease are as follows.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| less than 1 year | 4.8 | - |
| between 1 and 5 years | 19.3 | - |
| more than 5 years | 22.1 | - |
| **Total** | **46.2** | **-** |

In 2024, the Group generated revenues from finance leasing agreement in the amount of PLN 36.5, including the initial recognition of lease revenue from buses amounting to PLN 33.4.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 38. Other non-current liabilities and provisions

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Payables relating to purchase of programming rights | 34.6 | 108.7 |
| Provisions | 77.5 | 73.4 |
| Other | 189.5 | 203.5 |
| *includes: derivative instruments* | *10.8* | *24.0* |
| **Total** | **301.6** | **385.6** |

## 39. Trade and other payables

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Trade payables to related parties | 17.5 | 9.0 |
| Trade payables to third parties | 699.3 | 541.2 |
| Taxation and social security payables | 223.1 | 173.0 |
| Payables relating to purchase of programming rights to related parties | 1.0 | 1.0 |
| Payables relating to purchase of programming rights to third parties | 281.0 | 281.4 |
| Payables relating to purchases of tangible and intangible assets | 186.9 | 456.7 |
| Accruals | 1,390.4 | 1,213.7 |
| Short-term provisions | 35.2 | 67.2 |
| Derivative instruments liabilities (note 41) | 8.2 | 20.2 |
| Other | 248.3 | 409.2 |
| **Total** | **3,090.9** | **3,172.6** |

### Accruals

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Salaries | 185.3 | 176.1 |
| License fees and royalties for copyright management organizations | 96.7 | 102.5 |
| Distribution costs | 58.3 | 61.1 |
| Costs of settlements with telecommunication operators | 73.1 | 70.3 |
| Network maintenance costs | 393.8 | 305.4 |
| Investment purchases | 223.2 | 114.4 |
| Other | 360.0 | 383.9 |
| **Total** | **1,390.4** | **1,213.7** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

### Short-term and long-term provisions

| | 2024 | 2023 |
|---|---|---|
| **Balance as at 1 January** | **140.6** | **131.2** |
| Acquisition of a subsidiary | - | 9.3 |
| Increases | 15.3 | 43.8 |
| Reversal | (16.9) | (16.5) |
| Utilisation | (26.3) | (27.2) |
| **Balance as at 31 December** | **112.7** | **140.6** |
| *Of which: Short-term* | *35.2* | *67.2* |
| *Long-term* | 77.5 | *73.4* |

Provisions comprise *inter alia* of provision for license fees, litigation and disputes and retirement.

### Trade payables and payables relating to purchases of programming rights and non-current assets by currency

| Currency | 31 December 2024 | 31 December 2023 |
|---|---|---|
| PLN | 871.1 | 1,028.3 |
| EUR | 228.6 | 174.1 |
| USD | 71.4 | 83.2 |
| Other | 14.6 | 3.7 |
| **Total** | **1,185.7** | **1,289.3** |

### Accruals by currency

| Currency | 31 December 2024 | 31 December 2023 |
|---|---|---|
| PLN | 1,316.7 | 1,087.3 |
| EUR | 21.9 | 83.3 |
| USD | 15.8 | 15.0 |
| Other | 36.0 | 28.1 |
| **Total** | **1,390.4** | **1,213.7** |

**Other notes**

## 40. Acquisition of subsidiaries

### Acquisition of shares in PAK-Polska Czysta Energia Sp. z o.o. – final settlement of the purchase of shares

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

On 3 July 2023 Cyfrowy Polsat acquired an additional 10.1% of shares in PAK-Polska Czysta Energia Sp. z o.o. and took control of PAK-Polska Czysta Energia Sp. z o.o. together with its subsidiaries ("PAK-PCE Group").

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

As of the date of taking control, i.e. 3 July 2023 Cyfrowy Polsat and PAK-Polska Czysta Energia Sp. z o.o. were under common control. The Group used the acquisition method in accordance with the provisions of IFRS 3 when settling the acquisition 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 belonging to the PAK-PCE Group. The fair value of entities conducting operating activities was determined using 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 account as at the acquisition date.

### 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** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

### Final fair value valuation of net assets and goodwill 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 3 July 2023:

| | Fair value as at the acquisition date (3 July 2023) |
|---|---|
| **Net assets:** | |
| Property, plant and equipment | 1,827.9 |
| Customer relations | 88.1 |
| Other intangible assets | 900.1 |
| Right of use | 89.9 |
| Other long-term assets | 117.1 |
| Deferred tax assets | 16.5 |
| Inventories | 129.1 |
| Trade receivables and other receivables | 214.3 |
| Income tax receivables | 0.8 |
| Other current assets | 64.9 |
| Cash and cash equivalents | 269.5 |
| Credit and loan liabilities | (1,704.2) |
| Lease liabilities | (76.4) |
| Deferred tax liabilities | (211.1) |
| Other long-term liabilities and provisions | (87.5) |
| Contract liabilities | (113.4) |
| Trade liabilities and other short-term liabilities | (318.5) |
| **Value of identified net assets (100%) [A]** | **1,207.1** |
| **Value of identified net assets attributable to non-controlling interests (49.5%) [B]** | **597.5** |
| **Value of identified net assets attributable to the Group (50.5%)** | **609.6** |
| **Purchase price [C]** | **735.3** |
| **Goodwill [C]-([A]-[B])** | **125.7** |

As part of the transaction, the previously existing connections 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 unsettled items of mutual receivables and liabilities between companies from both capital groups as at 3 July 2023, resulting 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 forecast market price and the price resulting from the concluded contract. The effect of valuation of the previously existing relationship was recognized by the Group in the profit and loss account as of the acquisition date.

During the purchase price allocation process, the Group identified and 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 connection to the grid ("Permits")) and customer relations.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

The fair value of the Permits in the amount of PLN 880.2 (included in Other intangible assets) was estimated using 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 specific useful life was adopted. The permits are subject to depreciation over a period equal to the depreciation period of the farms for which the permits were obtained.

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

Goodwill was allocated to the "Green Energy" segment and mainly concerns the synergy effect and economies of scale that can be achieved through further development of the business.

Net revenues and loss for the period from 3 July 2023 to 31 December 2023 attributable to the PAK-PCE Group included in the consolidated profit and loss account amounted to PLN 771.6 and PLN 48.2, respectively. If the share purchase transaction took place on 1 January 2023 the pro forma revenues and profit recognized by the Group in the consolidated profit and loss account would amount to PLN 14,362.8 and PLN 284.7, respectively, for the 12-month period ended 31 December 2023.

## Acquisition of shares in naEKRANIE.pl Sp. z o.o. – final settlement of the purchase of shares

On 20 July 2023 Polsat Investments Ltd. (a subsidiary of the Company) acquired 60% of shares in naEKRANIE.pl Sp. z o.o.

The remuneration for 60% of the shares amounted to PLN 11.1 (including price adjustments in accordance with the agreement).

As a result of the transaction, the Group holds 60% of shares in naEKRANIE.pl Sp. z o.o. and exercises control over the company.

### FINAL 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% of shares | (11.1) |
| Cash and cash equivalents received | 0.3 |
| **Cash decrease in the period of 12 months ended 31 December 2023** | **(10.8)** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

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

The table below presents the fair value of the identified assets and liabilities of the acquired company as well as the goodwill determined as at the acquisition date.

The finally determined fair value of the acquired assets and liabilities as of 20 July 2023:

| | Fair value as at the acquisition date (20 July 2023) |
|---|---|
| **Net assets:** | |
| naEKRANIE.pl brand | 1.4 |
| Other intangible assets | 0.6 |
| Trade receivables and other receivables | 0.5 |
| Cash and cash equivalents | 0.3 |
| Deferred tax liabilities | (0.3) |
| Trade liabilities and other short-term liabilities | (0.1) |
| **Value of identified net assets** | **2.4** |
| **Value of identified net assets attributable to non-controlling interests** | **0.9** |
| **The value of identified net assets attributable to the Group** | **1.5** |
| **Purchase price** | **11.1** |
| **Goodwill** | **9.6** |

Goodwill was allocated to the "Media" segment.

Due to the completion of the fair value measurement process, the fair value of acquired and identified assets and liabilities was adjusted for the impact of the final valuation, including, among others: the naEKRANIE.pl brand was identified.

The Group did not restate depreciation or income tax in the income statement for previous periods due to the fact that this impact would be immaterial.

Revenues and net profit for the period from 20 July 2023 to 31 December 2023 attributable to naEKRANIE.pl Sp. z o.o. recognized in the consolidated profit and loss account amounted to PLN 1.7 and PLN 0.7, respectively. If the share purchase transaction took place on 1 January 2023, the pro forma revenues and profit recognized by the Group in the consolidated profit and loss account would amount to PLN 13,629.8 and PLN 313.0, respectively, for the 12-month period ended 31 December 2023.

## Acquisition of shares in 4FUN Sp. z o.o. – final settlement of the purchase of shares

On 21 July 2023, Polsat Investments Ltd. (a subsidiary of the Company) acquired 60% of shares in 4FUN Sp. z o.o.

The remuneration for 60% of the shares was PLN 37.5 (including price adjustments in accordance with the agreement).

As a result of the transaction, the Group holds 60% of the shares of 4FUN Sp. z o.o. and exercises control over the company.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

### Final 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 and 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 the fair value of the identified assets and liabilities of the acquired company as well as the goodwill determined as at the acquisition date.

The finally determined fair value of the acquired assets and liabilities as of 21 July 2023:

| | Fair value as at the acquisition date (21 July 2023) |
|---|---|
| **Net assets:** | |
| 4FUN brand | 7.1 |
| Other intangible assets | 1.7 |
| Trade and other receivables | 2.0 |
| Income tax receivables | 0.8 |
| Cash and cash equivalents | 16.5 |
| Deferred tax liabilities | (1.7) |
| Trade liabilities and other short-term liabilities | (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 was allocated to the "Media" segment.

Due to the completion of the fair value measurement process, the fair value of acquired and identified assets and liabilities was adjusted for the impact of the final valuation, including, among others: the 4FUN brand was identified.

The Group did not restate depreciation or income tax in the income statement for previous periods due to the fact that this impact would be immaterial.

Net revenues and loss for the period from 21 July 2023 to 31 December 2023 attributable to 4FUN Sp. z o.o. recognized in the consolidated profit and loss account amounted to PLN 10.6 and PLN 3.0, respectively. If the share purchase transaction took place on 1 January 2023, the pro forma revenues and profit recognized by the Group in the consolidated profit and loss account would amount to PLN 13,645.8 and PLN 320.2, respectively, for the 12-month period ended 31 December 2023.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## Acquisition of shares of Global Continental Sp. z o.o. – provisional purchase price allocation

On 4 November 2024, PAK-Polska Czysta Energia Sp. z o.o. acquired 100% of shares in Global Continental Sp. z o.o.

The purchase price was PLN 4.1.

### PROVISIONAL CONSIDERATION TRANSFERRED

| | Provisional value of consideration transferred |
|---|---|
| Cash transferred for 100% of shares | 2.5 |
| Contractual payment obligation | 1.6 |
| **Provisional value as at 4 November 2024** | **4.1** |

### RECONCILIATION OF TRANSACTIONAL CASH FLOW

| | |
|---|---|
| Cash transferred for 100% of shares | (4.1) |
| Cash and cash equivalents received | 0.0 |
| **Cash decrease in the period of 12 months ended 31 December 2024** | **(4.1)** |

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

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

Provisional fair value of assets and liabilities as at 4 November 2024:

| | Provisional fair value as at the acquisition date (4 November 2024) |
|---|---|
| **Net assets:** | |
| Inventories | 0.0 |
| Trade receivables and other receivables | 1.3 |
| Cash and cash equivalents | 0.0 |
| Credit and loan liabilities | (1.3) |
| **Provisional value of net assets** | **0.0** |
| **Provisional consideration transferred** | **4.1** |
| **Provisional goodwill** | **4.1** |

The provisional goodwill was allocated to the "Green Energy" segment.

Net revenues and loss for the period from 4 November 2024 to 31 December 2024 attributable to Global Continental Sp. z o.o. recognized in the consolidated profit and loss account amounted to PLN 0.0 and PLN 0.0, respectively. If the share purchase transaction took place on 1 January 2024, the pro forma revenues and profit recognized by the Group in the consolidated profit and loss account would amount to PLN 14,265.9 and PLN 777.2, respectively, for the 12-month period ended 31 December 2024.

## 41. Financial instruments

### Overview

Cyfrowy Polsat S.A. Capital Group has exposure to the following risks from its use of financial instruments:

- credit risk,
- liquidity risk,
- market risk:
    - currency risk,
    - interest rate risk.

The Group's risk management policies are designed to reduce the impact of any adverse conditions on the Group's results.

The Management Board has overall responsibility for the oversight and management of the risks that the Group is subjected to in its activities. Therefore, the Management Board has established an overall risk management framework as well as specific risk management policies with respect to market, credit and liquidity risks.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are also included throughout these consolidated financial statements.

Bank loans, bonds, cash, forwards, interest rate swaps, currency interest rate swaps and short-term bank deposits are the main financial instruments used by the Group, with the intention of securing the financing for the Group's activities. The Group also holds other financial instruments including trade receivables and payables, payables relating to purchases of programming rights and payables relating to purchases of tangible and intangible assets which arise in the course of its business activities.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| FINANCIAL ASSETS | Carrying amount | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| **Financial assets measured at amortized cost** | **6,511.4** | **7,196.6** |
| Loans granted | 25.0 | 127.1 |
| Trade and other receivables from related parties | 16.7 | 13.4 |
| Trade and other receivables from third parties | 3,782.6 | 3,729.2 |
| Cash and cash equivalents | 2,653.0 | 3,307.2 |
| Restricted cash | 34.1 | 19.7 |
| **Financial assets measured at fair value through profit or loss** | **819.8** | **630.3** |
| Investments in equity instruments | 808.6 | 614.4 |
| Other assets | 11.2 | 15.9 |
| **Financial assets measured at fair value through other comprehensive income** | **5.5** | **1.5** |
| Investments in equity instruments | 5.5 | 1.5 |
| **Hedging derivative instruments** | **2.3** | **4.3** |
| Interest rate swaps | 2.3 | 4.3 |
| **Derivative instruments not designated as hedging instruments** | **78.3** | **52.5** |
| Interest rate swaps | 46.9 | 24.0 |
| Financial PPA | 31.4 | 28.5 |

| FINANCIAL LIABILITIES | Carrying amount | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| **Financial liabilities measured at amortized cost** | **18,077.9** | **18,704.8** |
| Loans and borrowings | 10,457.8 | 10,604.0 |
| Issued bonds | 4,037.7 | 4,349.1 |
| Lease liabilities | 684.7 | 610.8 |
| Trade and other payables to third parties and deposits | 1,481.0 | 1,707.8 |
| Trade and other payables to related parties | 26.3 | 219.4 |
| Accruals | 1,390.4 | 1,213.7 |
| **Hedging derivative instruments** | **9.3** | **11.9** |
| Interest rate swaps | 3.8 | 5.7 |
| Currency interest rate swaps | 5.4 | 5.8 |
| Forward transactions | 0.1 | 0.4 |
| **Derivative instruments not designated as hedging instruments** | **9.7** | **32.3** |
| Interest rate swaps | 4.0 | 26.3 |
| Currency interest rate swaps | 5.5 | 5.9 |
| Forward transactions | 0.2 | 0.1 |
| **Put option** | **44.9** | **39.5** |

## Credit risk

Credit risk is defined as the risk that counterparties of the Group will not be able to meet their contractual obligations, resulting in a financial loss to the other party. Exposure to credit risk is related to three main areas:

- the creditworthiness of the customers with whom physical sale transactions are undertaken,
- the creditworthiness of the financial institutions (banks/brokers) with whom hedging transactions are undertaken,
- the creditworthiness of the entities in which investments are made, or whose securities are purchased.

The Group's exposure to credit risk is associated primarily with trade receivables and contract assets. The Parent's customer base includes a large number of individual subscribers who are dispersed geographically over the entire country, and who are required to prepay their subscription fees. Receivables from Parent's sales network are covered with commission liabilities or deposits. Receivables from subscribers are continuously monitored and recovery actions are taken, including blocking the signal transferred to subscribers or termination of services to mobile and Internet subscribers. Telewizja Polsat and its subsidiaries provide services with deferred payment which may cause the risk of delays. Assessment of the creditworthiness of the counterparties is regularly carried out and in principle the company does not require security in relation to the financial assets. Polkomtel's customer base is dispersed geographically over the entire country. In case of key postpaid clients services are rendered following positive credit approval while in case of individual retail clients the verification process is automatized and based on IT-supported customer relationship management system and features of the billing systems. Receivables from Polkomtel's sales network are continuously monitored, sales limits and utilization limits are used.

The Group pursues a credit policy under which credit risk exposure is constantly monitored.

Due to diversification of risk in terms of the nature of individual entities, their geographical location and cooperation with highly-rated financial institutions, also taking into consideration the fair value of liabilities arising from derivative transactions, the Group is not materially exposed to credit risk as a result of derivative transactions entered into.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at the reporting date was as follows:

## Maximum exposure to credit risk

| | Carrying amount | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Loans granted | 25.0 | 127.1 |
| Trade and other receivables from related parties | 16.7 | 13.4 |
| Trade and other receivables from third parties | 3,782.6 | 3,729.2 |
| Contract assets | 342.0 | 349.0 |
| Cash and cash equivalents | 2,653.0 | 3,307.2 |
| Restricted cash | 34.1 | 19.7 |
| **Hedging derivative instruments** | **2.3** | **4.3** |
| Interest rate swaps | 2.3 | 4.3 |
| **Derivative instruments not designated as hedging instruments** | **78.3** | **52.5** |
| Interest rate swaps | 46.9 | 24.0 |
| Financial PPA | 31.4 | 28.5 |
| **Total** | **6,934.0** | **7,602.4** |

The concentration of credit risk for trade and other receivables, loans granted and contract assets is presented in the tables below:

| | Carrying amount | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Receivables from subscribers | 2,931.4 | 3,018.5 |
| Receivables from media companies | 421.8 | 381.0 |
| Receivables from satellite and cable operators | 21.2 | 39.1 |
| Roaming and interconnect receivables | 347.9 | 299.9 |
| Receivables from distributors | 64.2 | 72.2 |
| Receivables and loans granted to related parties | 29.5 | 40.9 |
| Other receivables and loans granted to third parties | 350.3 | 367.1 |
| **Total** | **4,166.3** | **4,218.7** |

| | Carrying amount | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Company A | 69.1 | 79.8 |
| Company B | 57.1 | 36.4 |
| Company C | 46.3 | 32.5 |
| Company D | 31.5 | 28.2 |
| Company E | 29.3 | 26.7 |
| Other | 3,933.0 | 4,015.1 |
| **Total** | **4,166.3** | **4,218.7** |

Note: for each year 5 largest debtors are presented, not necessarily the same entities in both periods.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

The ageing of trade and other receivables, loans granted and contract assets at the reporting date was:

| | 31 December 2024 | | | 31 December 2023 | | |
|---|---|---|---|---|---|---|
| | Gross | Impairment | Net | Gross | Impairment | Net |
| Not past due | 3,402.8 | 48.6 | 3,354.2 | 3,507.2 | 49.1 | 3,458.1 |
| Past due 1-30 days | 319.5 | 10.6 | 308.9 | 314.9 | 12.8 | 302.1 |
| Past due 31-60 days | 87.8 | 11.4 | 76.4 | 49.5 | 11.6 | 37.9 |
| Past due more than 60 days | 237.7 | 152.9 | 84.8 | 235.1 | 163.5 | 71.6 |
| **Total** | **4,047.8** | **223.5** | **3,824.3** | **4,106.7** | **237.0** | **3,869.7** |
| Contract assets | 356.2 | 14.2 | 342.0 | 363.2 | 14.2 | 349.0 |
| **Total** | **4,404.0** | **237.7** | **4,166.3** | **4,469.9** | **251.2** | **4,218.7** |

## Liquidity risk

The Group's objective in liquidity management is to ensure that it always has sufficient funds to meet its liabilities when due. Any surplus cash is invested mainly into bank deposits.

The Group prepares, on an ongoing basis, analyses and forecasts of its cash requirements based on projected cash flows.

The following are the contractual maturities of the Group's financial liabilities, that will be settled net in the appropriate age ranges, based on the remaining period until the contractual maturity date as at the balance sheet date.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | 31 December 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Carrying amount** | Contractual cash flows | 6 months and less | 6-12 months | 1-2 years | 2-5 years | Over 5 years |
| Loans and borrowings | 10,457.8 | 13,414.5 | 743.1 | 730.6 | 1,571.5 | 9,200.4 | 1,168.9 |
| Issued bonds | 4,037.7 | 5,939.4 | 189.4 | 186.4 | 375.8 | 1,128.4 | 4,059.4 |
| Lease liabilities | 684.7 | 989.3 | 115.4 | 106.2 | 165.3 | 248.0 | 354.4 |
| Trade and other payables to third parties and deposits | 1,481.0 | 1,481.0 | 1,481.0 | - | - | - | - |
| Trade and other payables to related parties | 26.3 | 26.3 | 26.3 | - | - | - | - |
| Accruals | 1,390.4 | 1,390.4 | 1,390.4 | - | - | - | - |
| Hedging derivative instruments: | | | | | | | |
| IRS[1] | 3.8 | 4.1 | 0.9 | - | 1.9 | 1.3 | - |
| CIRS | 5.4 | | | | | | |
| - inflows | | (8.9) | (2.6) | (2.1) | (3.7) | (0.5) | - |
| - outflows | | 15.1 | 3.8 | 3.9 | 6.6 | 0.8 | - |
| Forward transactions | 0.1 | | | | | | |
| - inflows | | (11.1) | (11.1) | - | - | - | - |
| - outflows | | 11.3 | 11.3 | - | - | - | - |
| Derivative instruments not designated as hedging instruments: | | | | | | | |
| IRS[1] | 4.0 | 4.3 | 1.6 | - | 0.6 | 2.1 | - |
| CIRS | 5.5 | | | | | | |
| - inflows | | (9.0) | (2.6) | (2.1) | (3.7) | (0.6) | - |
| - outflows | | 15.4 | 3.9 | 3.9 | 6.7 | 0.9 | - |
| Forward transactions | 0.2 | | | | | | |
| - inflows | | (17.3) | (17.3) | - | - | - | - |
| - outflows | | 17.5 | 17.5 | - | - | - | - |
| | **18,096.9** | **23,262.3** | **3,951.0** | **1,026.8** | **2,121.0** | **10,580.8** | **5,582.7** |

[1] According to the agreements cash flows will be in net amount.

Undiscounted future cash flows related to lease agreements for an indefinite period equal PLN 165.6 as at 31 December 2024.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | 31 December 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Carrying amount** | Contractual cash flows | 6 months and less | 6-12 months | 1-2 years | 2-5 years | Over 5 years |
| Loans and borrowings | 10,604.0 | 11,681.5 | 148.6 | 513.3 | 1,297.0 | 8,331.5 | 1,391.1 |
| Issued bonds | 4,349.1 | 6,817.0 | 193.9 | 210.0 | 421.0 | 1,524.3 | 4,467.8 |
| Lease liabilities | 610.8 | 819.2 | 102.5 | 94.9 | 164.6 | 197.9 | 259.3 |
| Trade and other payables to third parties and deposits | 1,707.8 | 1,707.8 | 1,707.8 | - | - | - | - |
| Trade and other payables to related parties | 219.4 | 219.4 | 219.4 | - | - | - | - |
| Accruals | 1,213.7 | 1,213.7 | 1,213.7 | - | - | - | - |
| Hedging derivative instruments: | | | | | | | |
| IRS[1] | 5.7 | 5.9 | 1.0 | 2.8 | 2.1 | - | - |
| CIRS | 5.8 | | | | | | |
| - inflows | | (14.9) | (3.1) | (3.1) | (4.5) | (4.2) | - |
| - outflows | | 22.1 | 3.0 | 3.9 | 7.7 | 7.5 | - |
| Forward transactions | 0.4 | | | | | | |
| - inflows | | (16.3) | (16.3) | - | - | - | - |
| - outflows | | 16.7 | 16.7 | - | - | - | - |
| Derivative instruments not designated as hedging instruments: | | | | | | | |
| IRS[1] | 26.3 | 29.3 | 4.6 | 6.2 | 9.7 | 8.8 | - |
| CIRS | 5.9 | | | | | | |
| - inflows | | (15.1) | (3.1) | (3.2) | (4.5) | (4.3) | - |
| - outflows | | 22.4 | 3.0 | 4.0 | 7.8 | 7.6 | - |
| Forward transactions | 0.1 | | | | | | |
| - inflows | | (6.1) | (6.1) | - | - | - | - |
| - outflows | | 6.3 | 6.3 | - | - | - | - |
| | **18,749.0** | **22,508.9** | **3,591.9** | **828.8** | **1,900.9** | **10,069.1** | **6,118.2** |

[1] According to the agreements cash flows will be in net amount.

Undiscounted future cash flows related to lease agreements for an indefinite period equal PLN 162.0 as at 31 December 2023.

## Market risk

The Group has an active approach to managing its market risk exposure. The objectives of market risk management are:

- to limit fluctuations in profit/loss before tax,
- to increase the probability of meeting budget assumptions,
- to maintain the healthy financial condition and
- to support the process of undertaking strategic decisions relating to investing activity, with attention to sources of capital for this activity.

All the market risk management objectives should be considered as a whole, while their realisation is dependent primarily upon the internal situation and market conditions.

The Group applies an integrated approach to market risk management. This means a comprehensive approach to the whole spectrum of identified market risks, rather than to each of them individually. The primary technique for market risk management is the use in the Group of hedging strategies involving derivatives. Apart from this, natural hedging is also used to the extent available.

All of the potential hedging strategies and the selection of those preferred reflect the following factors: the nature of identified market risk exposures of the Group, the suitability of instruments to be applied and the cost of hedging, current and forecasted market conditions. In order to mitigate market risk, derivatives are primarily used. The Group transacts only those derivatives for which it has the ability to assess their value internally, using standard pricing models appropriate for a particular type of derivative, and also these which can be traded without significant loss of value with a counterparty other than the one with whom the transaction was initially entered into. In evaluating the market value of a given instrument, the Group relies on information obtained from particular market leading banks, brokers and information services.

It is permitted to use the following types of instruments:

- Swaps (IRS/CIRS),
- Forwards and futures,
- Options.

### *Currency risk*

One of the main risks that the Group is exposed to is currency risk resulting from fluctuations in exchange rate of the Polish zloty against other currencies. Revenues generated by the Group are denominated primarily in the Polish zloty, while a portion of operating costs and capital expenditures are incurred in foreign currencies. The Parent's currency risk is associated mainly to royalties to TV broadcasters (USD and EUR), transponder capacity agreements (EUR), fees for conditional access system (EUR and USD) and purchases of reception equipment and accessories for reception equipment (USD and EUR). After the purchase of Telewizja Polsat Sp. z o.o. currency risk exposure is also associated to purchases of foreign programming licenses (EUR and USD). After the purchase of Metelem Holding Company Ltd. currency risk exposure is also associated to agreements with suppliers of stock, mainly mobile phones, and suppliers of telecommunication network equipment (EUR and USD), roaming and interconnect agreements and rental of office space (various currencies).

In respect of license fees and transponder capacity agreements, the Group partly reduces its currency risk exposure by means of an economic hedge as it denominates receivables from signal broadcast and marketing services in foreign currencies.

The Group does not hold any assets held for trading denominated in foreign currencies.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

The Group's exposure to foreign currency was as follows based on currency amounts:

| | 31 December 2024 | | |
|---|---|---|---|
| | EUR | USD | XDR |
| Trade receivables | 11.9 | 3.5 | 0.3 |
| Cash and cash equivalents | 175.1 | 3.2 | - |
| Loans and borrowings | (506.0) | - | - |
| Lease liabilities | (36.4) | (0.1) | - |
| Trade payables | (61.6) | (17.4) | (2.4) |
| Accruals | (5.1) | (3.9) | (6.6) |
| **Gross balance sheet exposure** | **(422.1)** | **(14.7)** | **(8.7)** |
| Forward transactions | 6.7 | - | - |
| CIRS | 2.8 | - | - |
| **Net exposure** | **(412.6)** | **(14.7)** | **(8.7)** |

| | 31 December 2023 | | |
|---|---|---|---|
| | EUR | USD | XDR |
| Loans granted | 22.0 | - | - |
| Trade receivables | 33.0 | 3.8 | 0.3 |
| Cash and cash equivalents | 254.1 | 2.3 | - |
| Loans and borrowings | (506.0) | - | - |
| Lease liabilities | (35.8) | (0.5) | - |
| Trade payables | (65.0) | (21.2) | (0.5) |
| Accruals | (19.2) | (3.8) | (5.1) |
| **Gross balance sheet exposure** | **(316.9)** | **(19.4)** | **(5.3)** |
| Forward transactions | 5.2 | - | - |
| CIRS | 3.8 | - | - |
| **Net exposure** | **(307.9)** | **(19.4)** | **(5.3)** |

The following foreign exchange rates were applied in the presented periods:

| | Average rate | | Rates at the reporting date | |
|---|---|---|---|---|
| (in PLN) | 2024 | 2023 | 31 December 2024 | 31 December 2023 |
| 1 EUR | 4.3064 | 4.5430 | 4.2730 | 4.3480 |
| 1 USD | 3.9812 | 4.2021 | 4.1012 | 3.9350 |
| 1 CHF | 4.5226 | 4.6760 | 4.5371 | 4.6828 |
| 1 XDR | 5.2834 | 5.6055 | 5.3618 | 5.2938 |

For the purposes of the exchange rate sensitivity analysis as at 31 December 2024 and 31 December 2023, exchange rate volatility in the +/- 5% range was assumed as probable. This analysis assumes that all other variables, in particular interest rates, remain constant.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | 2024 | | | | | 2023 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 31 December 2024 | | Estimated change in exchange rate | Estimated change in profit | Estimated change in other comprehensive income | As at 31 December 2023 | | Estimated change in exchange rate | Estimated change in profit | Estimated change in other comprehensive income |
| | in currency | in PLN | in % | in PLN | in PLN | in currency | in PLN | in % | in PLN | in PLN |
| Loans granted | | | | | | | | | | |
| EUR | - | - | 5% | - | - | 22.0 | 95.7 | 5% | 4.7 | - |
| Trade receivables | | | | | | | | | | |
| EUR | 11.9 | 51.0 | 5% | 2.4 | - | 33.0 | 143.4 | 5% | 7.3 | - |
| USD | 3.5 | 14.5 | 5% | 0.6 | - | 3.8 | 15.0 | 5% | 0.7 | - |
| XDR | 0.3 | 1.5 | 5% | 0.2 | - | 0.3 | 1.6 | 5% | 0.1 | - |
| Cash and cash equivalents | | | | | | | | | | |
| EUR | 175.1 | 748.3 | 5% | 37.3 | - | 254.1 | 1,104.8 | 5% | 55.3 | - |
| USD | 3.2 | 13.3 | 5% | 0.5 | - | 2.3 | 9.2 | 5% | 0.3 | - |
| CHF | - | - | 5% | - | - | 0.0 | 0.1 | 5% | 0.0 | - |
| Loans and borrowings | | | | | | | | | | |
| EUR | (506.0) | (2,162.1) | 5% | (108.1) | - | (506.0) | (2,200.1) | 5% | (110.0) | - |
| Lease liabilities | | | | | | | | | | |
| EUR | (36.4) | (155.5) | 5% | (7.8) | - | (35.8) | (155.7) | 5% | (7.7) | - |
| USD | (0.1) | (0.4) | 5% | (0.0) | - | (0.5) | (2.0) | 5% | (0.1) | - |
| Trade payables | | | | | | | | | | |
| EUR | (61.6) | (263.2) | 5% | (13.2) | - | (65.0) | (282.6) | 5% | (14.2) | - |
| USD | (17.4) | (71.4) | 5% | (3.5) | - | (21.2) | (83.3) | 5% | (4.3) | - |
| XDR | (2.4) | (12.9) | 5% | (0.6) | - | (0.5) | (2.6) | 5% | (0.2) | - |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| cont. | | | | | | | | | | |
| Accruals | | | | | | | | | | |
| EUR | (5.1) | (21.7) | 5% | (1.2) | - | (19.2) | (83.5) | 5% | (4.2) | - |
| USD | (3.9) | (15.8) | 5% | (1.0) | - | (3.8) | (15.0) | 5% | (0.7) | - |
| XDR | (6.6) | (35.4) | 5% | (1.8) | - | (5.1) | (27.0) | 5% | (1.3) | - |
| Forwards | | | | | | | | | | |
| EUR | 6.7 | 28.6 | 5% | 0.9 | 0.6 | 5.2 | 22.6 | 5% | 0.3 | 0.8 |
| CIRS | | | | | | | | | | |
| EUR | 2.8 | 12.0 | 5% | 0.3 | 0.3 | 3.8 | 16.6 | 5% | 0.4 | 0.4 |
| **Change in operating profit** | | | | **(95.0)** | **0.9** | | | | **(73.6)** | **1.2** |
| Income tax | | | | 18.1 | (0.2) | | | | 14.0 | (0.2) |
| **Change in net profit** | | | | **(76.9)** | **0.7** | | | | **(59.6)** | **1.0** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | 2024 | | | | | 2023 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 31 December 2024 | | Estimated change in exchange rate | Estimated change in profit | Estimated change in other comprehensive income | As at 31 December 2023 | | Estimated change in exchange rate | Estimated change in profit | Estimated change in other comprehensive income |
| | in currency | in PLN | in % | in PLN | in PLN | in currency | in PLN | in % | in PLN | in PLN |
| Loans granted | | | | | | | | | | |
| EUR | - | - | -5% | - | - | 22.0 | 95.7 | -5% | (4.7) | - |
| Trade receivables | | | | | | | | | | |
| EUR | 11.9 | 51.0 | -5% | (2.4) | - | 33.0 | 143.4 | -5% | (7.3) | - |
| USD | 3.5 | 14.5 | -5% | (0.6) | - | 3.8 | 15.0 | -5% | (0.7) | - |
| XDR | 0.3 | 1.5 | -5% | (0.2) | - | 0.3 | 1.6 | -5% | (0.1) | - |
| Cash and cash equivalents | | | | | | | | | | |
| EUR | 175.1 | 748.3 | -5% | (37.3) | - | 254.1 | 1,104.8 | -5% | (55.3) | - |
| USD | 3.2 | 13.3 | -5% | (0.5) | - | 2.3 | 9.2 | -5% | (0.3) | - |
| CHF | - | - | -5% | - | - | 0.0 | 0.1 | -5% | (0.0) | - |
| Loans and borrowings | | | | | | | | | | |
| EUR | (506.0) | (2,162.1) | -5% | 108.1 | - | (506.0) | (2,200.1) | -5% | 110.0 | - |
| Lease liabilities | | | | | | | | | | |
| EUR | (36.4) | (155.5) | -5% | 7.8 | - | (35.8) | (155.7) | -5% | 7.7 | - |
| USD | (0.1) | (0.4) | -5% | 0.0 | - | (0.5) | (2.0) | -5% | 0.1 | - |
| Trade payables | | | | | | | | | | |
| EUR | (61.6) | (263.2) | -5% | 13.2 | - | (65.0) | (282.6) | -5% | 14.2 | - |
| USD | (17.4) | (71.4) | -5% | 3.5 | - | (21.2) | (83.3) | -5% | 4.3 | - |
| XDR | (2.4) | (12.9) | -5% | 0.6 | - | (0.5) | (2.6) | -5% | 0.2 | - |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| cont. | | | | | | | | | | |
| Accruals | | | | | | | | | | |
| EUR | (5.1) | (21.7) | -5% | 1.2 | - | (19.2) | (83.5) | -5% | 4.2 | - |
| USD | (3.9) | (15.8) | -5% | 1.0 | - | (3.8) | (15.0) | -5% | 0.7 | - |
| XDR | (6.6) | (35.4) | -5% | 1.8 | - | (5.1) | (27.0) | -5% | 1.3 | - |
| Forwards | | | | | | | | | | |
| EUR | 6.7 | 28.6 | -5% | (0.9) | (0.6) | 5.2 | 22.6 | -5% | (0.3) | (0.8) |
| CIRS | | | | | | | | | | |
| EUR | 2.8 | 12.0 | -5% | (0.3) | (0.3) | 3.8 | 16.6 | -5% | (0.4) | (0.4) |
| **Change in operating profit** | | | | **95.0** | **(0.9)** | | | | **73.6** | **(1.2)** |
| Income tax | | | | (18.1) | 0.2 | | | | (14.0) | 0.2 |
| **Change in net profit** | | | | **76.9** | **(0.7)** | | | | **59.6** | **(1.0)** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | Estimated change in profit in PLN | Estimated change in other comprehensive income in PLN | Estimated change in profit in PLN | Estimated change in other comprehensive income in PLN |
| **Estimated change in exchange rate by 5%** | | | | |
| EUR | (72.3) | 0.7 | (55.2) | 1.0 |
| USD | (2.8) | - | (3.3) | - |
| XDR | (1.8) | - | (1.1) | - |
| **Estimated change in exchange rate by -5%** | | | | |
| EUR | 72.3 | (0.7) | 55.2 | (1.0) |
| USD | 2.8 | - | 3.3 | - |
| XDR | 1.8 | - | 1.1 | - |

Had Polish zloty strengthened 5% against the basket of currencies as at 31 December 2024 and 31 December 2023, the Group's net profit would have decreased by PLN 76.9 and by PLN 59.6, respectively and other comprehensive income would have been PLN 0.7 higher in 2024 and would have been PLN 1.0 higher in 2023. Had the Polish zloty appreciated 5%, the Group's net profit would have increased by PLN 76.9 in 2024 and by PLN 59.6 in 2023 and other comprehensive income would have been by PLN 0.7 lower in 2024 and would have been lower by PLN 1.0 in 2023, assuming that all other variables remain constant. Estimated future revenue and costs denominated in foreign currencies are not taken into consideration.

*Interest rate risk*

Changes in market interest rates have no direct effect on the Group's revenues, however, they do have an effect on net cash from operating activities due to interest earned on overnight bank deposits and current accounts, and on net cash from financing activities due to interest charged on bank loans and bonds.

The Group regularly analyses its level of interest rate risk exposure, including refinancing and risk minimising scenarios. Based on these analyses, the Group estimates the effects of changes in interest rates on its profit and loss.

In order to reduce interest rate risk exposure resulting from Parent's interest payments on floating rate senior facility, the Group stipulated interest rate swaps and currency interest rate swaps for which hedge accounting was adopted (see note 33). In order to reduce interest rate risk exposure resulting from Metelem Holding Company Ltd. group (currently Polkomtel Sp. z o.o. group) interest payments on floating rate senior facilities, the Group also uses interest rate swaps and currency interest rate swaps and for them hedge accounting was not adopted.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

At the reporting date, the interest rate risk profile of interest-bearing financial instruments was:

| | Carrying amount | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| **Fixed rate instruments** | | |
| Financial assets | 1,548.4 | 300.0 |
| **Variable rate instruments** | | |
| Financial assets* | 619.3 | 1,308.7 |
| Financial liabilities* | (15,420.5) | (15,730.6) |
| **Net interest exposure** | **(14,801.3)** | **(14,421.9)** |

* nominal debt

The Group classifies Term Loans as variable rate instruments. Changes in the interest rate components do not result in a change in the carrying amount of the loan liability. The changes are reflected prospectively in the interest expense on loans and borrowings.

Cash flow sensitivity analysis for variable rate instruments (pre-tax effect):

| | Income statement | | Other comprehensive income | | Equity | |
|---|---|---|---|---|---|---|
| | Increase by 100 bp | Decrease by 100 bp | Increase by 100 bp | Decrease by 100 bp | Increase by 100 bp | Decrease by 100 bp |
| **31 December 2024** | | | | | | |
| Variable rate instruments* | (81.1) | 81.1 | 17.0 | (17.0) | (64.1) | 64.1 |
| Cash flow sensitivity (net) | **(81.1)** | **81.1** | **17.0** | **(17.0)** | **(64.1)** | **64.1** |
| **31 December 2023** | | | | | | |
| Variable rate instruments* | (68.8) | 68.8 | 14.5 | (14.5) | (54.3) | 54.3 |
| Cash flow sensitivity (net) | **(68.8)** | **68.8** | **14.5** | **(14.5)** | **(54.3)** | **54.3** |

* include sensitivity in fair value changes of hedging instruments (interest rate swaps and currency interest rate swaps) due to changes in interest rates

For some instruments the Group applies cash flow hedge model under IAS 39 for interest rate exposure from floating rate interest payments in PLN on senior facility hedged by interest rate swap and variable-rate interest payments in EUR backed by currency interest rate swaps transactions.

## Fair value vs. carrying amount

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

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

Presented below are fair values and carrying amounts of financial assets and liabilities not measured in fair value.

| | | | 31 December 2024 | | 31 December 2023 | |
|---|---|---|---|---|---|---|
| | Category according to IFRS 9 | The level of the fair value hierarchy | Fair value | Carrying amount | Fair value | Carrying amount |
| Loans granted | A | 2 | 25.0 | 25.0 | 127.4 | 127.1 |
| Trade and other receivables | A | * | 3,799.3 | 3,799.3 | 3,742.6 | 3,742.6 |
| Cash and cash equivalents and short-term deposits | A | * | 2,653.0 | 2,653.0 | 3,307.2 | 3,307.2 |
| Restricted cash | A | * | 34.1 | 34.1 | 19.7 | 19.7 |
| Loans and borrowings | B | 2 | (10,756.3) | (10,457.8) | (11,150.1) | (10,604.0) |
| Issued bonds | B | 1 | (4,124.6) | (4,037.7) | (4,433.7) | (4,349.1) |
| Lease liabilities | B | 2 | (684.7) | (684.7) | (610.8) | (610.8) |
| Accruals | B | * | (1,390.4) | (1,390.4) | (1,213.7) | (1,213.7) |
| Trade and other payables and deposits | B | * | (1,507.3) | (1,507.3) | (2,096.3) | (2,096.3) |
| **Total** | | | **(11,951.9)** | **(11,566.5)** | **(12,307.7)** | **(11,677.3)** |
| Unrecognized loss | | | | (385.4) | | (630.4) |

A – assets measured at amortized costs

B – liabilities measured at amortized costs

* It is assumed that the fair value of these financial assets and liabilities is equal to their nominal value, therefore no evaluation methods were used in order to calculate their fair value.

When determining the fair value of lease liabilities, forecasted cash flows from the reporting date to assumed dates of lease agreements termination were analyzed. The discount rate for each payment was calculated as 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 31 December 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 31 December 2024 and 31 December 2023 was estimated as a last purchase price at the balance sheet date according to GPW Catalyst quotations.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

As at 31 December 2024, the Group held the following financial instruments carried at fair value on the statement of financial position:

### ASSETS MEASURED AT FAIR VALUE

| | 31 December 2024 | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| **Derivative instruments not designated as hedging instruments** | | **-** | **46.9** | **31.4** |
| IRS | | - | 46.9 | - |
| Financial PPA | | - | - | 31.4 |
| **Hedging derivative instruments** | | **-** | **2.3** | **-** |
| IRS | | - | 2.3 | - |
| **Other** | | **-** | **11.2** | **-** |
| **Investments in equity instruments** | | **808.6** | **5.5** | **-** |
| **Total** | | **808.6** | **65.9** | **31.4** |

### LIABILITIES MEASURED AT FAIR VALUE

| | 31 December 2024 | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| **Derivative instruments not designated as hedging instruments** | | **-** | **(9.7)** | **-** |
| IRS | | - | (4.0) | - |
| CIRS | | - | (5.5) | - |
| Forward | | - | (0.2) | - |
| **Hedging derivative instruments** | | **-** | **(9.3)** | **-** |
| IRS | | - | (3.8) | - |
| CIRS | | - | (5.4) | - |
| Forward | | - | (0.1) | - |
| **Put option** | | **-** | **-** | **(44.9)** |
| **Total** | | **-** | **(19.0)** | **(44.9)** |

As at 31 December 2023, the Group held the following financial instruments measured at fair value:

### 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** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

### 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.

## Items of income, costs, profit and losses recognized in profit or loss generated by loans and borrowings and issued bonds (including hedging transactions)

| For the period from 1 January 2024 to 31 December 2024 | Loans and borrowings | Bonds | Hedging instruments | Derivative instruments not designated as hedging instruments | Total |
|---|---|---|---|---|---|
| Interest expense on loans and borrowings | (682.5) | - | 5.5 | 64.5 | (612.5) |
| Interest expense on bonds | - | (377.5) | - | - | (377.5) |
| Exchange rate differences | 38.0 | - | - | - | 38.0 |
| Total finance costs | (644.5) | (377.5) | 5.5 | 64.5 | (952.0) |
| **Total gross profit/(loss)** | **(644.5)** | **(377.5)** | **5.5** | **64.5** | **(952.0)** |
| **Hedge valuation reserve** | **-** | **-** | **(0.2)** | **-** | **(0.2)** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

| For the period from 1 January 2023 to 31 December 2023 | Loans and borrowings | Bonds | Hedging instruments | Derivative instruments not designated as hedging instruments | Total |
|---|---|---|---|---|---|
| Interest expense on loans and borrowings | (816.8) | - | 14.4 | (28.5) | (830.9) |
| Interest expense on bonds | - | (326.7) | - | - | (326.7) |
| Exchange rate differences | 82.1 | - | - | - | 82.1 |
| Total finance costs | (734.7) | (326.7) | 14.4 | (28.5) | (1,075.5) |
| **Total gross profit/(loss)** | **(734.7)** | **(326.7)** | **14.4** | **(28.5)** | **(1,075.5)** |
| **Hedge valuation reserve** | **-** | **-** | **(28.8)** | **-** | **(28.8)** |

## Hedge accounting and derivatives

*Cash Flow Hedge of interest rate risk of interest payments*

As at 31 December 2024, the Group held a number of interest rate swaps not designated as hedges in order to reduce the risk of floating interest payments on senior facilities denominated in PLN. Hedge accounting has not been implemented for the interest rate swaps.

The table below presents the basic parameters of IRS not designated as hedging instruments, including the periods in which cash flows occur, periods they will affect the financial results and their fair value in PLN as at the balance sheet date.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Type of instrument | Interest rate swap | Interest rate swap |
| Exposure | Floating rate interest payments in PLN | Floating rate interest payments in PLN |
| Hedged risk | Interest rate risk | Interest rate risk |
| Notional value of hedging instrument | 3,058.8 | 3,822.7 |
| Fair value of hedging instruments | 42.9 | (2.3) |
| Hedge accounting approach | Hedge accounting not adopted | Hedge accounting not adopted |
| Expected period the hedge item affect income statement | Until 31 December 2030 | Until 31 December 2030 |

As at 31 December 2024, the Group held a number of interest rate swaps designated as hedges of floating interest payments on senior facility denominated in PLN. Hedge accounting has been implemented for the interest rate swaps.

The terms of the interest rate swaps have been negotiated to match the terms of the floating rate financing in PLN. The hedge ineffectiveness identified during the reporting period was recognized in the income statement.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

The table below presents the basic parameters of IRS designated as hedging instruments, including the periods in which cash flows occur due to cash flow hedges, periods they will affect the financial results and fair value in PLN of hedging instruments as at the balance sheet date.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Type of instrument | Interest rate swap | Interest rate swap |
| Exposure | Floating rate interest payments in PLN | Floating rate interest payments in PLN |
| Hedged risk | Interest rate risk | Interest rate risk |
| Notional value of hedging instrument | 875.0 | 750.0 |
| Fair value of hedging instruments | (1.5) | (1.4) |
| Hedge accounting approach | Cash Flow Hedge | Cash Flow Hedge |
| Expected period the hedge item affect income statement | Until 30 June 2027 | Until 30 June 2025 |

*Cash Flow Hedge of interest rate and currency risk of interest payments*

As at 31 December 2024, the Group held a number of currency interest rate swaps designated as hedges of floating interest payments on senior facility denominated in EUR. Hedge accounting has not been implemented for the currency interest rate swaps.

The table below presents the basic parameters of CIRS designated as non-hedging instruments, including the periods in which cash flows occur due to cash flow hedges, periods they will affect the financial results and fair value of hedging instruments as at the balance sheet date.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Type of instrument | Currency interest rate swap | Currency interest rate swap |
| Exposure | Floating rate interest payments in EUR | Floating rate interest payments in EUR |
| Hedged risk | Interest rate and currency risk | Interest rate and currency risk |
| Notional value of hedging instrument | 50.0 | 50.0 |
| Fair value of hedging instruments | (5.5) | (5.9) |
| Hedge accounting approach | Hedge accounting not adopted | Hedge accounting not adopted |
| Expected period the hedge item affect income statement | Until 31 March 2027 | Until 31 March 2027 |

As at 31 December 2024, the Group held a number of currency interest rate swaps designated as hedges of floating interest payments on senior facility denominated in EUR. Hedge accounting has been implemented for the currency interest rate swaps.

The terms of the currency interest rate swaps (including schedule) have been negotiated to match the terms of the floating rate financing in EUR. The hedge ineffectiveness identified during the reporting period was recognized in the income statement.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

The table below presents the basic parameters of CIRS designated as hedging instruments, including the periods in which cash flows occur due to cash flow hedges, periods they will affect the financial results and fair value of hedging instruments as at the balance sheet date.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Type of instrument | Currency interest rate swap | Currency interest rate swap |
| Exposure | Floating rate interest payments in EUR | Floating rate interest payments in EUR |
| Hedged risk | Interest rate and currency risk | Interest rate and currency risk |
| Notional value of hedging instrument | 50.0 | 50.0 |
| Fair value of hedging instruments | (5.4) | (5.8) |
| Hedge accounting approach | Cash Flow Hedge | Cash Flow Hedge |
| Expected period the hedge item affect income statement | Until 31 March 2027 | Until 31 March 2027 |

*Cash Flow Hedge of currency risk of interest payments*

As at 31 December 2024, the Group held a number of forwards designated as hedges of interest payments on senior facility denominated in EUR. Hedge accounting has not been implemented for the currency interest rate swaps.

The table below presents the basic parameters of forwards not designated as hedging instruments, including the periods in which cash flows occur, periods they will affect the financial results and their fair value as at the balance sheet date.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Type of instrument | Forward | Forward |
| Exposure | Interest payments in EUR | Interest payments in EUR |
| Hedged risk | Currency risk | Currency risk |
| Notional value of hedging instrument | 1.0 | 1.4 |
| Fair value of hedging instruments | (0.1) | (0.1) |
| Hedge accounting approach | Hedge accounting not adopted | Hedge accounting not adopted |
| Expected period the hedge item affect income statement | Until 30 April 2025 | Until 31 May 2024 |

As at 31 December 2024, the Group held a number of forwards designated as hedges of interest payments on senior facility denominated in EUR. Hedge accounting has been implemented for the forwards.

The terms of the forwards have been negotiated to match the terms of the floating rate financing in EUR. The ineffectiveness of forward contracts during the reporting period was not identified and recognized in the income statement.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

The table below presents the basic parameters of forwards designated as hedging instruments, including the periods in which cash flows occur due to cash flow hedges, periods they will affect the financial results and fair value in EUR of hedging instruments as at the balance sheet date.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Type of instrument | Forward | Forward |
| Exposure | Interest payments in EUR | Interest payments in EUR |
| Hedged risk | Currency risk | Currency risk |
| Notional value of hedging instrument | 2.6 | 3.7 |
| Fair value of hedging instruments | (0.1) | (0.4) |
| Hedge accounting approach | Cash Flow Hedge | Cash Flow Hedge |
| Expected period the hedge item affect income statement | Until 30 May 2025 | Until 31 May 2024 |

Change in fair value of cash flow hedges is presented below (pre-tax):

| | 2024 | 2023 |
|---|---|---|
| **Opening Balance** | **(7.6)** | **22.4** |
| Effective part of gains or losses on the hedging instrument recognized in equity | 7.1 | (16.8) |
| Amounts recognized in equity transferred to the profit and loss statement, of which: | (6.6) | (13.2) |
| • adjustment of interest costs | (5.5) | (14.4) |
| • recognition of inefficiencies | (1.1) | 1.2 |
| **Closing Balance** | **(7.1)** | **(7.6)** |

*Derivatives relating to electricity sales prices*

As at 31 December 2024 the Group held a financial PPA to hedge the proceeds from electricity sales transactions based on current market prices. Under the financial PPA, the Group receives/pays the difference between the agreed fixed price and current market energy prices. No hedge accounting was implemented for these instruments.

The table below presents the basic parameters of financial PPA agreements not designated as hedging instruments, including the periods in which cash flows occurred, periods they affected the financial results and their fair value in PLN as at the balance sheet date.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Type of instrument | Financial PPA | Financial PPA |
| Exposure | Proceeds from electricity sales based on current market prices | Proceeds from electricity sales based on current market prices |
| Hedged risk | Energy price risk | Energy price risk |
| Fair value of hedging instruments | 31.4 | 28.5 |
| Hedge accounting approach | Hedge accounting not adopted | Hedge accounting not adopted |
| Expected period the hedge item affect income statement | Until November 2034 | Until September 2034 |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

*Derivatives relating to currency risk of operational payments*

As at 31 December 2024, the Group had financial instruments: forwards to secure operational payments in EUR. Hedge accounting has not been implemented for these instruments.

The table below presents the basic parameters of forwards classified as non-hedging instruments, including: periods in which cash flows from the instruments occurred and in which these instruments affected the profit and loss account, as well as the fair value of the instruments as at the balance sheet date.

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Type of instrument | Currency forward contract | - |
| Exposure | Operational payments in EUR | - |
| Hedged risk | Exchange rate risk | - |
| Nominal value of hedging instruments (EUR) | 8.0 | - |
| Fair value of hedging instruments | (0.1) | - |
| Hedge accounting approach | Hedge accounting not adopted | - |
| Expected period the hedge item affect income statement | Until 28 February 2025 | - |

## 42. Capital management

This note presents information about the Group's management of capital. Further quantitative disclosures are also included throughout these financial statements.

The goal of capital management is to maintain the Group's ability to operate as a going concern in order to provide the shareholders return on investment as well as benefits for other stakeholders. The Group might issue shares, increase debt or sell assets in order to maintain or improve the equity structure.

The Group monitors capital on the basis of leverage ratio, which is calculated as a ratio of net debt to sum of equity and net debt. Net debt represents interest-bearing loans and borrowings and issued bonds less cash and cash equivalents (including restricted cash).

| | Carrying amount | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Loans and borrowings | 10,457.8 | 10,604.0 |
| Issued bonds | 4,037.7 | 4,349.1 |
| Cash and cash equivalents and restricted cash | (2,687.1) | (3,325.7) |
| **Net debt** | **11,808.4** | **11,627.4** |
| Equity | 17,069.3 | 16,305.2 |
| **Equity and net debt** | **28,877.7** | **27,932.6** |
| **Leverage ratio** | **0.41** | **0.42** |

## 43. 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) 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.

Green energy segment consists mainly of:

- production and sale of electricity 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,
- investments in renewable energy sources projects such as photovoltaic 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.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

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 year ended 31 December 2024:

| The year ended 31 December 2024 | B2C and B2B services | Media: TV and online | Real Estate | Green energy | Consolidation adjustments | Total |
|---|---|---|---|---|---|---|
| Revenues from sales to third parties | 10,628.9 | 2,197.0 | 220.6 | 1,219.4 | - | **14,265.9** |
| Inter-segment revenues | (52.2) | 294.6 | 37.6 | 228.9 | (508.9) | **-** |
| **Revenues** | **10,576.7** | **2,491.6** | **258.2** | **1,448.3** | **(508.9)** | **14,265.9** |
| **EBITDA adjusted (unaudited)** | **2,560.0** | **486.4** | **99.2** | **282.0** | **-** | **3,427.6** |
| Gain on disposal of a subsidiary and an associate | - | 10.0 | - | - | - | 10.0 |
| **EBITDA (unaudited)** | **2,560.0** | **496.4** | **99.2** | **282.0** | **-** | **3,437.6** |
| Depreciation, amortization, impairment and liquidation | 1,409.7 | 153.8 | 17.9 | 31.7 | - | **1,613.1** |
| Depreciation included in energy and buses production costs | - | - | - | 58.3 | - | **58.3** |
| **Profit from operating activities** | **1,150.3** | **342.6** | **81.3** | **192.0** | **-** | **1,766.2** |
| Acquisition of property, plant and equipment and other intangible assets | 755.9 | 78.0 | 24.7 | 925.6 | - | **1,784.2** |
| Acquisition of reception equipment | 141.1 | - | - | - | - | **141.1** |
| Balance as at 31 December 2024 | | | | | | |
| Assets, including: | 26,329.0 | 4,133.7 | 1,437.7 | 5,803.3 | (235.7) | **37,468.0** |
| Investments in joint venture and shares in associates | - | - | - | - | - | **-** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

All material revenues are generated in Poland.

It should be noted that the data for 12 months ended 31 December 2024 allocated to the "B2C and B2B services" segment, "Media" segment, "Real Estate" segment and "Green energy" segment are not comparable to the data for 12 months ended 31 December 2023 due to changes in the Group's structure described in notes 5, 40, and 49.

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 year ended 31 December 2023:

| The year ended 31 December 2023 | B2C and B2B services | Media: TV and online | Real Estate | Green energy | Consolidation adjustments | Total |
|---|---|---|---|---|---|---|
| Revenues from sales to third parties | 10,646.6 | 2,206.2 | 133.6 | 639.9 | - | **13,626.3** |
| Inter-segment revenues | 65.6 | 263.8 | 48.6 | 131.7 | (509.7) | **-** |
| **Revenues** | **10,712.2** | **2,470.0** | **182.2** | 771.6 | **(509.7)** | 13,626.3 |
| **EBITDA adjusted (unaudited)** | **2,493.1** | **472.0** | **27.0** | **24.5** | **(5.1)** | **3,011.5** |
| Gain on disposal of a subsidiary and an associate | 219.7 | - | - | - | - | 219.7 |
| **EBITDA (unaudited)** | **2,712.8** | **472.0** | **27.0** | **24.5** | **(5.1)** | **3,231.2** |
| Depreciation, amortization, impairment and liquidation | 1,713.2 | 155.3 | 22.5 | 9.4 | - | **1,900.4** |
| Depreciation included in energy and buses production costs | - | - | - | 19.2 | - | **19.2** |
| **Profit/(loss) from operating activities** | **999.6** | **316.7** | **4.5** | **(4.1)** | **(5.1)** | **1,311.6** |
| Acquisition of property, plant and equipment and other intangible assets | 792.7 | 74.0 | 24.6 | 710.6 | - | **1,601.9** |
| Acquisition of reception equipment | 145.8 | - | - | - | - | **145.8** |
| Balance as at 31 December 2023 | | | | | | |
| Assets, including: | 26,461.4 | 6,520.1* | 1,471.2 | 4,603.0 | (1,879.0) | **37,176.7** |
| Investments in joint venture and shares in associates | - | - | 10.1 | - | - | **10.1** |

* Includes non-current assets located outside of Poland in the amount of PLN 5.7

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

Reconciliation of EBITDA and Net profit for the period:

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| **EBITDA adjusted (unaudited)** | **3,427.6** | **3,011.5** |
| Gain on disposal of a subsidiary and an associate | 10.0 | 219.7 |
| **EBITDA (unaudited)** | **3,437.6** | **3,231.2** |
| Depreciation, amortization, impairment and liquidation (note 10) | (1,613.1) | (1,900.4) |
| Depreciation included within energy and bus production costs (note 10) | (58.3) | (19.2) |
| **Profit from operating activities** | **1,766.2** | **1,311.6** |
| Other foreign exchange rate differences, net (note 11 and 12) | 25.9 | 62.5 |
| Interest costs, net (note 11 and 12) | (905.7) | (1,099.9) |
| 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 |
| Valuation of PAK-PCE shares held | - | 151.3 |
| Valuation of existing relationships in connection with the acquisition of PAK-PCE | - | (83.9) |
| Change in value of Asseco Poland S.A. shares | 194.2 | 0.8 |
| Other | (2.9) | 28.9 |
| **Gross profit for the period** | **1,079.5** | **421.8** |
| Income tax | (302.2) | (110.2) |
| **Net profit for the period** | **777.3** | **311.6** |

## 44. Barter transactions

The Group is a party to barter transactions. The table below presents revenues and costs of barter transactions executed on an arm's-length basis. Revenue comprise revenue from services, products, goods and materials sold, costs comprise selling expenses.

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Revenues from barter transactions | 59.8 | 53.0 |
| Cost of barter transactions | 60.8 | 53.0 |

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Barter receivables | 11.2 | 15.5 |
| Barter payables | 1.4 | 11.9 |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

# 45. Transactions with related parties

## Receivables

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| Joint ventures and associates | 4.0 | 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. | 12.7 | 13.2 |
| **Total*** | **16.7** | **13.4** |

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

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

## Other assets

| | 31 December 2024 | 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. | 5.9 | - |
| **Total** | **5.9** | **0.3** |

## Liabilities

| | 31 December 2024 | 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. | 214.0 | 209.6 |
| **Total** | **214.0** | **220.2** |

As at 31 December 2024, liabilities mainly include liabilities related to the purchase of software and IT services.

As at 31 December 2023, liabilities included mainly liabilities related to the purchase of shares by Cyfrowy Polsat, liabilities due to lease of space and services related to the construction of wind farms.

## Loans granted

| | 31 December 2024 | 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. | 12.8 | 12.5 |
| **Total** | **12.8** | **27.5** |

Loans granted as at 31 December 2024 include mainly loans to Dystrybucja Mówi Serwis Sp. z o.o. Sp.k.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

### Loans received

| | 31 December 2024 | 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. | 232.6 | 6.6 |
| **Total** | **232.6** | **17.9** |

Loans received as at 31 December 2024 mainly include loans from IB Towarzystwo Funduszy Inwestycyjnych S.A. and ZE PAK S.A.

### Revenues

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Subsidiaries* | - | 9.9 |
| Joint ventures and associates | 0.1 | 6.6 |
| 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. | 79.4 | 226.6 |
| **Total** | **79.5** | **243.1** |

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

In the period of 12 months ended 31 December 2024 the most significant transactions include IT and telemarketing shared services.

In the period of 12 months ended 31 December 2023 the most significant transactions include income from the sale of real estate and the sale of shares by Polkomtel Sp. z o.o.

### Expenses and purchases of programming assets

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 |
| Subsidiaries* | - | 137.9 |
| Joint ventures and associates | - | 15.4 |
| 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. | 505.7 | 160.6 |
| **Total** | **505.7** | **313.9** |

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

In the period of 12 months ended 31 December 2024 and 12 months ended 31 December 2023 the most significant transactions include *inter alia* cost of electrical energy, property rental and advertising services.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

### Finance income

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 *(restated data)* |
| Subsidiaries* | - | 27.1 |
| Joint ventures and associates | 1.3 | 1.5 |
| 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. | 34.5 | 8.5 |
| **Total** | **35.8** | **37.1** |

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

### Finance costs

| | for the year ended | |
|---|---|---|
| | 31 December 2024 | 31 December 2023 *(restated data)* |
| Joint ventures and associates | 2.4 | 7.0 |
| 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. | 5.4 | 1.1 |
| **Total** | **7.8** | **8.1** |

## 46. Contingent liabilities

Management believes that the provisions as at 31 December 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 24 February 2011 the President of UOKiK imposed penalty on Polkomtel (Company's subsidiary) in the amount of PLN 130.7 for the alleged lack of cooperation during an inspection carried out by UOKiK in Polkomtel. Polkomtel appealed against the decision of the President of UOKiK to the Consumer and Competition Protection Court ("SOKiK"). According to management, during the inspection the company had fully and at all times cooperated with UOKiK within the scope provided by the law. On 18 June 2014 the decision of the President of UOKiK has been changed by SOKiK, reducing the penalty to PLN 4.0 (i.e. EUR 1.0). On 20 October 2015 SOKiK's verdict has been revoked and the case has been transferred for re-examination. On 28 April 2017 the decision of the President of UOKiK has been changed by SOKiK, reducing the penalty to PLN 1.3. Polkomtel and President of UOKiK appealed against the verdict. On 3 April 2020 both Polkomtel's and the President's of UOKiK appeals have been dismissed. The Court of Appeal upheld the SOKiK's decision. On 20 April 2020 Polkomtel made a payment in the amount of PLN 1.3. Polkomtel and the President of UOKiK filed cassation appeals against the Court of Appeal's verdict. On 28 September 2022 the cassation appeal of the President of the UOKiK was dismissed, the appeal of Polkomtel was accepted in the scope dismissing the plaintiff's appeal, and the appealed judgment of the Court of Appeal in Warsaw dated 3 April 2020 was revoked and referred - in accordance with the Polkomtel's cassation appeal - to be reconsidered. On 29 March 2023, the Court of Appeal issued a judgment, whereby the Court agreed with the company's position that the fine was imposed in euros and then incorrectly converted into PLN. As a result the Court changed the appealed judgment of the first instance, reducing the penalty to PLN 1.2.

On 30 December 2014 the President of UOKiK issued a decision ending investigations related to Polkomtel's (Company's subsidiary) alleged practices which infringed upon the collective interests of consumers by not providing its telecommunication clients (which entered into a written agreement) with terms and conditions of the preferential sales offer as well as not informing about the termination of the preferential sales offer. Pursuant to the decision of the President of UOKiK, Polkomtel was charged with a penalty in the amount of PLN 6.0. The company appealed to SOKiK against the decision. On 5 March 2018, SOKiK issued a decision where the penalty has been annulled and dismissed the appeal in remaining scope. Both parties appealed to the Court of Appeal in Warsaw. The Court of Appeal annulled in full the verdict of the first instance court and returned the case back to the first instance court. On 1 April 2021 SOKiK dismissed Polkomtel's appeal. On 24 January 2022 Polkomtel's appeal was dismissed. On 7 February 2022 Polkomtel paid the penalty in the amount of PLN 6.0. Polkomtel filed a cassation appeal against the judgment of the Court of Appeal. On 18 December 2024, the Supreme Court refused to accept the cassation appeal.

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 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 filed 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.

By decision of 27 December 2023, the President of UOKiK recognized the actions of Telewizja Polsat Sp. z o.o. and Teleaudio Dwa Sp. z o.o Sp.k., (subsidiaries of the Company) as a practice violating the collective interests of consumers. The violations allegedly consisted in misleading SMS information sent to customers as to the rules and costs of participation in the New Year's Eve edition of the SMS competition in the content of verbal and graphic messages as part of the broadcast "New Year's Eve Power of Hits 2021 - New Year's Eve of Happiness" and as to the course of the competition and the prizes that could be won at its individual stages. As a consequence, the President of UOKiK imposed fines on both entities in the total amount of PLN 9.9. The decision is not final, each company filed an appeal to the Regional Court in Warsaw on 26 January 2024. As of the date of this report, no hearing date has been set.

## Proceedings brought by Tobias Solorz

On 7 November 2024 the shareholder Tobias Solorz filed a lawsuit against the Company to establish the non-existence or, alternatively, to declare the invalidity or, alternatively, to revoke the resolutions adopted by the Extraordinary General Meeting of Cyfrowy Polsat S.A. on 8 October 2024, on the subject of: (i) changing the number of members of the Company's Supervisory Board (Resolution No. 7); (ii) dismissing Mr. Tobias Solorz from the Company's Supervisory Board (Resolution No. 9). The text of the aforementioned resolutions was published by the Company in its current report No. 19/2024 dated 8 October 2024. The Company has filed a response to the complaint on 10 January 2025 in which it requested that the complaint be dismissed in its entirety. On 29 January 2025, Tobias Solorz applied to the court to file a reply to the statement of defence. The court has not yet ruled on Tobias Solorz's application or set a date for the first hearing.

## Other proceedings

In September 2015, Polkomtel (Company's subsidiary) received a claim from P4 Sp. z o.o., in which the company demands compensation of PLN 316 (including interest of PLN 85), for the alleged actions relating to the pricing of the mobile services rendered between July 2009 and March 2012. The claim assumes payment of the above amount jointly by Orange Poland S.A., Polkomtel and T-Mobile Poland S.A. On 27 December 2018 Court dismissed the entire claim. P4 Sp. z o.o. appealed against the decision. On 28 December 2020, the Court of Appeal referred the case to the District Court for reconsideration, Polkomtel appealed to the Supreme Court against this decision. On 13 November 2020, the P4 sp. z o.o. claim for payment of PLN 313, including interest of PLN 85, was delivered by the court. This lawsuit constitutes an "extension" of P4 Sp. z o.o claim dated September 2015 and concerns a further period of the acts alleged against the defendants, i.e. from April 2012 to December 2014.

Management believes that the claim is unfounded, as Polkomtel's conduct alone or with other tort entities was not wrongful, in particular relating to the pricing of retail mobile services directed to the telecommunications network of P4 Sp. z o.o. In management's opinion, there is no legal basis for the overall assessment of the alleged actions of each of the operators on the telecommunications market, which is fully a competitive market, and each of the operators has its own business and pricing strategy. The claim of P4 Sp. z o.o. indicates neither nature (premises liability) nor the amount.

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 write-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, which were also canceled.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

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.

## 47. Remuneration of the Management Board

The table below presents the Management Board’s remuneration for management functions in the Parent Company and its subsidiaries.

| Name | Function | 2024 | 2023 |
|---|---|---|---|
| Mirosław Błaszczyk | President of the Management Board | 1.0 | 1.0 |
| Maciej Stec | Vice-President of the Management Board | 0.4 | 0.4 |
| Jacek Felczykowski | Member of the Management Board | 1.1 | 1.0 |
| Aneta Jaskólska | Member of the Management Board | 1.0 | 0.9 |
| Agnieszka Odorowicz | Member of the Management Board | 0.7 | 0.6 |
| Katarzyna Ostap-Tomann | Member of the Management Board | 1.1 | 1.0 |
| **Total** | | **5.3** | **4.9** |

The amounts of bonuses payable to each member of the Management Board for 2024 and 2023 are presented below:

| Name | Function | 2024 | 2023 |
|---|---|---|---|
| Mirosław Błaszczyk | President of the Management Board | 3.0 | 2.5 |
| Maciej Stec | Vice-President of the Management Board | 1.3 | 1.3 |
| Jacek Felczykowski | Member of the Management Board | 1.5 | 1.5 |
| Aneta Jaskólska | Member of the Management Board | 2.5 | 1.9 |
| Agnieszka Odorowicz | Member of the Management Board | 0.8 | 1.0 |
| Katarzyna Ostap-Tomann | Member of the Management Board | 2.9 | 3.4 |
| **Total** | | **12.0** | **11.6** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 48. Remuneration of the Supervisory Board

The Supervisory Board receives remuneration based on the resolution of the Extraordinary General Shareholders' Meeting of Cyfrowy Polsat S.A. dated 5 September 2007. On 29 June 2016 the Annual General Meeting adopted the resolution concerning changes in remuneration of members of the Supervisory Board.

Presented below is the total remuneration payable to the Supervisory Board members of the Parent Company in 2024 and 2023:

| Name | Function | 2024 | 2023 |
|---|---|---|---|
| Zygmunt Solorz | Chairman of the Supervisory Board | 0.24 | 0.24 |
| Justyna Kulka | Vice-Chairman of the Supervisory Board (since 20 June 2024) | 0.10 | - |
| Piotr Żak | Vice-Chairman of the Supervisory Board (until 3 July 2024) | 0.09 | 0.18 |
| Tobias Solorz | Vice-Chairman of the Supervisory Board (until 8 October 2024) | 0.14 | 0.18 |
| Marek Kapuściński | Vice-Chairman of the Supervisory Board (until 31 May 2023) | - | 0.08 |
| Józef Birka | Member of the Supervisory Board | 0.18 | 0.18 |
| Marek Grzybowski | Member of the Supervisory Board | 0.18 | 0.18 |
| Tomasz Szeląg | Member of the Supervisory Board | 0.18 | 0.18 |
| Jarosław Grzesiak | Member of the Supervisory Board (until 8 October 2024) | 0.14 | 0.18 |
| **Total** | | **1.25** | **1.40** |

## 49. 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 in total 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 31 December 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 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, 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. On 25 November 2024, a hearing was held during which the Voivodship Administrative Court in Cracow repealed the decision of the Head of the Małopolska Tax Office in Cracow. 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 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. On 25 November 2024, a hearing was held during which the Voivodship Administrative Court in Cracow repealed the decision of the Head of the Małopolska Tax Office in Cracow. According to the information obtained, a cassation appeal was filed against the judgment by the Head of the Małopolska Tax Office. The Company has not created any provisions encumbering its financial results.

## Renewal of the frequency reservations

Due to the 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.

On 28 November 2024, the President of UKE extended the reservation decision in the 2600 MHz band for Polkomtel for another 15 years.

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.

## Auction for frequency reservation in the 3.6 GHz band

On 19 December 2023, the President of the UKE issued a reservation decision for Polkomtel regarding the acquired frequency block in the 3.6 GHz band.

As part of the auction, Polkomtel acquired block A (3400-3500 MHz range) for the price of PLN 450, where on 4 August 2023, it submitted an initial offer and paid a deposit in the required amount of PLN 182, the remaining fee of PLN 268 was paid on 10 January 2024.

Each of the auction winners was obliged to develop the network by launching at least 3,800 (not in millions) base stations using the assigned frequencies within 48 months from the date of delivery of the reservation decision. In addition, the auction winners were obliged to provide a throughput (using any frequency range) of 95 Mbps for 99% of households throughout the country within 60 months, for 90% of the country's territory within 60 months, for 95% of national roads within 84 months, for 95% of provincial roads within 84 months, for 95% of railways lines within 84 months, and for 24-hour road border crossings within 24 months from the date of delivery of the reservation decision.

## Auction for frequency reservation in the 700 and 800 MHz band

On 8 November 2024, the President of the UKE launched an auction for seven frequency reservations from bands below 1 GHz - the frequency resources in the auction are 6 blocks of 5 MHz FDD in the 700 MHz band and one block of 5 MHz FDD in the 800 MHz band. The auction ended on 25 March 2025, and Polkomtel purchased one frequency block from the 700 MHz band at a price of PLN 363.1 - Reservation D in the 718-723 MHz and 773-778 MHz ranges.

According to the auction documentation, the commencement of commercial offering of services using the obtained frequencies must take place within 4 months from the date of delivery of the reservation, which all auction participants should receive in May this year. All frequency blocks were allocated with a period of use until 31 May 2040.

In addition, the holders of the reservations obtained in the auction will be required to: provide a capacity of 95 Mb/s for 90% of the entire country by 28 December 2028, a capacity of 120 Mb/s for 99% of households throughout the country by 28 December 2030, a capacity of 95 Mb/s for 95% of national, provincial roads and railway lines by 28 December 2030, and a capacity of 95 Mb/s for 24-hour road border crossings by 28 December 2025. These obligations may be fulfilled using all frequencies to which the Disposer has the right to use the frequencies.

## 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.

### 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.

### 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 2024.

## 50. Events subsequent to the reporting date

### Acquisition of shares of Archiplex Sp. z o.o.

On 17 January 2025 Cyfrowy Polsat S.A. purchased 100% of the shares of Archiplex Sp. z o.o.

### Sale of shares of Asseco Poland S.A.

On 31 January 2025 and 5 February 2025 the Company sold the entirety of shares held in Asseco Poland S.A. The total proceeds from the sale of shares amounted to PLN 718.0.

### Sale of shares of Alledo Express Sp. z o.o.

On 31 January 2025 Esoleo Sp. z o.o. sold 100% of the shares of Alledo Express Sp. z o.o.

### Partial early repayment of term credit

On 21 February 2025 the Company and Polkomtel (a subsidiary of the Company) made a voluntary early repayment of part of the term credit granted to the Company and Polkomtel in PLN under a credit agreement dated 28 April 2023. The total amount of the prepayment amounted PLN 681.4 and was allocated to capital installments due in 2025 and in the first quarter of 2026.

## 51. Other disclosures

### Other securities

In connection with the implementation of investment projects by its subsidiaries involving the construction of renewable energy installations, the Company has granted guarantees of significant value for the performance of agreements for the implementation of individual wind farm projects, in particular agreements for the supply and installation of wind turbines concluded with Vestas Poland S.A. As of 31 December 2024, the total value of sureties and guarantees granted to the above-mentioned Vestas Poland S.A. for wind farm projects amounted to EUR 175.7 with expiration dates falling on various dates in 2024-2026.

The Company granted corporate guarantees and sureties in EUR and USD, which guarantee the trade payables of its subsidiary Polkomtel Sp. z o.o. to its suppliers. As of 31 December 2024, the total value of granted guarantees, converted into PLN at the exchange rate as of the balance sheet date, amounted to PLN 207.4. The guarantees expire 2025-2026.

The Company granted corporate guarantee in EUR, to its subsidiary Telewizja Polsat Sp. z o.o., in connection with the performance of an agreement under which UEFA granted Telewizja Polsat the right to broadcast matches played in the UEFA Europa League and UEFA Conference League in the years 2024-2027. As of 31 December 2024, the total value of granted guarantees, converted into PLN at the exchange rate as of the balance sheet date, amounted to PLN 106.8.

The financial terms of the granted guarantees and warranties do not differ from market terms.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

### Commitments to purchase programming assets

As at 31 December 2024 the Group had outstanding contractual commitments in relation to purchases of programming assets. The table below presents a maturity analysis for such commitments:

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| within one year | 332.9 | 225.4 |
| between 1 to 5 years | 491.4 | 287.3 |
| more than 5 years | 128.4 | 162.8 |
| **Total** | **952.7** | **675.5** |

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

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| within one year | 11.4 | 15.8 |
| **Total** | **11.4** | **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 740.8 as at 31 December 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 102.8 as at 31 December 2024 (PLN 78.4 as at 31 December 2023).

### Future contractual obligations

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

The table below presents future payments (total):

| | 31 December 2024 | 31 December 2023 |
|---|---|---|
| within one year | 114.1 | 116.1 |
| between 1 to 5 years | - | 116.1 |
| **Total** | **114.1** | **232.2** |

## 52. 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.

The most significant estimates and assumptions made are primarily related to the following:

- Classification of lease agreements

For contracts in which the Group acts as a lessor, the Group classifies leasing agreements as operating or financial based on the assessment as to what extent the risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. The assessment is based on the economical substance of each transaction. The Group concludes agreements for the rental of reception equipment (set-top boxes, modems and routers) to its customers in the course of its business operations. These lease agreements are classified as operating leases as the Group holds substantially all the risks and rewards incidental to ownership of the reception equipment.

The Group entered into leases of office and other premises which are classified as operating leases. For more information see note 37.

- Lease term

For agreements which meet the lease definition, the Group determines the lease term as the non-cancellable period of a lease, together with both: periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. While determining the lease term the Group considers all relevant facts and circumstances, which could indicate that the Group will exercise the option to extend the lease. Lessee shall reassess an extension option, upon the occurrence of either a significant event or a significant change in the circumstances that are within control of the lessee. In terms of contracts with an indefinite period, the lease term is determined based on a professional judgment regarding the contract term. Contracts with indefinite periods for which the Group estimates reasonable certain lease terms include mainly the following:

- premises for technical infrastructure – estimated lease term is 2-10 years,
- dark fibers – estimated lease term is 2-10 years,
- points of sale premises – estimated lease term is 2 years,
- premises for wind farms – estimated lease term is up to 30 years.

- Discount rate used by the lessee

Discount rate is understood as the interest rate implicit in the lease (if that rate can be readily determined) or the incremental borrowing rate of the Group, determined as the cost of interest on the loan, which the Group would have to incur when taking a loan to purchase a given asset with adequate security. The incremental borrowing rate can be defined as the sum of the risk free rate and the Group's credit risk premium. Discount rates applied by the Group take into account the maturity and the currency of lease contracts.

- Depreciation rates of property, plant and equipment, investment property and intangible assets with definite useful lives

Depreciation rates are based on the expected economic useful lives of property, plant and equipment (including reception equipment provided to customers under lease agreements), investment property and intangible assets (including customer relationships and Plus, Netia, Interia and Premium Mobile brands). The expected economic useful lives are reviewed on an annual basis based on the experience of the entity.

The process of verification also accounts for climatic factors, including physical and transition risks. In particular, the Group defines whether the climate-related legislation and regulations can potentially have impact on the useful life of assets, e.g. by introducing bans, restrictions, or by imposing additional requirements, e.g. such as energy performance with regard to the Group's buildings.

The economic useful lives of the set-top boxes rented to customers under operating lease agreements are estimated for 5 years, modems and routers 3 years. For information on the useful lives of property, plant and equipment, investment property and other intangible assets with definite useful lives see notes 6j and 6k. For information on the depreciation charge for the period by the category of property, plant and equipment and intangible assets with definite useful lives see notes 16, 18, 20 and 23.

- Economic useful lives and amortization method of programming assets

Economic useful life of programming assets is based on the shorter of the expected consumption of future economic benefits from the underlying asset and the license period. Amortisation method of programming assets reflects how these economic benefits are consumed. The estimation of the useful life and the amortization method requires assessment of the timing during which the Group is expecting to obtain the income from the acquired programming assets and the percentage apportionment of this income in the given period. For more information about the amortization method and amortization charge for the period by programming assets' category see notes 6l and 22.

- Definite useful life of Polsat, TV4, TV6 and Polo TV  brands

The Group has reviewed whether relevant factors continued to indicate indefinite useful life of Polsat, TV4, TV6 and Polo TV  brands recognised in 2011-2017 on the acquisition of Telewizja Polsat S.A., Polskie Media S.A. and Lemon Records Sp. z o.o.

The Group has reviewed the following factors which are essential for estimating the economic useful life of the Polsat, TV4, TV6 and Polo TV brands:

- the expected usage of the asset by the entity and whether the asset could be managed more efficiently,
- technical, technological, commercial or other types of obsolescence,
- the stability of the industry in which the asset operates and changes in the market demand for media services,
- expected actions by competitors or potential competitors,
- the level of maintenance expenditure required to obtain the expected future economic benefits from the asset,
- whether the useful life of the asset is dependent on the useful life of other asset of the entity.

Having analyzed the above factors, the Group has concluded that there is foreseeable limit to the period over which the Polsat, TV4, TV6 and Polo TV (Lemon Records) brands are expected to generate net cash inflows for the Group and thus the definite useful life was assumed since 2023. This means that the above brands are subject to amortization for a period of 20 years.

As at the balance sheet date the Management states there are no plans to cease using or significantly modify Polsat, TV4, TV6 or Polo TV (Lemon Records) brands. The value assigned to the brands relate to the name “Polsat”, "TV4", “TV6” and “Polo TV” respectively and the related logotypes both of which are reserved trademarks. In case the Group decides about discontinuance of use or significant modification of the name or logotype the Management would assess whether there are indications of impairment of the Polsat, TV4, TV6 and Polo TV brands.

- Provisional fair value of assets and liabilities of PAK-PCE Group, naEkranie.pl Sp. z o.o. and 4FUN Sp. z o.o.

The Group identified assets and liabilities and initially estimated their fair value under the purchase price allocation process relating to the acquisition of PAK-PCE Group, naEkranie.pl Sp. z o.o. and 4FUN Sp. z o.o. For more information see note 40.

- Initial fair value of assets and liabilities of Global Continental Sp. z o.o.

The Group identified assets and liabilities and initially estimated their fair value under the purchase price allocation process relating to the acquisition of Global Continental Sp. z o.o. For more information see note 40.

- The impairment of goodwill

The Group performed impairment test of a goodwill. The impairment test was based on the value-in-use calculations of the cash-generating unit to which the goodwill and brands have been allocated on the initial recognition. Goodwill has been allocated to the following cash-generating units, which also represent the Group's business segments:

- “B2C and B2B services” - goodwill recognized on the acquisition of M.Punkt Holdings Ltd., goodwill recognized on the acquisition of INFO-TV-FM Sp. z o.o., the goodwill recognized on the acquisition of entities comprising the IPLA platform, the goodwill recognized on the acquisition of Metelem Holding Company Ltd., the goodwill recognized on the acquisition of Orsen Holding Ltd., the goodwill recognized on the acquisition of Litenite Ltd., the goodwill recognized on the acquisition of IT Polpager S.A., the goodwill recognized on the acquisition of 65.98% shares of Netia S.A., the goodwill recognized on the acquisition of Coltex ST Sp. z o.o., the goodwill recognized on the acquisition of Netshare Media Group Sp. z o.o., the goodwill recognized on the acquisition of 51.22% shares of TVO Sp. z o.o., the goodwill recognized on the acquisition of ISTS Sp. z o.o., the goodwill recognized on the acquisition of 51.25% shares of Esoleo Sp. z o.o., the goodwill recognized on the acquisition of IST Sp. z o.o., the goodwill recognized on the acquisition of data center in the form of an organised part of the enterprise, the goodwill recognized on the acquisition of 70.02% shares of BCAST Sp. z o.o., the goodwill recognized on the acquisition of Premium Mobile Sp. z o.o., the goodwill recognized on the acquisition of Logitus Sp. z o.o., the goodwill recognized on the acquisition of CKS Ossa Sp. z o.o., the goodwill recognized on the acquisition of Ossa Medical Center Sp. z o.o., the goodwill recognized on the acquisition of Stork 5 Sp. z o.o., the goodwill recognized on the acquisition of Vindix S.A., the goodwill recognized on the acquisition of Enterpol Sp. z o.o. and the goodwill recognized on the acquisition of Oktawave S.A.
- “Media: television and online” - goodwill recognized on the acquisition of Telewizja Polsat S.A., goodwill of TV4 and TV6 recognized on the acquisition of Polskie Media S.A., goodwill recognized on the acquisition of Radio PIN S.A., goodwill recognized on the acquisition of ESKA TV S.A., goodwill recognized on the acquisition of Lemon Records Sp. z o.o., the goodwill recognized on the acquisition 99,99% share of Eleven Sports Network Sp. z o.o., the goodwill recognized on the acquisition of Superstacja Sp. z o.o., the goodwill recognized on the acquisition of TV Spektrum Sp. z o.o., the goodwill recognized on the acquisition of 60% shares of Polot Media Sp. z o.o. and Polot Media Sp. z o.o. Sp.k, goodwill arising from the acquisition of 70% of shares in Antyweb Sp. z o.o., goodwill arising from the acquisition of 60% of shares in naEKRANIE.pl Sp. z o.o. as well as the goodwill recognized on the acquisition of 60% shares of 4FUN Sp. z o.o.
- “Real Estate” - goodwill recognized on the acquisition of 66.94% shares of Port Praski Sp. z o.o.
- "Green energy" - goodwill recognized as a result of the acquisition of a total of 50.51% of shares in PAK-Polska Czysta Energia Sp. z o.o. and goodwill recognized as a result of the acquisition of Global Continental Sp. z o.o.

The value-in-use calculations included estimation of discounted cash flows for the given cash-generating unit and the relevant discount rate. The value of goodwill tested at each cash-generating unit, the key assumptions used in the value-in-used calculations for each cash-generating unit, impairment test results and sensitivity analysis of reasonably possible changes in the key assumptions are presented in note 19.

- The impairment of non-financial non-current assets

The Group analyzed whether, as of the balance sheet date, there were indications of potential impairment of fixed assets, intangible assets or rights to use with a definite useful life and recognized an impairment loss for fixed assets in the amount of the difference between the recoverable amount and the carrying amount.

It is also climatic factors, such as climate-related legislation, that can affect the residual value of fixed assets. Additionally, extreme weather such as thunderstorms, torrential rains or hurricanes may lead to shutdowns or even cause physical damage to the wind farms. Similar damage can be potentially caused to photovoltaic farms as well as to the telecommunication infrastructure. At the same time these assets are designed and constructed in a way which minimizes such threats. Extreme weather conditions can also cause damage to the broadcasting infrastructure, the antenna dishes in particular. Nonetheless these antennas are designed and built in a way to allow the antenna dishes to withstand hurricane-force winds. Hence even hurricanes, which have become more frequent in Poland, should not cause damage to antenna dishes.

At the same time, weather phenomena, which are accompanied by heavy clouds which accumulate big volumes of water, can interfere with satellite signal transmission. Bearing such threats in mind, two redundant transmission centers were built – in Warsaw and in Radom. If weather conditions are unfavorable in one location, the other one will seamlessly take over. The solution can also help continue trouble-free operations in case of other problems (e.g. persisting power outages).

The amounts of depreciation and amortization charges are presented in notes 16, 20 and 21. As of 31 December 2024 no reasons existed which could lead to impairment of fixed assets due to climate-related factors.

- Impairment of receivables

The value of receivables is updated taking into account the expected credit losses for trade receivables and contract assets in the amount corresponding to the expected credit losses throughout the life of the instrument. The amount of expected losses is calculated on the basis of historical data regarding the repayment of receivables and the effectiveness of debt collection, taking into account current expectations regarding the future values of these parameters. For more information see notes 6n, 29 and 41.

- Impairment of inventories

The Group provides impairment for slow-moving or obsolete inventories based on inventory turnover ratios and current marketing plans. The purchase cost or production cost is determined based on weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business, less selling expenses. For more information see notes 6m and 28.

- Provisions for pending litigation

During the normal course of its operations the Group participates in several court proceedings, usually typical and repeatable and which, on an individual basis, are not material for the Group, its financial standing and operations. The provisions are estimated based on the court documentation and the expertise of the Group's lawyers who participate in the current litigations and who estimate Group's possible future obligations taking the progress of litigation proceedings into account. The Group also recognizes provisions for potential unreported claims resulting from past events, should the Management Board find that the resulting outflow of economic benefits is likely. Provisions regarding probable claims are recognized as a result of Management Board's estimates based on accessible information regarding market rates for similar claims. Management believes that the provisions as at 31 December 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.

- Deferred tax

Deferred taxes are recognised for all temporary differences, as well as for unused tax losses. The key assumption in relation to deferred tax accounting is the assessment of the expected timing and manner of realization or settlement of the carrying amounts of assets and liabilities held at the reporting date. In particular, assessment is required of whether it is probable that there will be suitable future taxable profits against which any deductible temporary differences can be utilized. At the end of the reporting period unrecognised deferred tax assets are re-assessed. A previously unrecognised deferred tax asset is recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. For further details refer to note 6w and 13.

- Fair value of financial instruments

Fair value of financial instruments for which there is no active market is estimated using appropriate techniques of measurements. The techniques are chosen based on the professional judgment. For more information about the method of establishing the fair value of financial instruments and key assumption made see note 6h.

- Loan liabilities measured at amortized cost

The Cyfrowy Polsat Term Facility, the Polkomtel Term Facility, the Cyfrowy Polsat Revolving Facility and the Polkomtel Revolving Facility bear interest at a variable rate equal to WIBOR for the relevant interest period plus margin. The margin on the Cyfrowy Polsat Term Facility, the Polkomtel Term Facility, the Cyfrowy Polsat Revolving Facility and the Polkomtel Revolving Facility depends on the ratio of net consolidated indebtedness to consolidated EBITDA, as well as on the achievement by the Group of certain targets with respect to green energy production and zero-carbon energy consumption by certain Group entities. Accordingly, the Company's management classifies loan liabilities as variable rate instruments.

- Valuation of Financial PPA contracts

Financial PPAs are valued at fair value through profit or loss, in according with MSSF 9. The fair value of financial PPAs for which there is no active market is determined using appropriate valuation techniques. The Company uses judgment in selecting appropriate assumptions. The valuation model takes into account: (i) technical data from market reports on the seasonality of renewable energy production, (ii) market prices based on futures contracts on POLPX with maturities of up to 2 years, (iii) expert energy price paths for periods of more than 2 years available from an external party, (iv) inflation forecasts published by the National Bank of Poland, (v) a discount rate based on the market interest rate curve adjusted for counterparty credit risk.

- Presentation of Asseco Poland S.A. shares

Asseco Poland S.A. shares are presented as short-term assets as they are treated as held for trading due to the change in the time perspective in which, in the opinion of the Management Board, the shares in Asseco Poland SA will be sold (see note 30).

- Presentation of the result from disposal of shares in associates accounted for using the equity method

Management Board considered facts and circumstances related to investments accounted for using the equity method. In Management Board's opinion, disposal of the shares in associates does not have any characteristics of an one-off transaction. Consequently, the result of this transaction is presented as operational activity.

- Put options to purchase the remaining shares

The Management Board assessed that, in cases where put options for non-controlling shares of subsidiaries were granted, there was no transfer of ownership of the remaining shares at the moment of taking control over the companies. Therefore, a put option liability was recognized.

- Revenue from the sale of real estate

Revenues from the sale of real estate (residential units, commercial space, etc.) are recognized when control over the acquired real estate and the significant risks and rewards inherent in the ownership rights pass to the buyer of the real estate. According to the assessment of the Company's management, this occurs at the time of delivery of the real estate to the buyer based on a handover protocol signed by the parties, provided that the buyer settles 100% of the purchase price of the real estate.

- Costs of sale of real estate

The purchase price or production cost in development projects includes all purchase costs, processing costs and other costs, direct and indirect, incurred in bringing the inventories to their current location and condition.

Expenditures incurred on infrastructure elements, e.g. roads, which were built in connection with the housing investments in the Porty Praskie companies, without which it would have been impossible to obtain a construction permit and put the investment into use, were incurred by the company implementing the investment and settled when selling the apartments. In the future, in the case of construction of infrastructure that will serve several investments, the construction costs will be settled based on the investment property area share allocation key.

The allocation of expenditures on the lock and the quay is based on the value of individual lands from the valuation report according to which the proportion was calculated, on the basis of which individual companies participate in the costs incurred for these structures.

The owned water plots are assigned in their entirety to inventory and allocated to individual companies. The allocation was calculated on the basis of the market value of the real estate in individual companies.

- Climate issues and impact on the financial statements

Being aware of the importance and the scale of climatic changes, while using various scenarios the Group carried out the analysis of the climate-related risks affecting its own operations, as well as the operations of the Company’s capital group as a whole. The analysis led to identification of climate change-related physical risks and transition risks in the respective areas of the Group’s operations, while also identifying the sources of actual and potential greenhouse gas emissions. The approach applied in the analysis is consistent with TCFD recommendations (Recommendations of the Task Force on Climate related Financial Disclosures, TCFD, June 2017), i.e. with the logic of climatic risk analysis at the qualitative level presented by TCFD (including in the scope related to division into physical and transition risks, as well as in the scope of their further categorization and description).

The full analysis of climate-related risk factors, including analysis of climate-development scenarios and the climate resilience of the business models used in respective segments of the Group’s operations, is found in the Group’s management report in section “Sustainability Report”.

Wherever necessary, the Group has included the climate-related issues in its estimates and assumptions. The assessment includes a wide scope of potential impacts on the Group, both in terms of physical and transition risks.

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

# Financial results for the 3 months ended 31 December 2024 and 31 December 2023

## 53. Consolidated Income Statement

| | Note | for the 3 months ended 31 December 2024 unaudited | for the 3 months ended 31 December 2023 unaudited *(restated data)* |
|---|---|---|---|
| ***Operations continued*** | | | |
| Revenue | | 3,827.1 | 3,681.5 |
| *Financing component of revenues from installment sales* | | *46.4* | *47.9* |
| Operating costs | | (3,439.4) | (3,486.7) |
| *Costs of debt collection, write-offs and the cost of written off receivables* | | *(21.4)* | *(26.2)* |
| Gain on disposal of a subsidiary and an associate | | - | (0.4) |
| Other operating income/(costs), net | | (39.7) | (22.2) |
| **Profit from operating activities** | | **348.0** | **172.2** |
| Finance income | | 122.2 | 368.8 |
| Finance costs | | (246.4) | (414.6) |
| Share of the profit/(loss) of associates accounted for using the equity method | | - | - |
| **Gross profit for the period** | | **223.8** | **126.4** |
| Income tax | | (56.1) | 3.9 |
| **Net profit for the period** | | **167.7** | **130.3** |
| Net profit attributable to equity holders of the Parent | | 135.1 | 100.5 |
| Net profit attributable to non-controlling interest | | 32.6 | 29.8 |
| **Basic earnings per share (in PLN)** | | **0.30** | **0.24** |
| **Diluted earnings per share (in PLN)** | | **0.30** | **0.24** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 54. Consolidated Statement of Comprehensive Income

| | for the 3 months ended | |
|---|---|---|
| | **31 December 2024 unaudited** | **31 December 2023 unaudited** |
| **Net profit for the period** | **167.7** | **130.3** |
| *Items that may not be reclassified subsequently to profit or loss :* | | |
| Actuarial (loss)/gain | 0.7 | (2.6) |
| *Items that may be reclassified subsequently to profit or loss :* | | |
| Valuation of hedging instruments | 5.0 | 1.1 |
| Share of other comprehensive income of subsidiaries and associates | (0.1) | (2.7) |
| **Other comprehensive income/(loss), net of tax** | **5.6** | **(4.2)** |
| **Total comprehensive income for the period** | **173.3** | **126.1** |
| Total comprehensive income attributable to equity holders of the Parent | 140.7 | 98.6 |
| Total comprehensive income attributable to non-controlling interest | 32.6 | 27.5 |

## 55. Revenue

| | for the 3 months ended | |
|---|---|---|
| | **31 December 2024 unaudited** | **31 December 2023 unaudited** |
| Retail revenue | 1,809.6 | 1,763.7 |
| Wholesale revenue | 898.7 | 929.3 |
| Sale of equipment | 478.6 | 506.7 |
| Sale of energy | 340.0 | 285.6 |
| Other revenue | 300.2 | 196.2 |
| **Total** | **3,827.1** | **3,681.5** |

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 56. Operating costs

| | | for the 3 months ended | |
|---|---|---|---|
| | Note | 31 December 2024 unaudited | 31 December 2023 unaudited |
| Technical costs and cost of settlements with telecommunication operators | | 872.3 | 862.1 |
| Depreciation, amortization, impairment and liquidation | | 373.2 | 494.2 |
| Cost of equipment sold | | 404.8 | 415.2 |
| Content costs | | 590.3 | 565.6 |
| Cost of energy sold, including: | | 263.4 | 268.2 |
| *Depreciation** | | *17.6* | *9.3* |
| Distribution, marketing, customer relation management and retention costs | | 290.5 | 277.4 |
| Salaries and employee-related costs | a) | 352.9 | 335.6 |
| Cost of debt collection services, bad debt allowance and receivables written off | | 21.4 | 26.2 |
| Other costs, including: | | 270.6 | 242.2 |
| *Depreciation** | | *1.1* | *1.0* |
| **Total** | | **3,439.4** | **3,486.7** |

* depreciation costs included in energy and bus production costs

### a) Salaries and employee-related costs

| | for the 3 months ended | |
|---|---|---|
| | 31 December 2024 unaudited | 31 December 2023 unaudited |
| Salaries | 294.9 | 278.5 |
| Social security contributions | 42.6 | 38.6 |
| Other employee-related costs | 15.4 | 18.5 |
| **Total** | **352.9** | **335.6** |

*excludes production employees

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## 57. Finance income

| | for the 3 months ended | |
|---|---|---|
| | 31 December 2024 unaudited | 31 December 2023 unaudited (restated data) |
| Interest on loans granted | 0.6 | 2.6 |
| Lease interest | 0.7 | - |
| Other interest income | 32.9 | 37.5 |
| Exchange differences from loan valuation | 3.2 | 145.7 |
| Valuation of shares held in PAK-PCE* | - | 151.3 |
| Change in the value of shares of Asseco Poland S.A. | 78.2 | 11.7 |
| Realization and valuation hedging instruments to hedge the cost of exchange rate differences | (0.1) | (0.3) |
| Realization and valuation of instruments for which hedge accounting was not applied, to hedge the cost of exchange rate differences | (0.1) | (0.2) |
| Other income | 6.8 | 20.5 |
| **Total** | **122.2** | **368.8** |

* impact of accounting for the purchase price allocation of PAK-PCE under IFRS 3 requirements

## 58. Finance costs

| | for the 3 months ended | |
|---|---|---|
| | 31 December 2024 unaudited | 31 December 2023 unaudited (restated data) |
| Interest on loans and credits | 162.9 | 185.0 |
| Interest on issued bonds* | 96.0 | 97.6 |
| Realization and valuation of hedging instruments to hedge the cost of interest** | (1.9) | (0.9) |
| Realization and valuation of instruments for which hedge accounting was not applied - interest hedging | (41.8) | (13.0) |
| Valuation of existing relationships in connection with the acquisition of PAK-PCE*** | - | 83.9 |
| Interest on leasing | 10.8 | 8.3 |
| Other interest costs | 5.8 | 4.6 |
| Estimated future losses on loans granted | 2.4 | - |
| Exchange rate differences | 8.0 | 40.2 |
| Guarantee costs, bank commissions and other fees | 3.4 | 3.0 |
| Other costs | 0.8 | 5.9 |
| **Total** | **246.4** | **414.6** |

* includes early redemption bonus
** includes hedging of interest costs on loans and bonds
*** impact of accounting for the purchase price allocation of PAK-PCE under IFRS 3 requirements

(all cash amounts presented in text are in million with currency specification, all amounts are in PLN million, except where otherwise stated)

## Financing costs

| | for the 3 months ended | |
|---|---|---|
| | 31 December 2024 unaudited | 31 December 2023 unaudited |
| Interest on loans and credits | 162.9 | 185.0 |
| Interest on issued bonds* | 96.0 | 97.6 |
| Exchange differences from loan valuation | (3.2) | (145.7) |
| Execution and valuation of hedging instruments | (1.8) | (0.6) |
| Realization and valuation of instruments for which hedge accounting was not applied | (41.7) | (12.8) |
| **Total** | **212.2** | **123.5** |

* includes early redemption bonus