

Current report no. 8/2020

Date 17 March 2020

Subject **Disclosure of delayed inside information concerning information obtained by the Management Board of Cyfrowy Polsat S.A. of a decision made by the Management Board of the subsidiary Telewizja Polsat sp. z o.o. („Telewizja Polsat”) to submit an offer in the sale process of Interia Group companies**

In reference to appearing media reports, the Management Board of Cyfrowy Polsat S.A., acting pursuant to Article 17 sections 1, 4 and 7 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 (“**MAR**”), provides the following delayed inside information concerning information obtained by the Management Board of Cyfrowy Polsat S.A. (the “**Company**”) of a decision made by the Management Board of the subsidiary Telewizja Polsat to submit an offer in the sale process of Interia Group companies (the “**Transaction**”) / (“**Inside Information**”).

The disclosure of the Inside Information was delayed on 16 March 2020 pursuant to Article 17 section 4 MAR. At the same time, the Company is of the opinion that the appearing media reports justify the obligation to immediately disclose the Inside Information pursuant to Article 17 section 7 MAR, i.e. if the confidentiality of the inside information is no longer ensured, and where media reports explicitly relate to inside information, where those media reports are sufficiently accurate to indicate that the confidentiality of that information is no longer ensured.

Contents of the delayed Inside Information:

“The Management Board of Cyfrowy Polsat S.A. (the “**Company**”; “**Cyfrowy Polsat**”) informs that on 16 March 2020 the Management Board of the Company obtained information regarding a decision made by the Management Board of the subsidiary Telewizja Polsat to submit an offer in the sale process of Interia Group companies.

The submission of said offer concerns a contemplated acquisition by Telewizja Polsat of 100% of shares in Grupa Interia.pl spółka z ograniczoną odpowiedzialnością with its registered office in Kraków (“**GIGO**”) as well as the rights and obligations of a limited partner of Grupa Interia.pl Media spółka z ograniczoną odpowiedzialnością spółka komandytowa with its registered office in Kraków (“**GIKO**”). An acquisition of these companies would result in acquiring exclusive control over Interia Group companies: GIGO, GIKO, Grupa Interia.pl spółka z ograniczoną odpowiedzialnością sp. k., Mobiem Polska sp. z o.o. and Mobiem Polska spółka z ograniczoną odpowiedzialnością sp. k. (jointly the “**Interia Group**”).

The Interia Group companies are being sold by Bauer Media Invest GmbH and Bauer Polen Invest GmbH (the “**Sellers**”). The selection of Telewizja Polsat’s offer will result in further negotiations concerning the intended acquisition of the Interia Group by Telewizja Polsat from the Sellers. The price and the final terms of the acquisition can be further negotiated.

The Company emphasizes that the negotiations are on an early stage and their outcome as well as the likelihood of their successful completion are still uncertain.

The Company will report on further steps undertaken in the process of the negotiations between Telewizja Polsat and the Sellers in separate current reports.

Substantiation of a delay in disclosure of the Inside Information to the public:

The Management Board of the Company believes that the delay in disclosing the above Inside Information met the conditions set out in MAR and the guidelines of the European Securities and Markets Authority for delaying disclosure of inside information of 20 October 2016 at the time the decision was made.

In the opinion of the Management Board of the Company, immediate disclosure of the Inside Information entailed the risk of a negative impact on the outcome of negotiations and the likelihood that the Transaction would be executed. In particular, it was likely to trigger interaction of third parties, which could, in turn, undermine the negotiation power of Telewizja Polsat and the Company in the future.

This could result, in particular, in deteriorated terms negotiated at a later stage, should the information had not been kept confidential, or even lack of successful completion of negotiations in the future. The occurrence of any of the foregoing circumstances could have an adverse effect on the achievement of business and financial goals of Telewizja Polsat and the Company.

The process conducted by the Sellers was confidential and, as far as the Company and Telewizja Polsat are aware, at that stage there were also other participants.

The Management Board of the Company believes that in the situation at hand, prompt disclosure of the information on the submission of the offer would involve a risk of infringing the legitimate interests of the Company and its group by it possibly having an adverse effect on the progress and outcome of the protracted negotiations process, as a result of compromising the negotiating position of Telewizja Polsat and the Company. Disclosing such information could have entirely frustrated the success of the negotiations.

Furthermore, given that the outcome of the pending negotiations was difficult to predict, the Management Board of the Company determined that the public disclosure of the Inside Information might result in misleading the investors as to the likelihood of a positive outcome of the negotiations and the potential acquisition of the Interia Group by Telewizja Polsat.

In the opinion of the Management Board of the Company, there were no reasons to believe that a delay in the disclosure of the Inside Information could be misleading to the public, in particular due to the absence of any earlier public announcements from the Company or Telewizja Polsat concerning the matter to which the Inside Information pertains.

In view of the Management Board of the Company, maintaining the confidentiality of the Inside Information was assured, in particular by the internal information circulation and protection procedures implemented on the Company group's level, which include the existence of list of the individuals having access authorized access to the contemplated Inside Information, as required under Article 18 of MAR. This list of individuals was systematically monitored and updated on an as-needed basis.

Considering the legitimate interests of the Company and its shareholders, and with a view to complying with the legal requirements stipulated by the MAR, in a separate report the Company will announce a

successful completion of the negotiations, as the case may be, and proceeding to the implementation of the actions described above, as well as on the terms of these actions, should such information be classified as inside information.

Inside Information may be made public also before the expiry of that time limit, if the Company or Telewizja Polsat enter into conditional agreements or other arrangements, concerning the acquisition of the Interia Group, or another entity publicly reports information concerning the sale process of the Interia Group.

The delayed Inside Information will not be disclosed to the public if it ceases to be inside information before the scheduled date of its publication, in particular as a result of Telewizja Polsat deciding to withdraw from the negotiations or its offer not being selected by the Sellers.

Pursuant to Article 17 section 4 of MAR, the Company will notify the Polish Financial Supervision Authority of the delay in disclosure of the Inside Information together with the reasons thereof immediately upon publication of this Report.

Legal basis *Article 17 Sections 1, 4 and 7 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC*

Signed by:

/s/ Mirosław Błaszczuk

Mirosław Błaszczuk
President of the Management Board

/s/ Tomasz Gillner-Gorywoda

Tomasz Gillner-Gorywoda
Proxy