

Cyfrowy Polsat IR Newsletter

16 – 22 December 2019



Puls Biznesu

16 December 2019

Exatel: establishing of the Polish 5G requires consultations with the EU

Source: PAP

The Exatel's CEO, Nikodem Bończa Tomaszewski, said in the interview with PAP (Polish Press Agency) that establishing of the Polish 5G required consultations with the European Union, to explain that a novelty approach to managing the radio frequency did not distort the competitiveness.

Exatel, together with the Polish Development Fund and four mobile operators, work on a business model assuming construction of the joint infrastructure for 700 MHz band, in which the state holds majority shares and renders available the entire 700 MHz frequency spectrum, while operators provide the passive infrastructure and financial contributions.

"We have assumed a very ambitious goal that our proposals would be ready by the end of this year. However, realistically speaking it seems that we will present the conclusions in the first quarter of 2020 at the earliest. The challenge is that our model is really novel and we need to fine-tune it in every detail and subject it to a very thorough verification", he said.

In his opinion the Brussels should not have any objections regarding the proposed model, as this does not distort the competitiveness, but only shifts the area of competitiveness building from frequency to the level of infrastructure.

Wirtualnemedi.pl

19 December 2019

New radiation standards in Poland. PEM Regulation signed

by km

Ministers of Health and Digital Affairs have signed the Regulation on permissible electromagnetic field levels in the environment (PEM).

The standards approved under this document are identical to the proposals which were published earlier in the draft Regulation in November 2019.

In particular, the power density limit with respect to frequency from 2 GHz to 300 GHz has been increased from 0.1 W/m² to 10 W/m².

New standards will be consistent with the European standards and recommendation of the International Commission on Non-Ionising Radiation Protection (ICNIRP) and the World Health Organization (WHO).

Telecompaper.com
20 December 2019

Cyfrowy Polsat plans to acquire up to 18.2 million shares in the IT company Asseco Poland, equal to a 21.95 percent stake. The price per share is PLN 65 and the total purchase price is around PLN 1.2 billion.

The acquisition would make Cyfrowy Polsat the largest shareholder in Asseco Poland and able to control the company.

In a letter to shareholders Adam Góral, the founder and shareholder of Asseco Poland, outlined the received investment proposal. He revealed that Cyfrowy Polsat proposed to Asseco Poland to start negotiations on a closer cooperation on deploying and serving IT systems for companies of the Cyfrowy Polsat group by Asseco Poland.

Cyfrowy Polsat's position at Asseco will depend on the number of shares to be sold by other shareholders. If its offer to acquire shares is successful, Cyfrowy Polsat is looking at negotiating with Adam Góral a shareholders agreement.

According to the statement, the companies don't plan a merger, and they will continue their activities autonomously.

The deal was announced after cancellation of an agreement with Huawei on implementation of the integrated IT system for the mobile operator Polkomtel, working under the Plus brand. Plus is controlled by Cyfrowy Polsat.

Press release
18 December 2019

Cyfrowy Polsat announces an intent to acquire up to 18.221.000 shares in Asseco Poland – the largest Polish IT company. Development of cooperation between the Polish economy leaders is planned

Cyfrowy Polsat is the largest and the most important Polish company in the media and telecommunications area while Asseco Poland likewise in the IT sector. Both companies' future and development is based on an ability to create and implement products and services with the use of cutting-edge technologies.

Cyfrowy Polsat is focusing both current and future operations on its core business, i.e., media and telecommunications. New market trends require the preparation of services and products using state-of-the-art technologies which are based on the highest quality IT solutions. Asseco Poland is the largest Polish IT company, delivering its solutions to many sectors of Poland's transforming economy.

For Cyfrowy Polsat, it is crucial in building its market position and customers' trust to constantly provide solutions which are adjusted to customers' needs. The customers demand services of the highest quality, which must be created based on effective IT solutions. Therefore, in order to be able to successfully grow its operations in the future and focus on its core business, i.e., providing services and products to retail and business customers, Cyfrowy Polsat needs an experienced and reliable IT partner.

For Cyfrowy Polsat Group Asseco may therefore become a main technology partner, supporting the development and maintenance of its IT systems. On the other hand, specialized telecommunications services of Cyfrowy Polsat Group may be extended with Asseco Poland's advanced services offering.

"An additional stimulus for Cyfrowy Polsat to its capital engagement in Asseco Poland is the fact that the IT sector is a driving engine of almost all sectors of Polish, European and the world's economies. The cooperation of both companies may thus be a natural step in times of development of the Economy 4.0, founded on IoT, big data or cloud computing and 5G," said Mirosław Błaszczuk, CEO of Cyfrowy Polsat S.A.

"Results which we can jointly achieve give us even greater development prospects on the rapidly growing telecommunications and IT markets. By cooperating we can operate as the largest technology group and deliver the most innovative solutions to our customers," said Adam Góral, founder, main shareholder and CEO of Asseco Poland S.A.

Recent events



In case if the acquisition of a significant shareholding in Asseco Poland by Cyfrowy Polsat is successful, it will be the intent of Cyfrowy Polsat and Mr. Adam Góral, as Asseco Poland's shareholders, to sign an agreement which will enable the execution of Asseco Poland development strategy. Mr. Adam Góral shall be responsible for Asseco Group's strategy and all decisions associated with its organization.

"As a founder and main shareholder of Cyfrowy Polsat Group I can state that if Cyfrowy Polsat becomes a shareholder in Asseco Poland, to a degree in accordance with today's announcement, it would be an additional opportunity for both companies to develop and establish a competitive position in the economy which is based on advanced technologies," said Zygmunt Solorz, main shareholder of Cyfrowy Polsat.

The companies do not plan to merge and shall continue to operate on a stand-alone basis, but their joint potential will enable the creation of a comprehensive offering of advanced telecommunications and IT services.

Current report 36/2019

18 December 2019

Conclusion of an agreement on the termination of cooperation with Huawei Polska Sp. z o.o.

In reference to [Current Report no. 34/2019](#) dated 27 November 2019, the Management Board of Cyfrowy Polsat S.A. (the “**Company**”) hereby informs, that it has been notified that the Management Board of its subsidiary Polkomtel sp. z o.o. (“**Polkomtel**”) made a decision concerning the conclusion of an agreement on the termination of cooperation with Huawei Polska Sp. z o.o. (“**Huawei**”) under the contract for the implementation of the BES IT system and the provision of software assistance and development thereof (the “**Contract**,” the “**Agreement**”).

Under the provisions of the Agreement Polkomtel and Huawei will establish the principles of settlement of mutual performances under the Contract, in particular Polkomtel will agree to pay an amount of ca. PLN 30 million in favor of Huawei as remuneration for the execution of the Contract for works commissioned and accepted by Polkomtel, as well as works completed but not accepted by Polkomtel. Under the provisions of the Agreement Polkomtel will receive the results of works executed and tools developed under the Contract.

Concurrently, according to the provisions of the Agreement Polkomtel and Huawei shall waive mutual claims regarding the execution of the Contract.

Current report 37/2019
18 December 2019

Disclosure of delayed inside information regarding a decision of the Management Board of Cyfrowy Polsat S.A. to engage in negotiations with Mr. Adam Góral and the Management Board of Asseco Poland S.A.

Subject: Disclosure of delayed inside information regarding a decision of the Management Board of Cyfrowy Polsat S.A. to engage in negotiations with Mr. Adam Góral and the Management Board of Asseco Poland S.A. concerning the conditions on which Cyfrowy Polsat S.A. would take actions aimed at expanding the current scope of cooperation among Cyfrowy Polsat S.A., Cyfrowy Polsat S.A. group companies and Asseco Poland S.A. under the scenario that Cyfrowy Polsat S.A. acquires a significant block of Asseco Poland S.A. shares, as well as the conditions on which a shareholders' agreement regarding Asseco Poland S.A. could potentially be concluded with Mr. Adam Góral and a decision to conduct all necessary analyses in relation to the contemplated acquisition of a significant block of shares of Asseco Poland S.A.

Acting pursuant to Article 17 Section 1 and 4 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 (the **"MAR Regulation"**) Cyfrowy Polsat S.A. discloses the following inside information regarding a decision of the Management Board of Cyfrowy Polsat S.A. to engage in negotiations with Mr. Adam Góral and the Management Board of Asseco Poland S.A. (**"Asseco"**) in order to establish the conditions on which Cyfrowy Polsat S.A. would take actions aimed at expanding the current scope of cooperation among Cyfrowy Polsat S.A., Cyfrowy Polsat S.A. group companies and Asseco under the scenario that Cyfrowy Polsat S.A. acquires a significant block of Asseco shares, as well as the conditions on which a shareholders' agreement regarding Asseco could potentially be concluded with Mr. Adam Góral and a decision to conduct all necessary analyses in relation to the contemplated acquisition of a significant block of shares of Asseco (**"Inside Information"**).

The disclosure of the Inside Information to the public has been delayed on 17 December 2019 on the basis of Article 17 Section 4 of the MAR Regulation.

Content of the delayed Inside Information:

"The Management Board of Cyfrowy Polsat S.A. (the **"Company," "Cyfrowy Polsat,"** the **"Issuer"**) informs that on 17 December 2019 it decided to engage in negotiations with Mr. Adam Góral and the Management Board of Asseco Poland S.A. (**"Asseco"**) in order to establish the conditions on which Cyfrowy Polsat S.A. would take actions aimed at expanding the current scope of cooperation among Cyfrowy Polsat S.A., Cyfrowy Polsat S.A. group companies and Asseco under the scenario that Cyfrowy Polsat S.A. acquires a significant block Asseco shares, as well as the conditions on which a shareholders' agreement regarding Asseco could potentially be concluded with Mr. Adam Góral and made a decision to conduct all necessary analyses in relation to the contemplated acquisition of a significant block of shares of Asseco.

Recent events



The objective of the negotiations is, in the first place, to confirm both parties' intentions to expand the current scope of cooperation between the Company, the Company's group companies and Asseco under the scenario that the Company acquires a significant block of Asseco shares, to initially define the main areas and basic terms of cooperation of the parties' cooperation in the future and to identify the formal conditions that will need to be fulfilled in order to achieve the goal assumed by the parties.

The negotiations with Mr. Adam Góral, President of the Management Board of Asseco and its shareholder, are conducted with a view to establishing whether the conclusion of a shareholders' agreement would also be possible, if the Company acquires a significant block of shares of Asseco.

The Issuer emphasizes that the negotiations are at an early stage and their outcome and the likelihood of their successful completion are uncertain.

The Company will report on further steps undertaken in the process of the negotiations in separate current reports."

[>> More](#)

Current report 38/2019
18 December 2019

Announcement of an invitation to submit offers for the sale of shares of Asseco Poland S.A. by Cyfrowy Polsat S.A.

Subject: Announcement of an invitation to submit offers for the sale of shares of Asseco Poland S.A. by Cyfrowy Polsat S.A. and decision to continue negotiations concerning an expansion of cooperation among Cyfrowy Polsat S.A. and Cyfrowy Polsat S.A. group companies and Asseco Poland S.A. under the scenario that Cyfrowy Polsat S.A. acquires a significant block of Asseco Poland S.A. shares

With reference to [Current Report No. 37/2019](#) dated 18 December 2019 of Cyfrowy Polsat S.A. (the “Issuer”), the Management Board of the Issuer hereby informs that as a result of conducted analyses and negotiations of the Issuer with Mr. Adam Góral and the Management Board of Asseco Poland S.A. (“Asseco”), on 18 December 2019 the Issuer decided to initiate actions aimed at acquiring a significant block of shares in Asseco, in the amount not exceeding 18,221,000 (eighteen million two hundred and twenty one thousand) and with aggregate value not exceeding 1,184,365,000 PLN (one billion one hundred eighty four million three hundred sixty five thousand zloty), with a potential participation of other entities controlled by Mr. Zygmunt Solorz (the “Acquisition”).

In order to effect the Acquisition, the Issuer hereby announces an invitation to submit offers for the sale of shares in Asseco (the “Invitation”). The Invitation concerns no more than 18,221,000 (eighteen million two hundred and twenty one thousand) shares of Asseco, representing 21.95% of the share capital of Asseco and vesting the right to exercise 21.95% of the total number of votes at the general meeting of Asseco. The proposed price for the Asseco shares to be purchased on the basis of the Invitation is PLN 65.00 (sixty five zloty 00/100) per share.

Trigon Dom Maklerski S.A. acts as an intermediary in implementing the Invitation.

The full text of the Invitation is attached to this Current Report and in the period of acceptance of offers to sell shares in Asseco it will also be available on the Issuer’s website <https://grupapolsat.pl/en/investor-relations>.

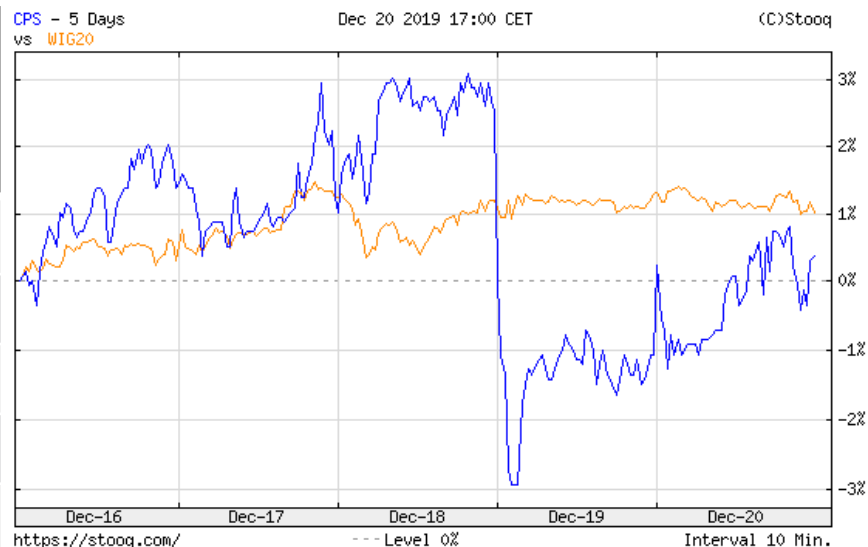
The acquisition of the Asseco shares on the basis of the Invitation will be financed from the Issuer’s own funds or from funds available under financial indebtedness of the Issuer.

[>> More](#)

Cyfrowy Polsat shares



Data	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2019-12-16	28.44	27.54	28.18	2.40	7.47
2019-12-17	28.62	27.84	28.14	-0.14	28.60
2019-12-18	28.72	28.08	28.50	1.28	19.00
2019-12-19	28.68	26.92	27.50	-3.51	33.10
2019-12-20	28.06	27.42	27.90	1.45	36.39



Investor's calendar



27 February – 12 March 2020	Closed period prior to the publication of 2019 results
12 March 2020	Annual report and consolidated annual report for 2019
30 April – 14 May 2020	Closed period prior to the publication of Q1 2020 results
14 May 2020	Quarterly report for Q1 2020
6 – 20 August 2020	Closed period prior to the publication of H1 2020 results
20 August 2020	Consolidated semi-annual report for the 1st half of 2020
27 October – 10 November 2020	Closed period prior to the publication of Q3 2020 results
10 November 2020	Quarterly report for Q3 2020