



Cyfrowy Polsat IR Newsletter

6 – 12 July 2020



N E T I A

Parkiet
8 July 2020

Orange Polska: Official information about the CEO

by Urszula Zielińska

Orange Polska confirmed that Julien Ducarroz, a Swiss, would be the telecom's next CEO. The company informed in a press release that its Supervisory Board accepted the candidate proposed by the main shareholder, the French Orange Group. The relevant Supervisory Board resolution appointing Ducarroz to the position of the President of the Management Board of Orange Polska will be adopted on July 21. Julien Ducarroz will take over from September, replacing Jean-François Fallacher who has been nominated the CEO of Orange Spain.

Ducarroz is 45 years old and is an engineer. Most recently he headed Orange Moldova, and earlier he was responsible for sales, marketing and brand development in Orange Romania.

pb.pl
8 July 2020

Release of a provision will increase the profit of Orange Polska

by Kamil Zatoński

Changes in the collective labor agreement (PUZP) related to the jubilee bonuses will result in the release of balance sheet provisions made on account of employee benefits, amounting to PLN 64 million.

The amount will be booked as a one-off item related to cost of labor and it will increase the telecom's bottom-line for Q2 2020.

In Q1 2020 Orange posted a net loss of PLN 36 million.

Telko.in
8 July 2020

UOKiK forced T-Mobile to introduce a mechanism of refunding prepaid balances

by Łukasz Dec

The Office of Competition and Consumer Protection (UOKiK) informed about a decision that it issued in connection with the case against T-Mobile regarding the violation of collective consumer interests. It is one of the cases filed against MNOs with regard to the so-called loss of funds on prepaid accounts. Similar proceedings are in progress or were conducted in respect of the three other mobile network operators.

Now T-Mobile will introduce a procedure of refunding the balances from a prepaid account, at a customer's request, within 30 days of an account becoming invalid or a prepaid number being ported to another MNO. UOKiK's decision does not contain any provisions regarding compensation for former users of T-Mobile's prepaid services.

It is also important that T-Mobile may charge an amount of PLN 20 for refunding the prepaid balance, which means that this amount is a cap below which repayment of the balance may not be sought.

Telko.in
8 July 2020

Polkomtel does not want to give up the yellow jersey in MNP

by Marek Jaślan

A total of 279 884 SIMs were ported between mobile networks in Q2 2020 (for comparison, in Q1 2020 the figure was more than 378 022), as has been indicated by the report published by the Office of Electronic Communications (UKE).

Similarly as a quarter earlier, two of the big four MNOs recorded negative balances (Play and T-Mobile), while two others (Polkomtel and Orange) recorded positive MNP balances.

In net terms P4, the operator of Play network, lost the highest number of SIMs – nearly 57.2 thousand (which was however less by more than 10 thousand than in the previous quarter). T-Mobile saw an outflow of more than 11.6 thousand SIMs (2.5 thousand more than a quarter earlier). Orange Polska, similarly as in Q1, gained 9.5 thousand SIMs net thanks to MNP. Polkomtel, the operator of Plus network, continues to record positive MNP results, gaining nearly 21 thousand SIMs (a figure similar to the previous quarter's result).

Premium Mobile continues to be effective in acquisition of SIMs through MNP (in Q2 2020 the MVNO added nearly 13.7 thousand customers to its base thanks to MNP), and so does ITI Neovision (acquiring nearly 1.9 thousand SIMs).

Cable networks also demonstrate quite good MNP balances. Vectra acquired 2.9 thousand mobile customers, Inea – 0.6 thousand., Multimedia – 2.3 thousand and UPC nearly 2.9 thousand.

The quarter was also successful for Netia who, as an MVNO, acquired 3.6 thousand SIMs.

Parkiet
9 July 2020

The court blocked the amendments to Netia's articles of association

by Urszula Zielińska

Fundusz Inwestycji Polskich 11 FUZ Aktywów Niepublicznych (Polish Investment Fund – 11 FUZ Non-Public Assets), i.e. the fund managed by the TFI (Investment Fund Company) associated with Zbigniew Jakubas, has led to blocking of amendments in Netia's articles of association by court. The amendments offered greater rights to Cyfrowy Polsat and its founder. FIZ is of the opinion that the resolution of the telecom's general meeting from the beginning of June has either been not adopted or is invalid since not all the votes that FIZ could have cast were accounted for in the voting. The court in Warsaw requested security for claims, thus freezing the amendments until the time the proceedings are ended.

Parkiet
10 July 2020

More optimism among TV CEOs

by Urszula Zielińska

During the first half of the year the revenue from TV commercials in Poland decreased by around PLN 400 million year-to-year, or by ca. 18 percent, as has been indicated by the estimates developed by experts from Publicis Groupe, published at the request of Parkiet business daily. This means that these revenues could have amounted ca PLN 1.76 bn. In the opinion of experts it will be difficult to compensate for this loss in the second half of the year. The heads of TV stations, some of which are WSE-listed companies, demonstrate diverse attitudes. Visible advertising market recovery was seen in June and July.

Publicis has not definitely stated yet what the second half of 2020 and the whole year will be like. In the report after Q1 the group's forecast said that the market would shrink by 7.3-14 percent, with the TV segment losing 6-12 percent. The new forecast may be more optimistic.

In the opinion of Dariusz Dąbski, CEO of TV Puls, Q4 will decide about the condition of the market in the whole of 2020, with the Q4 results being to a significant degree dependent on the pandemic-related situation. Marcin Barcz of Discovery/TVN Group stresses that the situation is dynamic and very diverse market development scenarios are considered. At the same time he notes that the present indicators give reasons for moderate optimism. Bogusław Kisielewski, the President of Grupa Kino Polska, told Parkiet that improvement of the advertisers' and media houses' sentiment offered optimism when looking forward to the second half of the year.

Press release
11 July 2020

30 million zloty donated by Zygmunt Solorz and Polsat Group to fight the coronavirus pandemics

Zygmunt Solorz and Polsat Group have donated in excess of PLN 30 million in total so far for supporting the society and the health care institutions in their struggle against the coronavirus pandemics. The addressees of the aid included in particular hospitals, doctors, nurses, healthcare personnel as well as children from orphanages.

Since the beginning of the pandemics Zygmunt Solorz and Polsat Group have been responsibly involved in providing aid to numerous social groups. The aid included financial and in-kind support for hospitals and healthcare employees, as well as for children from orphanages. Our support included purchase of protective gear, disinfectants, airing of commercial blocks in Polsat TV and SMS actions (aimed to raise money), or purchase of electronic equipment to support education of children living in foster families and orphanages.

“We are a Polish company and it is natural that we have decided to take action. Polsat Group and Polsat Foundation have been involved in providing aid for nearly 30 years now and during that time we donated as much several hundred million zloty to support the society. Involvement was particularly needed during the pandemics – we donated in excess of PLN 30 million for activities in various areas. We were working shoulder to shoulder with millions of people who devoted their time and resources to support health care institutions. This way we fulfil our social mission. I would like to appeal to everyone to keep in mind that also once the pandemics has ended there will continue to be many people, children or hospitals requiring support,” **said Zygmunt Solorz.**

Our latest initiatives include donation of ventilators to isolation hospitals as well as a concert for the Silesia region which was organized and aired by Polsat TV.

20 modern ventilators, worth nearly PLN 3 million, is a gift from Plus and Polsat Foundation. Currently the equipment is being delivered to hospitals nationwide.

The Concert for Silesia took place on July 4 and was broadcast by Polsat TV.

Polsat Group to-date activities have addressed such areas as: healthcare and safety, aid to children and the youth, support for the elderly as well as education and information. Most important activities included purchase of 200

Recent events



Press release
11 July 2020

thousand coronavirus tests, together with the necessary laboratory equipment, purchase of medical equipment, a dedicated commercial block in Polsat TV as well as donation of 2200 tablets to digitally-excluded children.

Other activities included SMS actions, providing meals for hospital staff, gift packs for children in hospitals from Polsat Media Advertising Office's employees, a social campaign addressing the issue of support for senior citizens, as well as 3000 daffodils from Fundacja Wolne Miejsce (Empty Seat Foundation) to support the "Easter Breakfast for the Lonely" action.

Educational and informational functions were performed by Polsat News TV channel and Wydarzenia (The News) program, having several editions daily in Polsat's main channel, as well as by Polsatnews.pl portal and Polsat News mobile app.



Cyfrowy Polsat shares



Data	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2020-07-06	27.74	27.22	27.44	0.37%	4.83
2020-07-07	27.36	26.62	27.02	-1.53%	15.67
2020-07-08	27.22	26.76	27.00	-0.07%	5.72
2020-07-09	27.70	26.82	27.58	2.15%	8.97
2020-07-10	28.02	27.16	28.02	1.60%	9.64



Investor's calendar



23 July 2020	Annual General Meeting
13 – 27 August 2020	Closed period prior to the publication of H1 2020 results
27 August 2020	Consolidated semi-annual report for H1 2020
5 – 7 October 2020	ERSTE conference (online) „The Finest CEElection Investor Conference 2020”
27 October – 10 November 2020	Closed period prior to the publication of Q3 2020 results
10 November 2020	Quarterly report for Q3 2020

