



Cyfrowy Polsat IR Newsletter

13 – 19 July 2020



N E T I A

Telko.in
13 July 2020

Orange extends the cooperation with Inea

by Marek Jaślan

Orange extended the agreement on wholesale cooperation with Inea for the use of the network of this operator managed by Fiberhost.

New access concerns the networks constructed under the third competition of the Digital Poland Operational Program (POPC3) and will cover another 550 thousand households in Poland. This means that, while using the open fiber optic network, rendered available by Inea under Fiberhost brand, the services of Orange Polska will be available to more than million users.

The cooperation between Inea and Orange Polska with respect to the open fiber optic networks started in 2017. At that time, the operator got access to commercial networks, that is networks built with Inea's own funds. Two years later the cooperation was extended with the infrastructure constructed under the first and second contest of the Digital Poland Operational Program (POPC).

Rzeczpospolita
14 July 2020

Being within the network coverage is like access to water

(Interview with Jean-Marc Harion, CEO of Play)

by Paweł Różyński

In the interview for „Rzeczpospolita” daily, Jean-Marc Harion, CEO of Play, said that the Covid-19 epidemics showed the importance of mobile operators in the modern world, both for companies and individual customers. In his opinion, the current need of access to high quality data transmission was related to the feeling of safety and a need of contact with the family and the closest environment. Being within the coverage has become as important as access to water or electricity.

Play's CEO stated that the use of digital technologies (remote work and learning, online entertainment, e-commerce) would remain a permanent trend in the so-called new normal.

In response to the question related to invalidation of the auction for frequency bands dedicated to 5G, Mr. Harion said that the operator was eagerly waiting for launching a new auction. He added that within the last 15 years, the Polish telecommunication market underwent a considerable change, but the policy of frequency distribution failed to follow this progress and the time might come to reanalyze it, so that Polish consumers could gain as much as possible from the balanced allocation of resources.

Play's CEO is concerned with continuously emerging fake news about harmfulness of radio waves used in 5G technology. He declared that the operator respected all opinions and would like to get involved in the dialogue in a responsible way. He also added that Play would not implement 5G technology against views and position of local authorities.

Mr. Harion also pointed to a risk of excessive regulation of the Polish telecommunication market. As an example, he quoted the draft implementation of the European Electronic Communications Code to the national law. It should introduce numerous restrictions for innovations by imposing unnecessary obligations on operators and customers, e.g. with respect to settlement for services provided by third parties.

In his opinion Poland has a chance to become a regional leader in telecommunication services, similarly to its leading position in banking services sector. For this to happen, a minimum scope of regulations is required, to develop competitiveness and innovation, as well as fast and coordinated implementation of the 5G standard.

Parkiet
15 July 2020

Joint Venture with Discovery closer to finalization

by Urszula Zielińska

August 12th, 2020 – it is an initial date of the decision to be made by the European Commission on granting consent to creating a joint venture between Polsat Television and Discovery Group to operate an on-demand online video platform.

According to information published on the website of the European Commission, the case was notified a week ago – on July, 7th. Documents accompanying this information indicate that Polsat and Discovery platform should operate not only in Poland, but also in other Member States. It should offer local content of both companies, content for which the right have been acquired, and TV series produced by the newly created joint venture.

Both partners will continue to separately run their sports services (Eurosport Player and Eleven Sports), Player and IPLA services, and in the case of Discovery – also TVN24.

They should also remain competitors on the market of distribution of television programs, sale of advertisements (excluding activities of the created online service) and purchase of broadcasting rights and licenses.

Parkiet.com
15 July 2020

Report on #Polskie5G (#Polish5G) reached the Prime Minister. What will happen next with the project?

by Urszula Zielińska

The work on initial analysis of the business model for #Polskie5G company which, with the involvement of the state, should maintain the wholesale radio network in 5G technology, has been completed. A report of the conducted analysis has been handed over to the Prime Minister, informed Exatel, a state-owned operator providing services to public companies and institutions with the use of fixed lines, which is an originator of this initiative.

Apart from Exatel, signatories of the agreement of October 2019 regarding this project also include state-owned PFR Group, Orange Polska, T-Mobile Polska, P4 (Play) and Polkomtel, operator of Plus network (Cyfrowy Polsat Group). Networks! (joint venture of Orange and T-Mobile) as well as Accenture were involved in analytic work.

“Report summarizing the executed work includes three feasibility models for construction of one homogenous network in 5G technology in 700 MHz band. Modelling covered economic and technical aspects, including planning of a homogenous radio network on the entire country’s territory, an analysis of the way of sharing infrastructure and resources and a possibility to use #Polskie5G company for the needs of Special Communication Wireless Network” – informed Exatel in the press release.

Exatel’s spokesperson also informed that the report would be subject to further analysis.

Parkiet
16 July 2020

Canal+ Polska filed the prospectus

by Urszula Zielińska

Canal+ Polska informed that the Management Board had filed the prospectus to the Financial Supervision Authority (KNF). The document may be approved at the end of September.

“The Company and its shareholders have not made a final decision regarding IPO, yet” – emphasizes Canal+ Polska.

The company has three shareholders: French Canal+ Group, holding 51% of shares, TVN and Liberty Global, the owner of UPC Polska Cable TV. The French stated that, irrespective of the decision about debut at stock exchange, they would remain a strategic shareholder of the platform. Shares belonging to TVN may be put on sale (TVN has an option of selling shares via stock exchange), and the same goes for Liberty shares, however this company so far has not confirmed this.

Telko.in
16 July 2020

Three cloud services of Netia verified by the Ministry of Digital Affairs

by Marek Jaślan

Netia (Cyfrowy Polsat Group) informed that its three cloud services had undergone positive verification and were added to the platform for Ensuring Cloud Services (ZUCH) for state administration, launched by the Ministry of Digital Affairs.

The work on ZUCH System, which is modelled after the British solution, has accelerated after the outbreak of coronavirus epidemics. At that time, many units of government and self-government administration faced a need of accelerated digitization.

The main task of the ZUCH system is to provide support during qualification of the IT system and determining whether a given system or its part could be securely added to the national cloud computing environment in public services.

Netia emphasizes that it is one of the first providers who managed to undergo a detailed verification by the Ministry of Digital Affairs. Cloud computing services of Netia qualified to the ZUCH system are as follows: Netia Compute (virtual servers), Netia DDoS Protection (protection against DDoS attacks) and Netia Data Protection (backup as a service type).

Telko.in
16 July 2020

Orange seeks a partner to the Polish fiber optics company

by Tomasz Świderek

According to Bloomberg news agency, quoting an unnamed source at Orange SA, the main owner of Orange Polska is working with Lazard Ltd. bank on possible sale of up to 50% of shares in the fiber optic network belonging to Orange Polska. According to information provided by the agency, the transaction may be worth EUR 1 billion.

At the end of 2019, Orange presented a new strategy which indicated that Orange might intend to release some value from the fiber optic network in Poland, and while – following the transaction – maintaining majority stake in the company which would be a new owner of the fiber optic infrastructure.

According to Bloomberg, Orange would like to take an advantage of the current trend of acquisition by infrastructure funds of companies which are owners of dedicated fragments of telecommunication infrastructure. The agency emphasizes that in case of Polish fiber optic networks, the talks are in progress and there is no certainty that they will end with the final transaction.

Cyfrowy Polsat shares



Data	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2020-07-13	28.20	27.62	28.30	27.62	12.82
2020-07-14	27.44	27.54	27.68	27.10	9.16
2020-07-15	27.76	27.92	28.04	27.46	10.03
2020-07-16	27.82	28.40	28.44	27.82	5.55
2020-07-17	28.48	29.32	29.82	28.40	17.94



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

