



Cyfrowy Polsat IR Newsletter

27 – 31 July 2020



N E T I A

**Dziennik Gazeta
Prawna**
28 July 2020

Big changes in telecommunications

by Elżbieta Rutkowska

Ministry of Digital Affairs started public consultations of the draft Electronic Communications Act (PKE).

The new law is, among others, intended to align the national law with the changes resulting from the European Electronic Communications Code, adopted by the European Union countries in 2018. The European law is intended to boost competition, stimulate investment in high speed networks and development of 5G networks as well as to enhance protection of consumers.

The draft law consists of three parts. The first one includes the regulations stemming from the existing telecommunications law where no changes are required (e.g. in the field of spectrum allocation). The second one includes the regulations found in the EECC, including the obligations that operators must fulfill when signing contracts with subscribers. For example, the operators will be obligated to submit to a customer a summary of the terms of a contract before the contract is actually entered into. The third block of changes in the draft regulation are the new regulations not stemming from EECC. These include the so-called general decisions issued by the regulator (UKE). Such general decisions will indicate a geographical area which they concern, without enumerating all the parties to which the decisions apply.

The amendments imposed by the EECC should be implemented by member states by 21 December 2020 at the latest.

**Dziennik Gazeta
Prawna**
29 July 2020

Without 5G we will face a blackout

by Elżbieta Rutkowska

In an interview for "Dziennik Gazeta Prawna" daily Wanda Buk, the Vice Minister of Digital Affairs, said that Poland was working on a definition of a high risk telecommunications equipment supplier. The definition will be included in the amended law on the national cyber-security system. She added that assurance of security is not just about excluding one manufacturer and that all suppliers of telecommunication equipment will have to meet the same requirements.

She also stated that 5G technology is required to assure more efficient use of spectrum, which is a rare resource. The demand for data transmission grows continuously while thanks to the new technology more devices can be served within the same bandwidth without negative impact on service quality. In her opinion if 5G is not implemented, we will have to face a progressing communication black-out.

The minister also explained that as regards cancellation of the auction concerning the frequency band C (3.4-3.8 GHz), the predominant reasons underlying the decision were connected with doubts of formal and legal nature.

In her opinion, the C-band spectrum blocks could be allocated to operators in a new tender or auction in Q1 2021.

She is of the opinion that it is not the fiscal goal that should be the main reason behind selling the spectrum but that the goals should rather be stimulation of the market and network development as well as sustainable development of the country.

Bankier.pl
30 July 2020

Orange Polska will not provide revenue growth forecast in 2020

by *kuc/ana*

Source: *PAP Biznes*

In Q2 2020 the revenue of Orange Polska amounted PLN 2.828 bn (+2.5% YoY).

The company's management board will not quote the revenue forecast growth for 2020 due to the uncertainties surrounding sale of roaming services, data communication solutions (ICT) and end-user devices in the second half of the year.

"There is big uncertainty as regards the level of our revenue, which we are unable to compensate for in the same way as we do in the case of EBITDAaL. The uncertainty mainly concerns the areas of roaming revenue, revenue from data communication solutions and sale of end-user devices. We have decided not to provide a revenue forecast but we do not expect any substantial decrease - our core revenue proved to be very resistant (to the impact of the pandemics – PAP), especially as regards the revenue from Internet services. What is causing uncertainties are the services which offer lower margins," said Jacek Kunicki, a member of Orange Polska management board responsible for financial matters.

Bankier.pl
30 July 2020

Orange Polska is working on establishing a company for fiber-optic operations

by kuc/asa

Source: PAP Biznes

The CEO of Orange Polska, Jean-Francois Fallacher, informed that the operator was actively working on establishing a company for its fiber-optic operations (FiberCo). He added that Orange saw space for increasing the number of fiber-optic links in Poland and that it was in the process of searching for the optimum form of financing of such development. The most probable variant is the cooperation with a financial partner, so as to optimize future capital expenditures.

The project is still at an early phase and its final form has not been determined yet. It is possible that the project will cover part of the network but it is still unknown how much of the network will be covered. Orange hopes that talks with investors will start soon.

The planned company will be dealing with the development of fiber-optic lines while at the same time also being the owner of part of the existing infrastructure of Orange Polska, so as to be a more attractive partner for financial investors.

Telko.in
30 July 2020

In spring 2021 Netia will have a new data center

by Tomasz Świderek

Netia (a Cyfrowy Polsat Group company) will pay PLN 21.05 million (excl. VAT) to acquire share in the real estate where a project involving construction of an office and data center building with a floor space of 3873 sq. meters is being implemented.

The seller is Laris Technologies sp. z o.o., a company which is partly controlled by Zygmunt Solorz.

Netia has entered into an agreement for project management with the seller by virtue of which Laris Technologies will complete the facility's construction, secure the required permits and, by 31 March 2021, hand-over the completed project to Netia. Contract value is PLN 57.65 million, excl. VAT.

Netia has justified the decision by *"the necessity of increasing the space required for housing the data infrastructure due to the significant growth of demand for the services provided with the use of that infrastructure."* The move is aligned with development directions assumed by the operator, i.e. increased *"involvement in the expansion of the portfolio of advanced data communication services provided by Netia in the B2B segment"*.

Cyfrowy Polsat shares



Data	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Turnover (mPLN)
2020-07-27	29.90	29.30	29.74	1.50	26.19
2020-07-28	29.82	28.30	28.70	- 3.50	15.39
2020-07-29	29.08	28.52	28.80	0.35	15.46
2020-07-30	29.08	28.30	28.30	- 1.74	18.13
2020-07-31	28.86	27.72	27.84	- 1.63	18.36



Investor's calendar



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

