



Cyfrowy Polsat IR Newsletter

7 – 13 September 2020



Wirtualnemedia.pl
9 September 2020

Polsat Media acquires Interia's advertising office and takes over sale of its offer

by tw

Starting from October 2020 Polsat Media, Cyfrowy Polsat Group's advertising office, will take over the support of Interia Group in the field of sale of advertising space. At the same time, the employees of Interia Group's advertising office will join Polsat Media team.

"Adding Interia.pl web services to Polsat Media's advertising offer will perfectly supplement Polsat Media Online's products by adding an efficient, high coverage Internet advertising formats. For Polsat Media it means a strong entry onto the Internet advertising market," says **Magdalena Niewińska, Sales Director at Polsat Media.**

Polsat TV (a Cyfrowy Polsat Group company) finalized the acquisition of Interia Group in July 2020, upon obtaining an approval from the UOKiK (Office of Competition and Consumer Protection).

"We are buying a well-managed business with a strong position on the Internet market. It perfectly fits with the strategy of Polsat TV. We wish to deliver attractive content via all distribution channels. Thanks to Interia our content will gain access to yet another field of use. Our offer for the advertisers will be enriched with very effective web advertising formats having extensive coverage. We wish to have a strong position on the dynamically growing online advertising market. We count on the potential of Interia Group and its employees, their competence and experience which will surely enable us to effectively pursue our ambitious goals," commented **Stanisław Janowski, CEO of TV Polsat.**

Apart from Interia.pl portal, Interia Group owns a number of thematic services, including Pomponik.pl, Smaker.pl, Styl.pl and Deccoria.pl.

In July 2020, in a Gemius/PBI survey the web pages and applications of Interia Group and Cyfrowy Polsat Group recorded jointly 18.27 million users and 1.51 billion hits as well as 17 minutes and 3 seconds of mean daily time of visits, with Interia.pl web portal alone having 13.61 million users, 822.06 million hits and 22 minutes and 42 seconds of mean time of use.

**Dziennik Gazeta
Prawna
9 September 2020**

In five years Huawei hardware may disappear from Polish telecommunication networks

by Elżbieta Rutkowska

The Ministry of Digital Affairs presented, for consultations, a draft amended act on the national cybersecurity system (KSC). It provides that the Cybersecurity Council will be assessing the vendors of telecommunication equipment while taking into account such criteria as *“the probability that a hardware, software or services vendor remains under the influence of a non-EU or non-NATO member state”*, including assessment of *“the legislation of such a state in terms of protection of civil and human rights”*, as well as *“the ability of such a state to interfere with the freedom of economic operations of a vendor”*.

The Cybersecurity Council, a body chaired by the Prime Minister, will be classifying vendors as presenting high, moderate and low risk to national cybersecurity, or confirm non-identification of any risk in this area.

If the risk is assessed as moderate and low, a vendor will be able to present remedies and a corrective plan upon the approval of which the risk assessment may be changed. High risk vendors will be entitled to file, within 14 days, an appeal against the Council’s decision. Such an appeal will be reviewed within two months of receipt (review of the appeal does not stop the consequences of the original assessment).

Telecommunication operators will not be permitted to buy the equipment from any vendors classified as presenting high and moderate risk. The hardware and the software purchased from such vendors earlier will have to be removed within 5 years.

Consultations of the new law will take two weeks. The intention of the Ministry of Digital Affairs is for the new law to take effect from 21 December 2020, together with the Electronic Communication Law Act.

Wirtualnemedia.pl
9 September 2020

More flexible time limits for TV commercials: 72 minutes over a period of 6 hours, instead of 12 minutes per hour

by pr / tw / masz

The government has developed the amended Radio and TV Act which will, among others, modify the current time limits for commercials, which in the opinion of the authors of the draft document is intended to stop the decline of advertising spendings in TV.

At present commercials may last maximum 12 minutes per hour, while the amended law introduces division of a day into three parts:

- from 6 a.m. to 6 p.m. the commercials may take 20% of air-time, i.e. maximum 144 minutes,
- from 6.p.m. to midnight the commercials may take 20% of air-time, i.e. maximum 72 minutes,
- from midnight to 6 a.m. there are no limits as to the time of the commercials.

At the same time the regulations prohibiting state broadcasters, i.e. Polish TV and Polish Radio, to interrupt TV shows, series or movies with commercials will remain in force.

The amended law maintains the existing regulations according to which no broadcaster may interrupt specific types of programs with commercials, including news programs, religious programs, journalistic and documentary programs shorter than 30 minutes or kids shows.

Also the principle remained in force according to which the advertising breaks during TV series and shows may not be broadcast more frequently than once every 20 minutes (in TV) or once every 10 minutes (in the radio), while in the case of movies the breaks may not be more frequent than once every 45 minutes.

The time limits do not include sponsorship boards and broadcasters ads promoting their own shows.

Ministry of Culture assumes that the planned regulations will enable the TV broadcasters to maintain their growth at the level of 5% per year.

According to the authors of the amended law, in 2021 the TV advertising market will be worth PLN 5.1 billion vs. PLN 4.4. billion in 2018. In 2022 the value of this market is expected to be PLN 5.365 billion. In 2024 it is expected to reach PLN 5.9 billion and in 2025 – PLN 6.2 billion.

The above forecasts do not account for the impact that COVID-19 pandemics has had on the advertising market. In the opinion of the draft law's authors, it is highly probable that the market will see limited value growth, or even slight decrease of the value in 2021. However, in further years the market should return to a path of stable growth.

Wirtualnemedia.pl
10 September 2020

Plus invests in 5G. The operator is looking for startups, offering even PLN 600 thousand for the best ones
by jk

Polkomtel, the operator of Plus network, who has been offering commercial 5G services since May 2020, has entered into cooperation with *Akcelerator S5* business accelerator in Lodz. The intention is to look for young innovative companies who have ideas for using 5G technology in their products and business models. The best startup solutions will gain a chance of commercial implementation.

The acceleration process has been divided into two stages. In the first stage, which will take up to three months, the firms will be able to get up to PLN 50 thousand in financing for incubation of their ideas. In the second phase, the financial support for refining and implementing the innovative solutions may reach even PLN 550 thousand, with the startups qualified for this stage receiving support of experts and access to individual business and technological consultations.

The areas in which Polkomtel wishes to support the startups include: media and entertainment (VR/AR, solutions for the TV and Internet, digitization, gamification), intelligent home and office (mainly in the area of IoT), healthcare, vehicles (car fleet management and optimization), ecology and digital transformation.

Micro, small or medium enterprises operating on the territory of Lodz province, or the ones who will register in Lodz province within 14 days upon obtaining a recommendation to join in the program, may participate in the program in the early phase of development (maximum up to 22 months following registration date). Recruitment for the program continues from 9 to 21 September 2020.

Cyfrowy Polsat shares



| Data | Maximum price (PLN) | Minium price (PLN) | Closing price (PLN) | Change (%) | Turnover (mPLN) |
|------------|---------------------|--------------------|---------------------|------------|-----------------|
| 2020-09-07 | 27.00 | 26.64 | 26.82 | 0.60 | 3.73 |
| 2020-09-08 | 26.84 | 25.78 | 26.00 | - 3.06 | 15.52 |
| 2020-09-09 | 27.10 | 26.14 | 26.86 | 3.31 | 16.39 |
| 2020-09-10 | 26.84 | 26.14 | 26.26 | - 2.23 | 11.52 |
| 2020-09-11 | 26.92 | 26.46 | 26.66 | 1.52 | 5.39 |



Investor's calendar



| | |
|-------------------------------|--|
| 5 – 7 October 2020 | ERSTE conference (online) „The Finest CEElection Investor Conference 2020” |
| 15 October 2020 | Dividend day |
| 22 October 2020 | Dividend payout - 1st tranche |
| 27 October – 10 November 2020 | Closed period prior to the publication of Q3 2020 results |
| 10 November 2020 | Quarterly report for Q3 2020 |
| 1 – 31 December 2020 | WOOD's Winter Wonderland EME Conference December 2020 Prague (online, or in the flesh) |
| 11 January 2021 | Dividend payout - 2nd tranche |