

CYFROWY POLSAT S.A.

Current Report No. **29/2018**

Date: **September 26, 2018**

Subject: **The decision to acquire 58,709,376 shares in “Netia” S.A. having its registered office in Warsaw from Karswell Limited having its registered office in Nicosia, Cyprus on October 2, 2018.**

The Management Board of Cyfrowy Polsat S.A. having its registered office in Warsaw (“**Cyfrowy Polsat**”, the “**Company**”) hereby gives notice, in connection with the Company’s current report no. 26/2018 dated July 2, 2018 concerning the execution of an amendment to the Agreement on the Joint Acquisition of Shares in a Tender Offer and Preliminary Share Purchase Agreement of 5 December 2017 was entered into with Karswell Limited having its registered office in Nicosia, Cyprus (“**Karswell**”) (the “**Acquirers’ Agreement**”), that on September 26, 2018 the Management Board made a decision to acquire 58,709,376 shares in Netia from Karswell for the aggregate purchase price of PLN 338,753,099.52 (i.e. PLN 5.77 for one share) equal to the price for which Karswell acquired said shares under the Tender Offer (the “**Transaction**”).

Additionally, pursuant to the Acquirers’ Agreement as amended, Cyfrowy Polsat will pay Karswell the amount of PLN 4,135,108.04 as remuneration for the period between the settlement date on which Karswell acquired the last share under the Tender Offer and the date on which 58,709,376 shares acquired by Karswell under the Tender Offer are sold to the Company, i.e. October 2, 2018 (the “**Holding Period**”) in the amount corresponding to the weighted average cost of financing of the Company’s capital group by financial institutions with respect to the acquired shareholding, converted into a specified fraction of the price for which Karswell acquired shares under the Tender Offer for each day of the Holding Period.

The Transaction will be carried out on October 2, 2018 in the form of an OTC transaction.

Previously, on July 3, 2018, Cyfrowy Polsat acquired from Karswell 17,331,023 Netia shares (see current report no. 26/2018 dated July 2, 2018).

Following the Transaction:

- (i) Cyfrowy Polsat will hold directly 221,404,885 Netia shares constituting in total 65.98% of the share capital of Netia and carrying the right to 221,404,885 votes at the general meeting of Netia, as well as representing 65.98% of the total number of votes at Netia’s general meeting;
- (ii) Karswell will hold directly null Netia shares.

Legal basis: Article 17 Section 1 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

Signed by:

/s/ Katarzyna Ostap-Tomann

Katarzyna Ostap-Tomann
Member of the Management Board

/s/ Aneta Jaskólska

Aneta Jaskólska
Member of the Management Board