



Cyfrowy Polsat IR Newsletter

May 29 – June 4, 2017



Media about us	Date	Media about theTMT market in Poland
	29.05	<p>Rzeczpospolita: Emitel wants a contest for new DVB-T channels <i>by Magdalena Lemańska</i></p> <p>The latest free-to-air DVB-T package, offered as MUX-8, should enable the viewers to watch as many as even 7 channels. Meanwhile, only four are available since TVP has not started broadcasting its channels, explaining its decision by financial problems. As a result of the lack of TVP's offer, Emitel will lose PLN 18m this year.</p> <p>In January Emitel applied to the Office of Electronic Communications (UKE), asking the regulator to define a time horizon in which TVP would be obligated to launch its channels on MUX-8. The regulator, however, cancelled the related proceedings indicating that Emitel has an obligation to ensure access to the new multiplex for TVP.</p> <p>In face of the above, Emitel filed with UKE for amending its reservation. The filing contains two scenarios. In the first one, Emitel would select, in a contest, three new broadcasters for the new package of TV channels from among those parties who have licenses for TV broadcasting. In the second scenario, the company has proposed that the National Broadcasting Council (KRRiT) should announce a contest for filling in the three vacant slots that are otherwise "being wasted." In both cases TVP would still be able to participate and be present on MUX-8.</p>

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	31.05	<p>Parkiet: Play to be floated on WSE already in July <i>by Urszula Zielińska</i></p> <p>According to “Parkiet” daily, a decision has already been made regarding the debut of P4, the operator of Play network, on the Warsaw Stock Exchange in the second half of July. Impera Holdings, the parent company of P4, will most probably be the company which will actually be listed on the WSE. The Polish Financial Supervision Authority (KNF) has so far not received any prospectus from P4, while Impera’s bonds are traded on the Luxembourg stock exchange.</p> <p>The value of the IPO can be expected to reach around PLN 2.5 bn. As announced, part of the obtained amount will be used for the early redemption of Impera Holdings bonds with the total nominal value of EUR 500 million. In addition, Play’s board has recently adopted a new strategy which provides for investing in an own, nationwide network of towers and becoming independent of the so-called national roaming agreements.</p> <p>The operator has added a supplement to the recently published Q1 financial results. The supplement contains information on active users, i.e. SIM cards which generate revenue for the company. Based on the presented data, the number of such cards is by 2.4 million smaller than the total number of SIMs representing the 27% market share held by the telecom. At the end of March Play served 8.17 million active contract customers and 3.77 million active prepaid users.</p>

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	31.05	<p>Puls Biznesu: Inea will look for a partner <i>by Magdalena Wierchowska</i></p> <p>Inea, a telecom from Wielkopolska region (Poznań Province), invested PLN 1 bn in network development over the past 5 years, and it intends to spend another PLN 500 million over the next 3-5 years.</p> <p>According to data published by the Office of Electronic Communications (UKE) in 2015, Inea held an 11% market share in the FTTH market, i.e. as much as Orange Polska and Netia put together. At the end of 2016, the group was serving 240 thousand subscribers from the residential segment, with the average of 2 RGUs per subscriber. The operator is a strong no. 4 on the cable TV market. In 2016 the group had PLN 281 million of revenue, while the most recently published EBITDA figure (for 2015) oscillated around PLN 100 million.</p> <p>Inea is contemplating investments in other areas and it is analyzing options of further development. The process of search for an investor is still at a very early stage and all scenarios are possible – from private equity, through an industry player to an infrastructural investment fund. Experts are of the opinion that consolidation on the cable market is inevitable, however most of the transactions in this area have so far not been finalized.</p>

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	2.06	<p>Rzeczpospolita: Approval for UPC-Multimedia transaction in several months <i>by ziu</i></p> <p>The consolidation of two cable TV operators, UPC and Multimedia Polska (a potentially PLN 3 bn transaction) is the most important, in terms of value, case that the Office of Competition and Consumer Protection (UOKiK) is processing at present. According to UOKiK's President, Marek Niechciał, the anti-trust office will present the so-called "objections" in response to which UPC will be able to present its proposals. In the opinion of UOKiK, the final decision regarding this case can be expected in several months' time. He has admitted that the office's experience from the conditional approval given to UPC in the Aster acquisition case is not encouraging. The issue is to set such requirements for buyers, the fulfillment of which would be both realistic and actually favorable for consumers.</p>
	2.06	<p>PAP: Tomasz Szopa resigned as Netia's CEO, Katarzyna Iwuć named acting CEO <i>by gsu/ jtt/</i></p> <p>Tomasz Szopa resigned as Netia's CEO. Netia's supervisory board appointed Ms. Katarzyna Iwuć as the company's acting CEO and CFO, the company stated in a communique.</p> <p>Szopa's resignation took effect from the moment when it was submitted. Szopa did not present the reasons for his resignation. He served as Netia's CEO since Decembe 2015.</p>

Press review



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	2.06	Netia also stated that the supervisory board delegated a supervisory board member, Stefan Radzimiński, to temporarily act as the company's management board member responsible for strategic and technical matters in the period from June 1 to September 1, 2017. In addition, the company informed that the position of general director of B2C market has been assumed by Tomasz Dakowski.



Current report no. 13 May 31, 2017

Information on convening the Annual General Meeting of Cyfrowy Polsat S.A on June 27, 2017 and the content of draft resolutions for the Annual General Meeting of Cyfrowy Polsat S.A.

The Management Board of Cyfrowy Polsat S.A. (the “Company”), acting pursuant to Article 399 § 1 in conjunction with Articles 4021 and 4022 of the Commercial Companies Code, announces that the Annual General Meeting of the Company has been convened for June 27, 2011 at 11:00 a.m. at the Company’s headquarters in Warsaw, at Łubinowa 4a Street.

Agenda of the Annual General Meeting:

1. Opening of the Annual General Meeting.
2. Appointment of the Chairman of the Annual General Meeting.
3. Validation of correctness of convening the Annual General Meeting and its ability to adopt binding resolutions.
4. Appointment of the Ballot Committee.
5. Adoption of the agenda.
6. Management Board’s presentation of:
 - a) the Management Board’s Report on the Company’s activities in the financial year 2016 and the Company’s financial statements for the financial year 2016
 - b) the Management Board’s Report on the activities of the capital group of the Company in the financial year 2016 and the consolidated financial statements of the capital group of the Company for the financial year 2016,
 - c) the report on the activities of Netshare Sp. z o.o. (company merged into Cyfrowy Polsat S.A. on November 30, 2016) for the period from January 1, 2016 to November 30, 2016 and the financial statements of Netshare Sp. z o.o. for the period from January 1, 2016 to November 30, 2016.
 - d) the financial statements of Metelem Holding Company Ltd. seated in Cyprus (company merged into Cyfrowy Polsat S.A. on April 7, 2017) for the period from January 1, 2016 to December 31, 2016.
7. The Supervisory Board’s presentation of its statement concerning the evaluation of the Management Board’s Report on the Company’s activities in the financial year 2016 and the Company’s financial statements for the financial year 2016, as well as the Management Board’s motion regarding the distribution of the Company’s profit generated in the financial year 2016.

Recent events



Current report no. 13 May 31, 2017

8. The Supervisory Board's presentation of the evaluation of the Company's standing and the Management Board's activities.
9. Consideration and adoption of a resolution approving the Management Board's Report on the Company's activities in the financial year 2016.
10. Consideration and adoption of a resolution approving the Company's annual financial statements for the financial year 2016.
11. Consideration and adoption of a resolution approving the Management Board's Report on activities of the capital group of the Company in the financial year 2016.
12. Consideration and adoption of a resolution approving the consolidated annual financial statements of the capital group of the Company for the financial year 2016.
13. Consideration and adoption of a resolution approving the Management Board's Report on the activities of Netshare Sp. z o.o. in the period from January 1, 2016 to November 30, 2016.
14. Consideration and adoption of a resolution approving the annual financial statements of Netshare Sp. z o.o. in the period from January 1, 2016 to November 30, 2016.
15. Consideration and adoption of a resolution approving the annual financial statements of Metelem Holding Company Ltd. in the period from January 1, 2016 to December 31, 2016.
16. Consideration and adoption of a resolution approving the Supervisory Board's Report for the financial year 2016.
17. Adoption of resolutions granting a vote of approval to the members of the Management Board for the performance of their duties in the year 2016.
18. Adoption of resolutions granting a vote of approval to the members of the Supervisory Board for the performance of their duties in the year 2016.
19. Adoption of resolutions granting a vote of approval to the members of the Management Board of Netshare Sp. z o.o. for the performance of their duties in the period from January 1, 2016 to November 30, 2016.
20. Adoption of resolutions granting a vote of approval to the members of the Management Board of Metelem Holding Company Ltd. for the performance of their duties in the period from January 1, 2016 to December 31, 2016.

Current report no. 13 May 31, 2017

21. Adoption of a resolution on the distribution of the Company's profit for the financial year 2016.
22. Adoption of a resolution on the distribution of profit of Netshare Sp. z o.o. for the financial year 2016.
23. Adoption of a resolution on the distribution of profit of Metelem Holding Company Ltd. for the financial year 2016.
24. Adoption of a resolution on the cross border merger by acquisition between Cyfrowy Polsat S.A. and Eileme 1 AB (publ) seated in Stockholm, Eileme 2 AB (publ) seated in Stockholm, Eileme 3 AB (publ) seated in Stockholm and Eileme 4 AB (publ) seated in Stockholm.
25. Closing of the Annual General Meeting.

The Management Board of the Company attaches to this current report:

- the [Notice on convening the Annual General Meeting](#) for June 27, 2017, prepared pursuant to Article 402(2) of the Code of Commercial Companies;
- [draft resolutions](#) to be adopted at the Annual General Meeting convened for June 27, 2017;
- the [Common Draft Terms of a Cross-border Merger](#) by Acquisition between Cyfrowy Polsat S.A. and Eileme 1 AB (publ), Eileme 2 AB (publ), Eileme 3 AB (publ), Eileme 4 AB (publ) which constitutes an attachment to resolution no. 38 of the Annual General Meeting convened for June 27, 2017.

All information concerning the Annual General Meeting is available on the website of the Company at <http://www.grupapolsat.pl/en> in section Corporate Governance, tab *General Meetings – Materials*.

Current report no. 14 June 2, 2017

Notice of intention to conduct a cross-border merger by acquisition between Cyfrowy Polsat S.A. seated in Warsaw and Eileme 1 AB (Publ) seated in Stockholm, Eileme 2 AB (Publ) seated in Stockholm, Eileme 3 AB (Publ) seated in Stockholm and Eileme 4 AB (Publ) seated in Stockholm – second notice

The Management Board of Cyfrowy Polsat S.A. (“**Cyfrowy Polsat**” or the “**Acquiring Company**”), in accordance with article 504 § 1 and § 2 of the Polish Commercial Companies Code (the “**CCC**”), informs the shareholders of Cyfrowy Polsat of the planned cross-border merger by acquisition of Cyfrowy Polsat and the companies: **Eileme 1 AB (Publ) seated in Stockholm**, registered in the Swedish Companies Register (original name: aktiebolagsregistret) under the number 556854-5668; **Eileme 2 AB (Publ) seated in Stockholm**, registered in the Swedish Companies Register

Current report no. 14
June 2, 2017

under the number 556854-5676; **Eileme 3 AB (Publ) seated in Stockholm**, registered in the Swedish Companies Register under the number 556854-5692; **Eileme 4 AB (Publ) seated in Stockholm**, registered in the Swedish Companies Register (under the number 556854-5684 (the “**Ceasing Companies**”), in which Cyfrowy Polsat holds, directly or indirectly, 100% of the share capital.

The merger will be effected by:

- (i) transferring to the Acquiring Company - as the entity holding, directly or indirectly, 100% of the share capital of the Ceasing Companies - all the assets and liabilities of the Ceasing Companies, and
- (ii) dissolving of the Ceasing Companies without going into liquidation,

in accordance with article 492 §1 item 1) of the CCC, in conjunction with article 516¹⁵ of the CCC and article 516¹ of the CCC.

As a result of the merger, Cyfrowy Polsat - in accordance with article 494 §1 of the CCC - will assume all rights and obligations of the Ceasing Companies, effective on the date of the merger.

Given that the Acquiring Company holds, directly or indirectly, all the shares of the Ceasing Companies, and according to article 515 §1 of the CCC, the merger will be effected without increasing the share capital of the Acquiring Company.

The detailed terms of the merger are specified in the Common Draft Terms of a Cross-Border Merger by Acquisition approved on May 17, 2017 and made publicly available, free of charge, on the website of the Acquiring Company at <http://www.grupapolsat.pl/en/investor-relations>, in accordance with article 516⁴ §1 of the CCC.

With regard to the fact that the Acquiring Company holds, directly or indirectly, all the shares in the Ceasing Companies, in accordance with art. 516¹⁵ of the CCC in conjunction with art 516[6] of the CCC, the Common Draft Terms of a Cross-Border Merger by Acquisition are not subject to review by an independent auditor.

Concurrently, the Management Board of Cyfrowy Polsat informs that the following documents:

1. Common Draft Terms of a Cross-Border Merger by Acquisition,
2. Financial statements and Management Board's reports on the activities of the merging companies for the last three financial years, together with the opinion of an independent auditor and report supplementing the auditor's opinion (if an opinion or a report had been issued),

Current report no. 14 June 2, 2017

3. Report of the Management Board justifying the merger, (the “**Merger Documents**”) are available for inspection to Cyfrowy Polsat shareholders and employees from the date of publication of the first notice regarding the merger, that is May 17, 2017, until the date of adoption of a resolution regarding the merger.

The Merger Documents are available in the head office of Cyfrowy Polsat, at 4A Łubinowa Street in Warsaw, building B1, from Monday to Friday from 9.00 a.m. to 4.00 p.m.

Cyfrowy Polsat shareholders and employees may request copies of the Merger Documents free of charge at the head office of Cyfrowy Polsat.

This notice is the second notice.

Press release June 2, 2017

Statement regarding the governmental draft act amending the Licence Fees Act and the Broadcasting Act, commonly known as the “media licence fee act”

Yesterday, a statement signed by the Polish Chamber of Electronic Communication (PIKE), ITI Neovision S.A. (operator of nc+ platform) and Cyfrowy Polsat S.A. was submitted to the Polish Parliament (Sejm). The operators are defending the rights of their subscribers. The statement was also sent to the leaders of political parties represented in the Parliament.

The statement concerns the draft of the new media licence fee act. Its signatories are protesting against the unequal treatment of citizens and the violation of their personal data protection rights, concurrently appealing for the introduction of mature, just and stable solutions in the area of financing public media.

Cyfrowy Polsat shares



Date	Maximum price (PLN)	Minium price (PLN)	Closing price (PLN)	Change (%)	Trade value (kPLN)
2017-05-29	27.00	26.35	26.50	-0.56%	9 752
2017-05-30	27.09	26.16	27.09	2.23%	13 280
2017-05-31	27.46	26.40	26.72	-1.37%	67 805
2017-06-01	27.04	26.54	26.99	1.01%	8 677
2017-06-02	27.39	26.68	27.14	0.56%	7 349



Investor's calendar



June 27, 2017	Annual General Meeting of Shareholders
June 27 – 29, 2017	UBS LATEMEA One-on-One Conference
August 10 – 24, 2017	Closed period prior to the publication of H1 2017 results
August 24, 2017	Publication of the semi-annual report for H1 2017
September 11 – 12, 2017	14th Emerging Europe Investment Conference - Pekao Investment Banking

