

This plan of merger by acquisition (the "**MERGER PLAN**") was agreed on August 31, 2016 between the management boards of the following companies:

1. **CYFROWY POLSAT SPÓŁKA AKCYJNA** (joint-stock company) with its registered office at 4A Łubinowa Street, 03-878 Warsaw, Poland, entered in the register of entrepreneurs maintained by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Department of the National Court Register, under the number KRS 0000010078, VAT No.: 796-18-10-732, statistical number REGON: 670925160 (the "**ACQUIRING COMPANY**" or "**CYFROWY POLSAT**")

and

2. **NETSHARE SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ** (limited liability company) with its registered office at 61A Stanów Zjednoczonych Ave., 04-028 Warsaw, Poland, entered in the register of entrepreneurs maintained by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Department of the National Court Register, under the number KRS 0000277904, VAT No.: 7010063804, statistical number REGON: 140904078 (the "**ACQUIRED COMPANY**" or "**NETSHARE**")

Cyfrowy Polsat and Netshare are hereinafter referred to collectively as the "**PARTICIPATING COMPANIES**".

#### **THE PARTICIPATING COMPANIES HAVE AGREED AS FOLLOWS:**

1. **CORPORATE NAMES, FORMS AND REGISTERED OFFICES OF THE PARTICIPATING COMPANIES**

- 1.1. **ACQUIRING COMPANY**

**Corporate name:** Cyfrowy Polsat Spółka Akcyjna

**Form:** joint-stock company, a public company as understood by the Act of July 29, 2005 on public offering, conditions governing the introduction of financial instruments to organized trading, and on public companies

**Registered office:** Warsaw, Poland, address: 4A Łubinowa Street, postal code: 03-878

**Company registration:** the register of entrepreneurs maintained by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Department of the National Court Register

**Registration number:** KRS 0000010078

**Share capital:** PLN 25.581.840,64 – fully paid-up-

## 1.2. ACQUIRED COMPANY

**Corporate name:** Netshare Spółka z ograniczoną odpowiedzialnością

**Form:** limited liability company

**Registered office:** Warsaw, Poland, address: 61A Stanów Zjednoczonych Ave., postal code: 04-028

**Company registration:** the register of entrepreneurs maintained by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Department of the National Court Register

**Registration number:** KRS 0000277904

**Share capital:** PLN 415,700.00

The Acquiring Company is a shareholder in the Acquired Company, holding 100% (one hundred percent) of its shares. The Acquired Company's share capital is divided into 8,314 shares with a par value of PLN 50.00 each.

## 2. MERGER METHOD

- 2.1. The Participating Companies shall be merged by: (i) transferring all the assets of the Acquired Company to the Acquiring Company (being the sole shareholder in the Acquired Company) by way of universal succession, and (ii) dissolution of the Acquired Company without its liquidation, in accordance with the provisions of art. 492 § 1 item 1) of the CCC (the "**MERGER**").
- 2.2. As a result of the Merger, Cyfrowy Polsat will – pursuant to art. 494 § 1 of the CCC – assume all the rights and obligations, as well as assets and liabilities of Netshare as of the merger date.
- 2.3. Because all shares in the Acquired Company are held by the Acquiring Company:
  - 2.3.1. pursuant to art. 515 § 1 of the CCC, the Merger shall be carried out without increasing the share capital of the Acquiring Company;
  - 2.3.2. pursuant to art. 516 § 5 and in conjunction with art. 516 § 6 of the CCC, the Merger Plan shall not be audited by any expert appointed by the court of registration;
  - 2.3.3. pursuant to art. 516 § 5 and in conjunction with art. 516 § 6 of the CCC, the management boards of the Participating Companies shall not prepare any reports on their business operations.
- 2.4. Art. 516 § 1 sect. 1 of the CCC is not applicable due to the fact that the Acquiring Company is a public company and, therefore, in accordance with art. 506 of the CCC, the Merger shall be conducted on the basis of a resolution of the General Meeting of Shareholders of Cyfrowy Polsat expressing their approval for the Merger Plan, as well as a resolution of the Shareholders Meeting of Netshare expressing approval of its sole shareholder, i.e. Cyfrowy Polsat, for the Merger Plan.

### **3. RIGHTS GRANTED BY THE ACQUIRING COMPANY TO SHAREHOLDERS AND HOLDERS OF SPECIAL ENTITLEMENTS IN THE ACQUIRED COMPANY**

- 3.1. In connection with the Merger, the Acquiring Company does not and will not grant any special rights, as referred to in art. 499 § 1 item 5) of the CCC, neither to the sole shareholder of the Acquired Company nor to any persons with special entitlements in the Acquired Company.
- 3.2. Furthermore, in connection with the Merger, the Participating Companies do not and will not grant any special benefits to any members of the governing bodies of the Acquired Company, members of the governing bodies of the Acquiring Company, nor to any persons engaged in the Merger process.

### **4. OTHER PROVISIONS**

- 4.1. In the event that any provision of this Merger Plan becomes invalid or unenforceable, it shall not affect the validity or enforceability of the remaining provisions of the Merger Plan. Such an invalid or unenforceable provision shall be replaced by a valid and enforceable provision, which to the extent possible reflects the original intention of the invalid or unenforceable provision. The same is applicable by analogy to any potential gaps in the Merger Plan.
- 4.2. In compliance with art. 499 § 2 of the CCC, the Merger Plan is accompanied with the following appendices:
  1. Draft resolution of the General Meeting of Shareholders of the Acquiring Company on the merger of the Participating Companies.
  2. Draft resolution of the Shareholders Meeting of the Acquired Company on the merger of the Participating Companies.
  3. Determination of the net value of assets of the Acquired Company as at August 1, 2016.
  4. Statement containing information on the value of assets, equity and liabilities of the Acquired Company as at August 1, 2016.

- 4.3. Pursuant to art. 499 § 4 of CCC, with regard to the fact that the Acquiring Company is a public listed company and in line with the regulations on public offering and conditions for introducing financial instruments to organized trading system and on public companies it publishes and presents to shareholders semi-annual financial reports, no declaration has been drafted that would include information on the book value of the Acquiring Company.
- 4.4. The Articles of Association of the Acquiring Company shall remain unchanged because the Merger shall be carried out in accordance with art. 515 § 1 of the CCC, i.e. without increasing the share capital of the Acquiring Company, as well as due to the fact that the Merger does not result in any circumstances requiring an amendment to the Articles of Association of the Acquiring Company.
- 4.5. This Merger Plan has been drawn up in six counterparts, three for each of the Participating Companies.

Management Board of Cyfrowy Polsat S.A.:

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Tobias Solorz  
President of the Management Board

Management Board of Netshare Sp. z o.o.:

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Tomasz Szelaż  
Member of the Management Board

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Aneta Jaskólska  
Member of the Management Board

**Appendix No. 1 to the Merger Plan of Cyfrowy Polsat S.A. and Netshare Sp. z o.o.**

**Resolution No. [●]  
dated [●] 2016  
of the Extraordinary General Meeting of Shareholders  
of the company Cyfrowy Polsat S.A.  
seated in Warsaw  
on the merger of Cyfrowy Polsat S.A. with Netshare Sp. z o.o. seated in Warsaw**

**§ 1**

Acting on the basis art. 506 § 492 of the Commercial Companies Code (the "**CCC**"), the Extraordinary General Meeting of Shareholders of Cyfrowy Polsat S.A. (the "**Acquiring Company**") hereby decides on the merger of the Acquiring Company with the company of Netshare Sp. z o.o. (limited liability company) seated in Warsaw, entered in the register of entrepreneurs maintained by the District Court for the Capital City of Warsaw, XIII Commercial Department of the National Court Register, under the number KRS 0000277904 (the "**Acquired Company**"), to be executed pursuant to art. 492 § 1 item 1 of the CCC, this is by transferring all the assets of the Acquired Company to the Acquiring Company (being the sole shareholder in the Acquired Company) and subsequent dissolution of the Acquired Company without its liquidation.

**§ 2**

The Extraordinary General Meeting of Shareholders of the Acquiring Company furthermore decides that the merger of the Acquiring Company with the Acquired Company shall be carried out in the manner set forth in art. 515 § 1 of the CCC, this is without increasing the share capital of the Acquiring Company, as well as without amending its Articles of Association, following the rules provided for in the merger plan as agreed between the management boards of the Acquiring Company and the Acquired Company on August 31, 2016, published on [●] 2016 in Court and Economic Monitor, issue no. [●], position [●] (the "**Merger Plan**"), attached to this Resolution.

**§3**

Since the Acquiring Company is the sole shareholder in the Acquired Company, the merger shall be performed in a simplified procedure according to art. 516 § 6 of the CCC, with certain restrictions resulting from the fact that the Acquiring Company is a public company.

**§4**

The Extraordinary General Meeting of Shareholders of the Acquiring Company hereby approves the Merger Plan as attached to this Resolution.

**§5**

The Company's Management Board shall be authorized to undertake any actions necessary to complete the procedure of merger between the Acquiring Company and the Acquired Company.

**Appendix No. 2 to the Merger Plan of Cyfrowy Polsat S.A. and Netshare Sp. z o.o.**

**Resolution No. [●]  
dated [●] 2016  
of the Extraordinary Meeting of Partners  
of Netshare Sp. z o.o.  
seated in Warsaw  
on the merger of Netshare Sp. z o.o. with Cyfrowy Polsat S.A. seated in Warsaw**

**§ 1**

Acting on the basis art. 506 § 1 of the Commercial Companies Code (the "**CCC**"), the Extraordinary Meeting of Partners of Netshare Spółka z ograniczoną odpowiedzialnością (limited liability company), seated in Warsaw (the "**Acquired Company**") hereby decides on the merger of the Acquired Company with Cyfrowy Polsat S.A. seated in Warsaw, entered in the register of entrepreneurs maintained by the District Court for the Capital City of Warsaw, XIII Commercial Department of the National Court Register, under the number KRS 000010078 (the "**Acquiring Company**"), to be executed pursuant to art. 492 § 1 item 1 of the CCC, i.e. by transferring all the assets of the Acquired Company to the Acquiring Company (being the sole shareholder in the Acquired Company) and subsequent dissolution of the Acquired Company without its liquidation.

**§ 2**

The Extraordinary Meeting of Partners of the Acquired Company furthermore decides that the merger of the Acquired Company with the Acquiring Company shall be carried out in the manner set forth in art. 515 § 1 of the CCC, i.e. without increasing the share capital of the Acquiring Company, as well as without amending its Articles of Association, Acquiring Company, while following the rules provided for in the merger plan as agreed between the management boards of the Acquiring Company and the Acquired Company on August 31, 2016, published on [●] 2016 in Court and Economic Monitor, issue no. [●], position [●] (the "**Merger Plan**"), attached to this Resolution.

**§3**

Since the Acquiring Company is the sole shareholder in the Acquired Company, the merger shall be performed in a simplified procedure according to art. 516 § 6 of the CCC, with certain restrictions resulting from the fact that the Acquiring Company is a public company.

**§4**

The General Meeting of Partners of the Acquired Company hereby approves the Merger Plan as attached to this Resolution.

**§5**

The Company's Management Board shall be authorized to undertake any actions necessary to complete the procedure of merger between the Acquiring Company and the Acquired Company.

**Appendix No. 3 to the Merger Plan of Cyfrowy Polsat S.A. and Netshare Sp. z o.o.**

**DETERMINING**

of the assets of Netshare Sp. z o.o. as of August 1, 2016

Acting on the basis of art. 499 § 2 point 3 of the Commercial Companies Code, the Board of Netshare Sp. z o.o. seated in Warsaw, hereby declares that the herewith determining of the Acquired Company's net assets was prepared as of August 1, 2016 in order to merge the Acquired Company with Cyfrowy Polsat S.A. seated in Warsaw.

For the purpose of determining the value of assets of Netshare Sp. z o.o. the accounting valuation approach was applied, which is based on values disclosed in the balance sheet of the Acquired Company prepared as of August 1, 2016 and presented in the statement of the Acquired Company's financial position, constituting appendix No. 4 to the Merger Plan.

The accounting valuation method assumes that the value of the Acquired Company's assets is equal to the value of its net assets, representing the difference between total assets and total liabilities, based on the Acquired Company's balance sheet.

In view of the above, the Board of the Acquired Company determines and announces that as of August 1, 2016 the value of the Acquired Company's assets was PLN 24,174,528 (say: twenty four million one hundred seventy four thousand five hundred twenty eight zloty).

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Tomasz Szelaż  
Board Member  
Netshare Sp. z o.o.

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Aneta Jaskólska  
Board Member  
Netshare Sp. z o.o.

**Appendix No. 4 to the Merger Plan of Cyfrowy Polsat S.A. and Netshare Sp. z o.o.**

**STATEMENT**

of Netshare Sp. z o.o. financial position

Acting on the basis of art. 499 § 2 point 4 of the Commercial Companies Code, the Board of Netshare Sp. z o.o. seated in Warsaw (the "**Acquired Company**"), hereby declares that the presented statement of the Acquired Company's financial position is consistent with the balance sheet presented below, prepared as at August 1, 2016.

<b>ASSETS</b>	<b>August 1, 2016</b>
<b>Fixed assets</b>	<b>5,590,734</b>
<b>Intangible assets</b>	<b>300,476</b>
Trademark	29,333
Other intangibles	271,143
<b>Long-term investments</b>	<b>4,856,000</b>
Long-term financial assets	4,856,000
in related parties	4,856,000
Stakes or shares	4,856,000
<b>Long-term accruals</b>	<b>434,258</b>
Deferred tax assets	434,258
<b>Current assets</b>	<b>18,936,227</b>
<b>Short-term receivables</b>	<b>2,827,705</b>
Trade receivables from related parties	1,938,730
with maturity of:	236,824
- up to 12 months	236,824
Other receivables	1,701,906
Trade receivables from other units:	888,975
with maturity of:	598,626
- up to 12 months	598,626
On account of taxes, subsidies, duties, social and health insurance and other benefits	290,349
<b>Short-term investments</b>	<b>16.108.522</b>
Short-term financial assets	16.108.522
Cash and cash equivalents	16.108.522
- Cash in hand and cash on bank accounts	16.108.522
<b>Total assets</b>	<b>24.526.961</b>

<b>LIABILITIES</b>	<b>August 1, 2016</b>
<b>Equity</b>	<b>24,174,528</b>
Share capital	415,700
Reserve capital	35,734,300
Retained losses	(15,684,907)
Net profit	3,709,435
<b>Liabilities and provisions for liabilities</b>	<b>352,433</b>
<b>Short-term trade liabilities</b>	<b>352,433</b>
To related parties	51,690
On account of deliveries and services with maturity of:	51,690
- up to 12 months	51,690
To other units:	300,743
On account of deliveries and services with maturity of:	219,677
- up to 12 months	219,677
On account of taxes, subsidies, duties, social and health insurance and other benefits	32,741
Payroll liabilities	48,282
Other liabilities	43
<b>Total liabilities</b>	<b>24,526,961</b>

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Tomasz Szelaĝ  
Management Board Member  
Netshare Sp. z o.o.

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Aneta Jaskólska  
Management Board Member  
Netshare Sp. z o.o.