

Dear Shareholders

It has been the fifth year in a row that Wirtualna Polska Holding S.A. continued its steady growth. 2017 brought a sudden emergence of „ad viewability” as the new advertising currency. Apocalyptic to some, it has been but a new motivation to us.

In those turbulent times for online advertising, we have shifted our focus even further towards e-commerce. We have done it by allocating existing media resources, reinforcing the synergies and by evangelising clients.

The entire Holding has achieved a double-digit income growth thanks to the extraordinary dynamics across all our e-commerce activity.

In 2018 it will have been 5 years since we have formulated our mission to help Poles make their choices, especially those concerning consumption. It will also be the first year that our e-commerce based EBITDA will exceed 50 per cent. I am not afraid to say we are writing the history of the Polish Internet by redefining one of its main players.

We have dedicated almost PLN 13 M out of our PLN 151 M EBITDA profit to build new TV channel. With no previous television experience, we have struggled with this uneasy start. But as on so many other occasions we have proved that hardships only make us stronger and we have closed the year as the leader among our competitors. Our current TV division performance lets us believe we will see the first profit before the end of the year.

Not only did we overcome the problems with TV, but we have also used this experience to build yet another product – WP Pilot, and once again the effects were spectacular. Already over one million Poles use this legal online TV streaming service.

2017 was a year of trial. Some doubted our ability to fight and win against the difficult market of Facebook and Google duopoly. We parted ways with those who did not want to achieve the impossible, and once again due to the extraordinary motivation and efficiency of all the citizens of Wirtualna Polska – we succeeded.

We have set the direction for the entire market: ad viewability is now a market standard, our e-commerce mission is more and more often quoted by our competitors as their own.

Our unstoppable desire to increase media revenue after not satisfying 2017 may enable an even stronger growth of our EBITDA core in 2018. Strong e-commerce dynamics, despite the long-term trend, will remain for many quarters an important driver of profit for the shareholders of the oldest yet the most resilient Polish internet company – Wirtualna Polska.

Yours sincerely,

Jacek Świdorski  
CEO

Warsaw, March 15, 2018