

Current Report 15/2021
Orange Polska S.A. – Warsaw, Poland
15 July 2021

Pursuant to Art. 17 clause 1 of the Regulations (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 (hereinafter “MAR Regulations”), The Management Board of Orange Polska S.A. (“Orange Polska”, “OPL”) hereby informs about next steps related to the transaction between Orange Polska and APG.

Orange Polska concludes further steps towards closing of FiberCo transaction and informs about expected gain on the sale of 50% stake in this venture

With reference to the current report from 12 April 2021, Orange Polska announces that it has concluded key steps towards facilitating the operations of Światłowód-Inwestycje (S-I) and closing the sale of a 50% stake in this venture to APG:

1. On 14 July 2021, S-I signed contracts for financing debt facilities with a consortium of banks, including BNP Paribas Bank Polska S.A., ING Bank N.V., Santander Bank Polska S.A., Societe Generale as well as European Investment Bank. Based on the signed contracts S-I will have access to debt of up to PLN 3.1bn to finance its ambitious plan to rollout fibre network to around 1.7m households by 2025. The financing is for a period of seven years and is primarily conditional on closing of the transaction between OPL and APG. The financing is with no recourse to OPL.
2. From the beginning of July, Orange Polska contributed in kind to S-I in the form of fibre connections to 672k households out of its current footprint. This includes active wholesale lines for more than 170k OPL retail customers that are connected to fibre on this footprint.

As a consequence of the FiberCo transaction, Orange Polska expects that it will book a one-off gain of around PLN 1.6bn. This gain includes the result of the sale of a 50% stake in S-I to APG (pre-tax) as well as re-evaluation of the remaining 50% stake retained by OPL.

Closing of the transaction is conditional upon its approval by relevant competition authorities and it continues to be expected by the end of August 2021.

Orange Polska’s recently announced .Grow strategy includes the strategic ambition to sustain strong commercial momentum through further focus on fibre and convergence. In line with that ambition, this landmark partnership with APG gives Orange Polska the flexibility to reinforce expansion of our fibre reach, notably in currently undersupplied areas, while also enabling immediate deleveraging.

In the opinion of OPL further fibre rollout in mid- and low-competition areas in an open access model will provide the best conditions for fast customer take-up and will allow OPL to monetise its fibre investments both in retail and wholesale operations. With a footprint of 2.4m

households, Światłowód Inwestycje will be Poland's leading independent open-access FTTH wholesale operator.