



Current Report 3/2022
Orange Polska S.A., Warsaw, Poland
16 February, 2022

Pursuant to Article 17(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, the Management Board of Orange Polska S.A. hereby provides selected financial and operating data related to the activities of the Orange Polska Capital Group (“the Group”, “Orange Polska”) for 4Q and FY 2021.

Disclosures on performance measures have been presented in the Note 3 to IFRS Consolidated Financial Statements of the Orange Polska Group for the year ended 31 December 2021 (available at <https://www.orange-ir.pl/results-center/>).

Orange Polska reports excellent performance in 2021 and returns to serving a dividend: a strong first step in the .Grow strategy execution

key figures (PLN million)	4Q 2021	4Q 2020	Change	2021	2020	Change
Revenue	3,171	3,083	+2.9%	11,928	11,508	+3.6%
EBITDAaL	707	654	+8.1%	2,963	2,797	+5.9%
EBITDAaL margin	22.3%	21.2%	+1.1 p.p.	24.8%	24.3%	+0.5 p.p.
operating income	15	57	-74%	2,211	404	5.5x
net income/(loss)	-69	-21	3.3x	1,672	46	36.3x
eCapex	650	595	+9.2%	1,737	1,801	-3.6%
organic cash flows	131	224	-42%	867	642	+35%

KPI ('000)	4Q 2021	4Q 2020	Change
convergent customers (B2C)	1,552	1,483	+4.7%
mobile accesses (SIM cards)	16,800	15,752	+6.7%
post-paid	11,847	10,892	+8.8%
pre-paid	4,953	4,860	+1.9%
fixed broadband accesses (retail)	2,746	2,702	+1.6%
o/w fibre	945	725	+30.3%
fixed voice lines (retail)	2,660	2,899	-8.2%

Highlights:

- **2021 financial results strong across the board:**
 - Profitable revenue expansion combined with further cost transformation resulted in 5.9% yoy EBITDAaL growth. We delivered high-end of the guidance¹.
 - Improving EBITDAaL and sale of assets drove 35% yoy higher organic cash flow
 - Steep increase of net income to PLN 1.7bn due to improving operating profitability and gain on the FiberCo transaction
 - Financial leverage down to 1.4x (from 2.0x a year ago) benefitting from proceeds from FiberCo transaction and rising organic cash flow
- **2021 revenues up 3.6% year-on-year reflecting:**
 - 6.7% yoy growth of core telecom services due to value strategy, growing fibre and recovery of roaming
 - 19% yoy growth of IT/IS driven by solid organic growth and contribution of Craftware
 - 8% yoy growth of equipment revenues from lockdown-hampered 2020
 - negative regulatory impact from cuts in mobile and fixed termination rates in 2H
- **Orange Polska Management recommends to pay PLN 0.25 dividend per share in 2022, underscoring the Company's turnaround and solid prospects for future performance**
- **4Q revenues up 2.9% year-on-year driven by core telecom services and IT&IS**
- **4Q EBITDAaL up 8.1% year-on-year as a result of direct margin expansion**
- **Solid commercial performance in all key services:**
 - +5% yoy growth of convergent customers, +21k net adds in 4Q
 - Convergence ARPO +5.7% yoy in 4Q
 - +30% yoy growth of fibre customers, +65k net adds in 4Q
 - +4% yoy growth of post-paid mobile handset customers, +67k net adds in 4Q
- **2021 eCapex (economic capex) at PLN 1.7bn, in line with the guided range**
 - **5.9 million households connectable with fibre at year-end**
- **Management guides for flat/low single digit EBITDAaL growth in 2022 and confirms all financial ambitions presented in .Grow strategy**

¹ Management guided for low-to-mid single digit EBITDAaL growth in 2021

Commenting on 2021 performance, Julien Ducarroz, Chief Executive Officer, said:

“2021 was the first year of implementation of our ambitious new .Grow strategy, with last year’s excellent performance a very strong first step in its execution. We delivered on all our commitments. Our growth accelerated thanks to core business, benefitting from good customer demand, commercial value strategy and growth in ICT.

Implementation of our strategy was enhanced by organisational changes: the structures of our consumer and business market units were entrusted with customer relations, and we also set up a new unit dedicated to digital to foster our development in this area. This will support our digital transformation journey and help us to focus even better on the needs of our customers. This goes hand in hand with investing further in the root of our success – Orange Polska’s people.

The #OrangeGoesGreen programme mobilised our teams around our challenging 2025 climate commitments. In 2021 we reduced our CO2 emissions by 9%, with a large part of the reduction resulting from our use of renewable energy for the first time. At the end of last year we signed another PPA contract that will secure an additional 20% of our consumption from 2024. I am proud that our efforts are being recognised: the UN Environmental Programme’s Warsaw affiliate ranked our climate strategy third in Poland among listed companies².

Last year was particularly important for our advancement in fibre. Owing to strong year-end, both in retail and wholesale, we reached 1 million fibre customers. Our fibre footprint is already reaching almost 6 million households with the expansion, in line with our strategy, now coming mainly from wholesale partnerships. We concluded the innovative FiberCo project, a smart multi-year investment vehicle to expand our fibre reach in very attractive areas.

In 2022 we will operate in a volatile and sometimes challenging macro environment. But we are confident as ever that we have put in place the strategy best suited to bring our assets and values to life. Our commercial strategy will be focused on value, which is even more vital in an inflationary environment. As 5G will open up new growth prospects, we will count on completion of the 5G auction so we can begin the network rollout. We will continue the digitisation of our business processes, reskilling our people and pursuing cultural transformation.

I am pleased to say that the management has recommended to the Annual General Meeting payment of a PLN 0.25 per share dividend in 2022 from 2021 profits. This underscores our turnaround and confidence that our assets and know-how are ever more important to the Polish society, as described in the .Grow strategy.”

Financial Review

2021 revenues up by 3.6% year-on-year driven by core telecom services and IT/IS

Revenues totalled PLN 11,928 million in 2021 and were up 3.6% year-on-year or PLN 420 million. Growth rate significantly accelerated compared to 2020 when they increased 0.9% year-on-year. There were four main factors impacting revenue trend in 2021.

Firstly, combined revenues of convergence, mobile-only and fixed broadband-only (which we consider our core telecom services) were up 6.7% year-on-year. This growth rate accelerated versus 2020 when it amounted to 2.9%. This was an outcome of successful combination of strong growth of customer volumes and improving trends of average revenue that they generate (ARPO).

² Independent Climate Strategies Benchmark prepared by Go Responsible and United Nations Environmental Programme GRID Warsaw published in November 2021

Improving ARPO was a consequence of our value pricing strategy, growing share of fibre and partial recovery of roaming after lockdowns-hampered 2020.

Secondly, IT and integration services recorded another strong year with revenues growing 19% year-on-year. It combined solid organic growth (both at BlueSoft and Integrated Solutions) and contribution of Craftware acquired at end of 2020. Thirdly, wholesale revenues were down 10% year-on-year mainly due to regulated cuts of mobile and fixed termination rates that were introduced in the second half of the year. Finally, equipment revenues rebounded advancing 8% year-on-year after pandemic-related slowdown in 2020.

In 4Q alone, revenues were up 2.9% or PLN 88 million year-on-year. The key contributors to the growth were unchanged: core telecom services (advancing 7.2% year-on-year) and IT/IS (up 21% year-on-year). Equipment revenues increased 9% year-on-year reflecting our successful Christmas campaign. A 19% drop of wholesale revenues was mainly a consequence of regulatory cut of termination rates.

Strong commercial performance in 2021 in all key services

In 2021 we continued to successfully combine solid growth of customer volumes in all key services (convergence, fixed broadband, mobile post-paid) with improving underlying trends in the average revenue that they generate (ARPO).

Our commercial activity is mainly focused on delivering a package of mobile and fixed services, which we define as convergence. This is our competitive edge, it increases customer loyalty and allows us to upsell more services, winning a higher share of household media and telecom budgets.

In 2021 our **B2C convergent customer base** increased by 69,000 and 4.7% year-on-year and exceeded 1.55 million. At the end of December, 67% of our B2C broadband customers were convergent versus 65% a year ago. ARPO from convergent customers expanded by 5.8% year-on-year to PLN 111.9. This was largely due to our value strategy and increasing share of fibre and TV services. In 4Q alone customer net additions reached 21,000 (which was the best quarterly result in 2021), while ARPO stood at PLN 113.2 and was up 5.7% year-on-year.

Total **fixed broadband customer base** increased in 2021 by 44,000 and 1.6% year-on-year. In 4Q alone it grew by 17,000. Growth of fibre customers accelerated in 2021. It expanded by 220,000 or 30% as a result of increasing penetration of fibre services on our past investments, expansion of the fibre footprint and migration from copper. In 4Q alone, the fibre net additions were the highest ever and stood at 65,000. Fibre already reached 34% of our total broadband customer base. The copper broadband customer base continued to decrease and was lower by 172,000 versus previous year. The ARPO from broadband-only services grew 2.5% benefitting from our value strategy and growing share of fibre customers. Fibre customers generate the highest ARPO which is mainly fuelled by high share of TV services, growing popularity of higher fibre speeds and increasing share of customers in single family houses (who pay a higher price to cover higher network rollout cost).

Mobile handset customer base increased by 329,000 or 4% year-on-year, supported by all consumer brands (Orange, Nju Mobile and Flex) and good performance on the business market. Our customers are more loyal: in 2021 post-paid churn ratio decreased to 2.1% from 2.3% in 2020. Mobile-only handset ARPO increased 0.9% year-on-year in 2021 versus a drop of 4.2% year-on-year in 2020 as a result of our value pricing strategy and roaming recovery. Excluding roaming, this ARPO was flat year-on-year.

Pre-paid customer base in 2021 increased by 1.9% to almost 5 million as a result of growing number of pre-paid card activations and increased customer activity following lifting of pandemic restrictions. Growth of ARPO from pre-paid customers stood at 3.7% as a result of our value strategy and growing share of customers with unlimited voice and text bundles.

In fixed voice, in 2021 net loss of lines stood at 239,000 as compared to 210,000 a year ago and reflected structural negative market trends.

2021 EBITDAaL up 5.9% driven by strong performance of core telecom services

EBITDA after Leases (EBITDAaL) for 2021 came in at PLN 2,963 million and was up 5.9% year-on-year. This growth rate accelerated as profitable revenue expansion translated into profits through our high operating leverage. Direct margin (difference between revenues and direct costs) increased more than 4% mainly owing to strong performance of margin from core telecom services and IT/IS. Its dynamics were also supported by low comparable base of last year when we created some COVID-related provisions. Indirect costs were 3% year-on-year higher in 2021 as a result of certain key factors. Firstly, they benefitted from our ongoing cost transformation with savings mainly coming from labour, CRM subcontracting services and general expenses. Secondly, the year-on-year comparison reflects positive impact of COVID crisis-related mitigating measures in 2020, mainly a PLN 64 million one-off due to curtailment of jubilee awards scheme. And thirdly, in 2021 our advertising and promotion costs accelerated after pandemic-related slowdown in 2020.

In 4Q alone EBITDAaL increased 8.1% year-on-year as a result of almost 4% growth of the direct margin and broadly flat indirect costs. The drivers of the performance were similar in the full-year results.

2021 bottom line boosted by one-off gain related to FiberCo transaction

Net income for 2021 at PLN 1,672 million was significantly boosted by PLN 1,400 million (net of tax) gain on the sale of 50% stake in Światłowód Inwestycje. Excluding this one-off development net income were PLN 272 million, much above PLN 46 million recorded in 2020. This improvement resulted from the growth of EBITDAaL, lower depreciation (which benefitted from extension of useful lives of certain assets) and lower financial costs (which were elevated in 2020 by foreign exchange losses mainly on EURO denominated long-term leasing liabilities). The bottom line was also impacted by PLN 136 million provision related to the new social plan.

2021 Organic Cash Flow reflects strong cash generation from operating activities and higher proceeds from sale of assets

Organic cash flow for 2021 was PLN 867 million, a growth of 35% (or PLN 225 million) year-on-year. There were three key factors contributing to this performance. Firstly, more than PLN 200 million better cash generation from operating activities before working capital reflected higher EBITDAaL. Secondly, cash proceeds from sale of assets at PLN 196 million were much higher year-on-year due to improved disposal of real estate (from pandemic-related very low level in 2020) and sale of network assets to Światłowód Inwestycje (sale of fibre network assets that Orange Polska had started to build before signing of the transaction). These two strong positives were partly offset however by PLN 111 million lower year-on-year working capital release mainly as higher receivables balance reflected better equipment sale on instalments.

Commenting on 2021 results, Jacek Kunicki, Chief Financial Officer, said:

“Our 2021 results met our expectations and were very strong across the board. EBITDAaL increased by almost 6% driven by profitable growth of our revenues and our high operating leverage. I am especially pleased that revenues from key telecom services, which are essential to margin generation, delivered a robust 6.7% growth rate. It resulted from our commercial value strategy combining steady customer volumes and improving trends in ARPO. Growing EBITDAaL, strong cash flow and proceeds from sale of a 50% stake in Światłowód Inwestycje allowed us to improve our net income and ROCE, and decrease financial leverage to 1.4x. Management proposal

to pay a dividend from the 2021 results underscores the confidence that we have in our growth prospects and in our sound balance sheet.

Following a very strong 2021 we are on a good path to reach our .Grow strategy objectives. In 2022 our revenues will reflect the impact of further MTR and FTR cuts while EBITDAaL development will inevitably be slowed down by the cost of the energy crisis. However, as we are confident in the strength of our assets, growing customer demand and the quality of our services, we fully confirm all of our long-term strategic ambitions and financial objectives.”

Management recommends dividend payment from 2021 profits

Taking into account strong 2021 results and sound balance sheet situation, the Management Board of Orange Polska on 16 February 2022 has adopted a resolution to recommend to Annual General Meeting payment of a cash dividend of PLN 0.25 per share in 2022 from 2021 profits.

This proposal is in line with the dividend policy stated in the .Grow strategy. The Company considers PLN 0.25 per share as sustainable floor for the future. Further changes to dividends will be decided on yearly basis taking into account projections of underlying financial results and long-term financial leverage (net debt/EBITDAaL) forecast versus 1.7x to 2.2x leverage corridor.

Orange Polska 2022 guidance

The Management Board of Orange Polska hereby publishes the Company’s guidance for the full-year 2022.

We forecast our revenues to decline slightly in 2022. The decline will result from regulatory cuts of mobile and fixed termination rates (combining annualised impact on the cuts made in 2H 2021 and further cuts that came in force in 2022) that affect our wholesale revenues (with limited impact on profit margin). Excluding this regulatory impact revenues are expected to grow, supported mainly by further growth of our core telecom services (convergence, mobile-only and broadband-only), IT/IS and equipment sales.

EBITDAaL is estimated by the Management in 2022 to be flat or growing by a low single digit percentage. Similarly to 2021, we expect EBITDAaL to be supported by profitable revenue expansion in all key areas of business, our continued focus on value and further cost optimisation. However inflationary environment and in particular the extraordinary increase of energy prices are expected to weigh on our operating costs and constitute a key uncertainty factor.

We anticipate our economic capex (eCapex) in 2022 to be in the range of PLN 1.7-1.9 billion. The eCapex definition excludes acquisition and prolongation of mobile spectrum.

Realisation of this guidance will be monitored by the Company on an ongoing basis. Should there occur material deviation from the forecast, the Company will make a revision to the forecast and immediately publish it in the form of a current report.

The management is fully confirming all financial ambitions embedded in the .Grow strategy presented in June 2021.

Medium-term financial guidance (as presented on 28 June 2021)

	2021-2024 ³
Revenue growth	Low single-digit CAGR
EBITDAaL growth	Low-to-mid single-digit CAGR
eCapex (PLN bn)	1.7 to 1.9 annual average
ROCE	Increase 3-4x (from 1.6% in 2020)
Dividends	Return to dividends from 2021 results (payable in 2022) ⁴ PLN 0.25 per share as sustainable floor
Net debt / EBITDAaL	Range of 1.7-2.2x in the long term

³ Subject to final provisions of cybersecurity law and excludes major non-organic changes to OPL structure; CAGR vs 2020

⁴ Provided that net debt/EBITDAaL ratio will not exceed 2.1x including result of the 5G spectrum auction; subject to approval of General Meeting of Shareholders

Reconciliation of operating performance measure to financial statements

<i>in PLNm</i>	4Q 2021	4Q 2020	FY 2021	FY 2020
Operating income	15	57	2,211	404
Less gain on the loss of control of Światłowód Inwestycje	-	-	-1,543	-
Less gains on disposal of assets	-28	-40	-52	-61
Add-back of depreciation, amortisation and impairment of property, plant and equipment and intangible assets*	591	649	2,255	2,511
Less share of profit of joint venture adjusted for elimination of margin earned on asset related transactions with joint venture	1	-	-9	-
Less interest expense on lease liabilities	-13	-15	-53	-62
Adjustment for the impact of employment termination programs	136	-13	129	-22
Adjustment for the costs related to acquisition, disposal and integration of subsidiaries	5	16	25	27
EBITDAaL (EBITDA after Leases)	707	654	2,963	2,797

* Includes impairment of rights of perpetual usufruct of land historically recognised as property, plant and equipment, subsequently reclassified to right-of-use assets (PLN 34 million in 4Q 2021 and FY 2021)

Forward-looking statement

This press release contains forward-looking statements, including, but not limited to, statements regarding anticipated future events and financial performance with respect to our operations. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words like 'believe', 'expect', 'anticipate', 'estimated', 'project', 'plan', 'adjusted' and 'intend' or future or conditional verbs such as 'will,' 'would,' or 'may.' Factors that could cause actual results to differ materially from expected results include, but are not limited to, those set forth in our Registration Statement, as filed with the Polish securities and exchange commission, the competitive environment in which we operate, changes in general economic conditions and changes in the Polish and/or global financial and/or capital markets. Forward-looking statements represent management's views as of the date they are made, and we assume no obligation to update any forward-looking statements for actual events occurring after that date. You are cautioned not to place undue reliance on our forward-looking statements.

Orange Polska's Management Board is pleased to invite you to the Company's 4Q 2021 results presentation.

17th February 2022

Start: 11:00 CET

The presentation will take place on-line. It will be available via a live webcast <http://infostrefa.tv/orange/> and via a live conference call.

Time:

11:00 (Warsaw)

10:00 (London)

05:00 (New York)

Dial in numbers:

Conference Code: 411064

Poland: 0048 22 124 49 59

Canada: 001 587 855 1318

Germany: 0049 30 25 555 323

France: 0033 1758 50 878

Russia: 007 495 283 98 58

United Kingdom: 0044 203 984 9844

United States: 001 718 866 4614

Orange Polska Group Consolidated

amounts in PLN millions	2020					2021				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY
Income statement	restated (IFRS16)*	IFRS16								
Revenues										
Mobile services only	638	630	645	644	2,557	631	652	682	671	2,636
Fixed services only	523	527	518	513	2,081	504	494	484	486	1,968
Narrowband	208	206	194	190	798	182	174	165	161	682
Broadband	211	214	216	215	856	214	214	214	217	859
B2B Network Solutions	104	107	108	108	427	108	106	105	108	427
Convergent services B2C	419	428	438	456	1,741	477	492	511	522	2,002
Equipment sales	306	308	325	407	1,346	343	330	342	445	1,460
IT and integration services	233	238	186	340	997	250	269	255	412	1,186
Wholesale	601	613	590	618	2,422	598	598	493	501	2,190
Mobile wholesale	349	366	345	378	1,438	353	378	317	323	1,371
Fixed wholesale	171	165	162	156	654	157	132	86	85	460
Other	81	82	83	84	330	88	88	90	93	359
Other revenues	84	84	91	105	364	115	119	118	134	486
Total revenues	2,804	2,828	2,793	3,083	11,508	2,918	2,954	2,885	3,171	11,928
Labour expenses**	(402)	(287)	(320)	(343)	(1,352)	(372)	(339)	(318)	(364)	(1,393)
External purchases**	(1,550)	(1,597)	(1,537)	(1,851)	(6,535)	(1,627)	(1,662)	(1,568)	(1,929)	(6,786)
- Interconnect expenses	(482)	(507)	(489)	(513)	(1,991)	(482)	(491)	(396)	(413)	(1,782)
- Network and IT expenses	(151)	(162)	(161)	(176)	(650)	(152)	(163)	(162)	(192)	(669)
- Commercial expenses	(546)	(552)	(519)	(763)	(2,380)	(587)	(582)	(582)	(816)	(2,567)
- Other external purchases**	(371)	(376)	(368)	(399)	(1,514)	(406)	(426)	(428)	(508)	(1,768)
Other operating incomes & expenses**	(21)	(42)	(39)	(75)	(177)	(59)	(42)	(60)	(30)	(191)
Impairment of receivables and contract assets	(36)	(50)	(30)	(35)	(151)	(23)	(23)	(16)	(5)	(67)
Amortization and impairment of right-of-use assets	(106)	(108)	(110)	(110)	(434)	(115)	(118)	(119)	(123)	(475)
Interest expense on lease liabilities	(16)	(16)	(15)	(15)	(62)	(13)	(14)	(13)	(13)	(53)
EBITDAaL (EBITDA after Leases)	673	728	742	654	2,797	709	756	791	707	2,963
% of revenues	24.0%	25.7%	26.6%	21.2%	24.3%	24.3%	25.6%	27.4%	22.3%	24.8%
Gains on disposal of assets	10	5	6	40	61	(20)	7	37	28	52
Gain related to sale of 50% stake in Światłowód Inwestycje (FiberCo)								1,543		1,543
Depreciation, amortisation and impairment of property, plant and equipment and intangibles assets***	(608)	(636)	(618)	(649)	(2,511)	(576)	(542)	(546)	(591)	(2,255)
Add-back of interest expense on lease liabilities	16	16	15	15	62	13	14	13	13	53
Adjustment for the impact of employment termination programs**	0	0	9	13	22	0	0	7	(136)	(129)
Adjustment for the costs related to acquisition, disposal and integration of subsidiaries**	(3)	(4)	(4)	(16)	(27)	(10)	(11)	1	(5)	(25)
Share of profit of joint venture adjusted for elimination of margin earned on asset related transactions with joint venture								10	(1)	9
Operating income / (loss)	88	109	150	57	404	116	224	1,856	15	2,211
% of revenues	3.1%	3.9%	5.4%	1.8%	3.5%	4.0%	7.6%	64.3%	0.5%	18.5%
Finance costs, net	(132)	(49)	(83)	(78)	(342)	(66)	(45)	(86)	(84)	(281)
- Interest expense on lease liabilities	(16)	(16)	(15)	(15)	(62)	(13)	(14)	(13)	(13)	(53)
- Other Interest expenses, net (excl. Interest expense on lease liabilities)	(51)	(45)	(43)	(44)	(183)	(38)	(44)	(42)	(42)	(166)
- Discounting expense	(23)	0	(11)	(9)	(43)	(8)	(12)	(15)	(31)	(66)
- Foreign exchange gains/ losses	(42)	12	(14)	(10)	(54)	(7)	25	(16)	2	4
Income tax	6	(8)	(14)	0	(16)	(11)	(63)	(184)	0	(258)
Consolidated net income / (loss)	(38)	52	53	(21)	46	39	116	1,586	(69)	1,672

* In Q2 2020 retrospective additional impact of the IFRS 16 scope was recognised as described in Note 4, Financial Statement for the year 2020

**Labour expenses, other external purchases and other operating incomes & expenses exclude adjustment due to employment termination program and some costs related to acquisition, disposal and integration of subsidiaries

*** In Q4 2021 D&A includes impairment of rights of perpetual usufruct of land historically recognised as property, plant and equipment, subsequently reclassified

Orange Polska Group key performance indicators

Customer base (in thousands)	2020				2021			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
B2C convergent customers	1,387	1,410	1,441	1,483	1,503	1,517	1,531	1,552
Fixed telephony accesses								
PSTN	1,962	1,900	1,831	1,762	1,686	1,624	1,570	1,514
VoIP	1,072	1,099	1,110	1,138	1,151	1,158	1,151	1,145
Total retail main lines	3,034	2,998	2,941	2,899	2,837	2,782	2,722	2,660
<i>o/w B2C convergent</i>	830	833	839	855	859	860	852	845
<i>o/w B2C PSTN convergent</i>	23	21	18	16	13	11	10	9
<i>o/w B2C VoIP convergent</i>	807	813	822	839	846	849	842	836
Fixed broadband access								
Fibre	564	608	662	725	779	827	880	945
ADSL	923	896	864	822	786	756	725	686
VDSL	537	531	522	527	519	511	501	491
Wireless for fixed	592	603	614	628	627	625	623	624
Retail broadband - total	2,616	2,638	2,662	2,702	2,711	2,719	2,729	2,746
<i>o/w B2C convergent</i>	1,387	1,410	1,441	1,483	1,503	1,517	1,531	1,552
TV client base								
IPTV	539	554	575	605	625	642	669	710
DTH (TV over Satellite)	456	442	425	410	392	376	339	286
TV client base - total	994	996	1,001	1,015	1,017	1,018	1,008	995
<i>o/w B2C convergent</i>	836	842	851	870	876	879	871	862
Mobile accesses								
Post-paid								
<i>Mobile Handset</i>	7,810	7,875	7,985	8,095	8,183	8,266	8,357	8,424
<i>Mobile Broadband</i>	822	806	777	751	723	705	690	674
<i>M2M</i>	1,710	1,823	1,987	2,046	2,111	2,221	2,632	2,749
Total post-paid	10,342	10,504	10,749	10,892	11,017	11,192	11,679	11,847
<i>o/w B2C convergent</i>	2,612	2,651	2,713	2,787	2,823	2,848	2,871	2,900
Total pre-paid	5,095	4,982	4,920	4,860	4,783	4,855	4,910	4,953
Total	15,436	15,487	15,669	15,752	15,800	16,047	16,590	16,800
Fibre household connectable	4,393	4,602	4,793	4,998	5,174	5,379	5,611	5,934
Wholesale customers								
WLR	310	299	287	273	260	251	242	232
Bitstream access	128	129	130	132	136	139	142	144
<i>o/w fibre</i>	10	14	19	26	34	41	47	53
LLU	60	58	55	52	49	46	44	42
Quarterly ARPO in PLN per month	2020				2021			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Convergent services B2C	104.8	105.4	105.5	107.1	109.6	111.4	113.2	113.2
Fixed services only - voice	36.5	37.4	36.8	37.3	37.1	37.0	36.5	36.9
Fixed services only - broadband	56.7	58.0	58.7	58.7	58.8	59.2	59.5	60.5
Mobile services only	19.5	19.3	19.9	19.8	19.6	20.1	20.7	20.3
Post-paid excl M2M	26.3	25.5	25.9	25.6	25.6	26.0	26.7	26.3
<i>Mobile Handset</i>	28.0	27.2	27.6	27.3	27.2	27.7	28.3	27.9
<i>Mobile Broadband</i>	13.6	13.3	12.9	12.7	12.5	12.3	12.3	12.2
Pre-paid	11.6	11.9	12.5	12.7	11.9	12.6	13.1	12.9
Mobile wholesale (convergent + mono)	8.0	8.4	7.9	8.7	8.1	8.5	7.1	7.2

Other mobile operating statistics	2020				2021			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
DATA AUPU in GB								
post-paid	4.5	4.8	5.3	5.3	5.4	5.9	6.3	6.5
pre-paid	3.8	4.1	4.3	4.7	4.8	5.1	5.4	5.8
blended	4.2	4.5	4.9	5.1	5.2	5.6	6.0	6.2
Quarterly mobile customer churn rate (%)								
post-paid	2.5	2.1	2.2	2.3	2.3	1.9	1.8	2.3
pre-paid	9.1	10.4	11.4	10.7	10.8	9.1	10.0	10.5
Employment structure of Group as reported	2020				2021			
Active full time equivalents (end of period)								
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Orange Polska	11,885	11,219	11,047	11,048	10,827	10,583	10,312	10,125
50% of Networks	330	330	335	333	349	332	327	327
Total	12,215	11,549	11,382	11,381	11,176	10,915	10,639	10,452
Key environmental indicators	2020				2021			
				full year				full year
CO2 emissions (Scope 1+2) [k tones]				405				367
Energy consumption[GWh]				541				533
Renewable electricity as % total electricity consumption				0%				6%

Terms used:

ARPO – average revenue per offer

Churn rate – the number of customers who disconnect from a network divided by the weighted average number of customers in a given period.

Convergent services – Revenues from B2C convergent offers (excluding equipment sales). A convergent offer is defined as an offer combining at least a broadband access (xDSL, FTTx, cable or wireless for fixed) and a mobile voice contract (excluding MVNOs) with a financial benefit. Convergent services revenues do not include incoming and visitor roaming revenues.

Convergent services B2C ARPO – The average monthly revenues from convergent services generated by retail customers (B2C) divided by the **average** number of B2C convergent customers in a given period.

Data Average Usage per User (Data AUPU) – The average monthly total usage of gigabytes divided by the average number of mobile SIM cards (ex M2M and mobile broadband) in a given period.

Fixed broadband-only services – Revenues from fixed broadband offers (excluding B2C convergent offers and equipment sales), including TV and VoIP services.

Fixed broadband-only services ARPO – The average monthly revenues from fixed broadband only services divided by the average number of accesses in a given period.

Household connectable with fibre - an apartment in multi-family building or a single family house within the reach of our fibre to the home service that allows to provide service with a speed of at least 300Mb/s

Mobile-only services – Revenues from mobile offers (excluding consumer market convergent offers) and Machine to Machine (M2M) connectivity. Mobile-only services revenues do not include equipment sales and incoming and visitor roaming revenues.

Mobile-only services ARPO – The average monthly retail revenues from mobile only services excluding M2M connectivity, divided by the average number of SIM cards (excluding M2M) in a given period.

Mobile-only broadband ARPO – The average monthly retail revenues from SIM cards dedicated to mobile broadband access (excluding B2C convergent offers and equipment sales) divided by the average number of these SIM cards in a given period.

Mobile-only handset ARPO – The average monthly retail revenues from SIM cards dedicated to mobile handset access (excluding B2C convergent offers and equipment sales) divided by the average number of these SIM cards in a given period.