

Orange Polska

CONFERENCE CALL ON ORANGE POLSKA'S RESULTS FOR THE 2Q OF 2025

Leszek Iwaszko: Head of IR

Good morning, thank you for standing by and let me welcome you to Orange Polska Results Conference for the second quarter of 2025. My name is Leszek Iwaszko and I'm in charge of investor relations. The format of the call will be as usually a presentation made by the management team followed by a Q&A session. Speakers for today will be Liudmila Climoc, the CEO of Orange Polska and Jacek Kunicki, CFO. I'm now passing the floor to begin the presentation.

Liudmila Climoc: CEO

Thank you, Leszek. Good morning, welcome to our conference summarizing second quarter of 2025 and I start with slide four, key messages. So first of all, I am very pleased to say that performance on our core telecom business maintained its good momentum in the second quarter. Our commercial results are strong and especially on the consumer market where customer bases and are poor where continues to grow and the very healthy pace. Our commercial success is underpinned by continuous investment in mobile and fixed infrastructure that we develop for our customers. Fiber, I will address more in a moment on a dedicated slide. On the mobile front we are progressing with 5G deployment for C-band spectrum. We already cover nearly 50% of population in Poland and this month we have launched first base stations on newly acquired 700 MHz spectrum and with this spectrum we expand the coverage beyond big cities. In the result our commitment to delivering the best connectivity at home, at work or on the move has been validated by independent test benchmarks where Orange 5G and Orange FTTH fiber networks again were ranked as number one in the first part of 2025. And as well I am very satisfied with our sales deal of Orange Energia. On one hand it confirms focus on co-business which we outlined in our Lead the Future strategy and on other hand Orange Energia is taken over by the renowned industrial player who will ensure its further development. And finally, our financial results were very good in second quarter on all levels with growth of revenues of EBITDAaL, net profit and cash generation. And as usually let's zoom on our commercial activity on the next slide.

So, talking about commercial performance in Q2 it was very strong across all key telecom services reflected in a consistent healthy pace of growth of our customer bases. In convergence and fiber bases has increased with 5 and 13 percent respectively with a sustainable rate of increase which we are reporting quarter by quarter. We achieved it despite fierce competition as some market players attempt to win the market with aggressive volume-oriented strategies. And we are coping well in this environment and continue to gain share in very high broadband market. We are successfully addressing local geo-targeted competitive battles responding to the need for higher speeds and for TV and for the content. In mobile net customer additions (net adds) were really outstanding in second quarter. We delivered the highest net adds in last three years with both consumer and business segments contributing to this achievement. We are also benefiting from wide portfolio of brand and personalized AI enabled offering which help us to strengthen customer loyalty. On ARPO side in convergent and fixed broadband only our offers maintain strong - between 4 and 5 percent growth rates as well. You know as we are keeping very good balance between volume and value in our commercial strategy. So, as you can see our point mobile is flat year on year in second quarter. This is a combination of two factors good growth in B2C in consumer and the decline of ARPO in B2B. And let me dig more into the details. In B2B we are dealing with a tougher competitive environment. Orange is the leader with the highest market share in this segment and we are defending against very intensified price competition. On another side in B2C in consumer our pool is growing. In the main Orange brand this growth exceeds 4 percent benefiting from our regular price adjustments. In the same time consumer base was growing also thanks to the increasing share of our B brand - Nju and Flex which is corresponding contribution of lower levels are poor. These well reflects our two steps approach which we were describing in Lead the Future strategy. First to acquire a customer to build new relationships and further we grow the value and we upsell to convergence. These results demonstrate that we have right commercial strategies and we are coping well with challenging competitive environment and commercial growth is essential for our future value creation. So, let's move now on slide six.

And here talking about infrastructure. Światłowód Inwestycje our FiberCo joint venture just finished its fourth year of operations and we are very satisfied with its performance. We can describe its development as exemplary one on the European landscape. Business plan is on track and this year the investment program that was initiated in 2021 will be completed. And we've seen with these plan 1.7 million households get access to fiber mostly outside big cities in the areas with low infrastructure competition. Światłowód Inwestycje is very

effective in converting these homes past to homes connected. There are already 22 retail operators that provide services on its network and it serves around 700,000 active customers which implies more than 30 percent of infrastructure take-up rate. So, a very solid achievement as you can see. And based on this success of first investment program we decided together with our investment partner that there is more potential for Światłowod Inwestycje and in June our FiberCo raised 3.7 billion zloty to refinance the outstanding debt and to secure funds for the second investment plan. This plan will include rollout to a half a million of new households over the next three years and to another 200,000 in the following few years to densify already covered areas. And as a result, Światłowod Inwestycje network intends to reach coverage of 3.1 million households in Poland. Our cooperation model with Światłowod Inwestycje will not change under the new plan. Orange Polska will continue building the network and rendering a number of services for Światłowod Inwestycje and to point out that regarding a reconsolidation option for Orange which we had, its timing has been adjusted in line with the new investment horizon and now it covers the period between 2029 and 2032. This new Światłowod Inwestycje investment plan is a key element for our expansion plans for fiber access network as according to Lead the Future, you remember that we plan to grow from 9.5 million households covered by Orange fiber today to 12 million connectable by the end of 2028. So, this being said, I want to hand over the floor to Jacek.

Jacek Kunicki: CFO

Thank you, Liudmila. Good morning, everyone. Let's start the financial review on slide 8 with the highlights of our performance. I'm pleased with the financial results of the second quarter. We have increased our revenues, profits and cash generation. Revenues were up 1.1% year-on-year fueled by a solid growth of the core telecom services at almost 7%. In turn, the strong performance of the core business drove the EBITDAaL to a 4.3% year-on-year growth in the second quarter and to 3.6% for the six months of the year. The net income was almost 2% up in H1. This was mainly due to higher EBITDAaL coupled with a 70 million estimated gain on the disposal of our energy trading subsidiary. The eCAPEX amounted to 800 million zloty in the first semester with almost 300 million invested into the fiber and mobile access networks, so in line with our strategic priorities. It's year-on-year growth was due to lower proceeds from disposal of real estate. We have a back-end loaded schedule of property sales this year and expected peak of proceeds in the fourth quarter of 2025. The organic cash flow in H1 reflected solid cash from operating activities offset by higher cash CAPEX and low cash coming in from the above-mentioned sale of real estate assets. My overall takeaway from this is after the first six months of 2025 we are on track to deliver our full year objectives and create further value for shareholders. Let's now review the results in more detail starting with the top line.

Our Q2 revenues have increased by 1.1% including a very solid growth dynamic of the most important revenue streams. The key driver of this core telecom services increased by almost 7% year-on-year. It was driven by a consistent growth of our main customer bases and ARPUs as discussed by Liudmila. This year it was additionally boosted by a 14% growth of the prepaid ARPU and a similar uplift of its revenues. This reflects the prepaid price adjustments that we had made in the fourth quarter of last year and in the first quarter of 2025 and these were applied to roughly 60% of the customer base. The IT and IS revenues were stable in the second quarter after they had captured very solid growth in the first quarter of 2025. This is a combination of two factors. First our ICT subsidiaries have increased revenues which is encouraging given the challenging market environment. This was however offset by a decrease of revenues year-over-year from wholesale SMS service. Here we need to note that this is measured versus a very high comparable base of 2024 when we benefited from a surge of activity of some retailers in both the second and the third quarter of 2024. Q2 was the last quarter in which we consolidated the results of Orange Energia. Starting from the third quarter we will compare a year-over-year dynamic to a pro forma of 2024. We'll provide the comparative figures in the KPI file that you can always find on the investor relations website. To sum up on the revenues, first we're happy with the pace of growth of the core telecom services. Second the outlook for ICT is gradually improving and I am cautiously optimistic in this area even if Q3 will still be affected by the high comparative base of the wholesale SMS service from last year. Profitable revenue growth is the main driver of our EBITDAaL. Let's now take a look at the latter at the EBITDAaL on slide 10.

The EBITDAaL for Q2 has increased by a strong 4.3% year-over-year. The increase was driven by solid growth of the direct margin. This predominantly reflected the consistent growth of margin from the core telecom services mentioned a minute ago. Our direct margin amounted to almost 57% of revenues so this is well in line with our goal to keep it and drive it above 55%. Indirect costs were slightly lower versus Q2 of last year. They reflected the pay rise pressure on workforce costs and higher advertising spend that was needed to support our good commercial progress. This was offset by additional margin from the fiber rollout project. This was enabled by further operating progress in this key final big year of the first rollout agreement as well as by signing of the second investment plan with Światłowod Inwestycje. This last point allows a much more gradual decrease of our production capacity instead of having to make a hard stop at the end of 2025. In turn, this makes the entire

project more profitable and we have reflected this in our Q2 results. We're happy to continue this cooperation with Światłowód Inwestycje on rollout number one but also on the newly signed rollout number two well beyond 2025 or 2026. I also note that the amount of the rollout margin re-evaluations that we have made in H1 was practically the same as in H1 of last year so it had no material impact on the year-to-date EBITDAaL evolution between the years. To sum up, we are happy with the EBITDAaL growth in Q2. We're happy with the sources of this growth and namely the good solid recurrent growth of the direct margin and we're confident that with the 3.6% growth in H1 we are on track to deliver the full year objective. Let's now turn to net income on slide 11.

It has exceeded 460 million zloty in H1 so up by 2% year-over-year. Let me now walk you through its underlying drivers and also through the one-offs. The underlying growth stems from the consistent increase of the EBITDAaL up by 60 million zloty in H1. This is partly offset by higher depreciation as we have a progressively changing asset mix and by higher financial costs, a consequence of last year's debt refinancing. The net impact of this is slightly positive confirming the solid fundamentals for us to increase the net income. Obviously, the net income was also affected in H1 by some important one-offs. It decreased year-over-year due to provisions for significant risks and restructuring and due to lower gain from the sale of real estate that I mentioned a minute ago which is linked more with the timing of the expected real estate sales between two years. This negative impact of both of these was nearly offset by the estimated gain on the sale of the energy trading subsidiary. The bottom line for us is that we have solid underlying factors that are driving our net performance, our net income performance upwards and we focus on these in order to achieve higher net income in the future.

Let's now switch to CAPEX which amounted to 800 million zloty in H1. Considering the typical H1-H2 phasing this is in line with our full year objectives. It increased by 18.6% year-over-year with the difference stemming mostly from lower proceeds from real estate disposal as we have discussed it already. Capital spending was on a comparable base on, a comparable level to last year. In line with our strategic priorities we allocated almost 40% of CAPEX to access network. In fixed: this is fiber rollout in the wide zones and dedicated connections for the large B2B clients. In mobile: we are deploying the 5G network and we are completing the renewal of our radio access networks with the bulk of the latter project to be finalized still this year. Another 30% of investments were dedicated to core & fixed networks as we are expanding our capacity in order to serve the growing traffic demand. Finally, we've spent just over 30% of capital expenses on IT with a focus on projects to support process efficiency through digitalization both on the front desk as well as in the technical and field maintenance areas. Finally, over to cash flow on page 13. We have generated just over 340 million of organic cash flow in H1. This was less than a year ago mainly due to 100 million zloty less cash in from real estate disposal due to the timing difference that I mentioned early on. This apart cash generation was solid with growing cash from operating activity with a positive year-over-year difference on working capital requirement even if this latter one was offset by an increased cash CAPEX. We are satisfied with cash generation in H1. We expect a solid organic cash flow in H2 and once again we are eyeing to achieve over 900 million of organic cash flow in the full year. Moreover, we have maintained a very sound balance sheet and we have already secured the refinancing of the debt that was due to mature in 2026. This concludes the financial review and now I hand the floor back to Liudmila for the conclusions.

Liudmila Climoc: CEO

Thank you Jacek. So, summarizing our presentation I would like to emphasize on our strong commercial and financial performance in second quarter and overall in first part of the year which is allowing us to confirm our full year guidance and going forward our priorities do not change. Firstly, we intend to maintain a good commercial momentum. We are preparing attractive offers for customers in the upcoming two peak commercial seasons for back to school and for Christmas. We are also focused on a progressive turnaround of our B2B. In IT&IS we see better projects pipeline for the second half of the year. The turnaround is more difficult in telecom services due to challenging market environment. On the second priority we are starting to work on our plans for 2026 including preparation of transformation initiatives which will support our cost efficiency in the years to come. And combination of commercial success and improving efficiency is the right recipe for growth of shareholder value in our new strategy. This is all from us and now we are ready to take your questions.

Leszek Iwaszko: Head of IR

Yes, if you are dialed in via the phone and would like to ask a question please press star 2 on your keypad and wait for your name to be called. You may also ask a question a voice or text question using the webcast window. So once again to ask a question press star 2 on the keypad or press the question button on the platform. We have the first question coming from the line of Marcin Nowak from IPOPEMA. Marcin your line is open.

Marcin Nowak: IPOPEMA

Good morning, thank you for the presentation. A few questions from my side. Could you please comment in more details about the reasons behind creation of this 23 million provision below EBITDAaL on significant risks and reorganization costs and why this wasn't included in EBITDAaL exactly. The second question regarding the recent anti-monopoly watchdog proceedings with the case regarding the presentation of pricing in mobile contracts including discounts. What is your estimated potential maximal fee on this case and if it was related to the provision that we made. And the last question regarding the comment about being ready to benefit from the spending on military and defense purposes. I guess it was in the press statement a month ago. What products exactly or services do you plan to offer within that area? Thank you.

Jacek Kunicki: CFO

So maybe, thank you for your question first. Welcome. I will take the first two questions and maybe Liudmila I will give you the floor for the third one. So, the provision that you mentioned it is linked with provisions for risks, claims and litigations. And well, we place large provisions of this sort below the EBITDAaL because they do not stem from the standard business that we do on a recurrent quarter by quarter basis. So, this is to distinguish this. Obviously, for commercial sensitivity reasons and in order not to prejudice any outcomes of any risk provisions, I am not at liberty to comment which case does this particular provision regard of potential risks that you may imagine. And likewise, I am not inclined to comment or discuss the consumer protection office inquiry into the presentation of the discounts that you had mentioned, other than to say that as with all of the questions that we get from UOKiK, we are always working closely and proactively with the office to make sure that we are able to address any concerns that they might have in an amicable way. But I am not at liberty to get into the details of these proceedings and our discussions with the regulatory office. And then your third question, I guess, on the military defense. Yeah.

Liudmila Climoc: CEO

Well, what we see, there is clearly growing potential with spendings growing dedicated to defense and cyber security, which we believe we see it as a great opportunity for us because we are well positioned as a solid and reliable partner for both public sector and private entities, which require specific expertise, specific knowledge, and we are fully equipped with this knowledge. And I will not go into the particular beats or like because we will not comment as ahead. But just to let you know that we see it rather in a very transversal and convergent way because we do combine unique competences on the market of telco infrastructure, telco solutions and ICT solutions. For instance, we have a strategic cooperation with the Minister of Defense. We are delivering critical infrastructure and the ICT services for the purposes of national security. We are the largest provider of mobile telephony services for military. And we are enhancing our network to bring it to the coverage in the areas which are critical and of strategic importance of the Defense. Or I can give you another example, which we were implementing in the past. It was specialized IT solution for military hospitals to support the quality of healthcare. So, we see it holistic - as connectivity, infrastructure, solutions which are accompanying the ICT domain and cybersecurity need as a whole.

Leszek Iwaszko: Head of IR

Thank you. Next question coming from the line of Dominik Niszczyński from Trigon, Dominik, your line is open.

Dominik Niszczyński: Trigon

Thank you. Good morning. So, two questions from me. One regarding FiberCo agreement and the second on SMS bulk service. So maybe starting with FiberCo. We see that your previous agreement had like over 300,000 homes passed per year and now we see around 100,000 per year. So, the question is, do you expect that cost per home passed may be visibly higher in the new agreement, like twice as high on average? And also, what I'm trying to understand asking this is what's the overall impact on your P&L because you calculated this extra margin in the second quarter. So just wondering how will it look like compared to the previous agreements on average?

Jacek Kunicki: CFO

Thank you. So, Dominik, I guess your question regarded the second rollout agreement. And the second rollout agreement, it is for a half a million of households passed. I think that the two items that I would mention, it is a front-end loaded agreement. So, I would expect us to be aiming to deliver, let's say something close to 300,000 in the first year in 2026. And then it would slow down progressively in 2027 and in 2028. You know, it's tough to say what exactly will be the profitability because we were surprised in a number of times in the profitability of the first one. Right now, I would assume that we should have a relatively comparable gain per one line as we have had so far. So that would not be that of a difference. And without getting into too much of the commercial aspects of this agreement, you can basically assume that we're eyeing quite a high number, something like up to

300,000 in 2026. And then you're getting down to your 120s and below 100 in the next two years. So, I hope that will help a little bit for you to be able to model this.

Dominik Niszczyński: Trigon

Yes, of course. So that's clear. And the second is on your SMS bulk service for business customers. You mentioned it twice in the presentation that you had this high base related to marketing campaigns of some of your clients. So, this was a significant profit margin booked there. And my question is how much of SMS revenue you still generate? Like in the first half of the year, 25, does it still a visible amount? Because we saw last week a guidance by Belgian telecom Proximus in their global CPAS business that this SMS revenue is really falling and they cut their guidance visibly because SMS is moving, is replaced by RCS, WhatsApp and other channels. This also affects your business. So, what's your current state in 25? How much do you make on this?

Jacek Kunicki: CFO

So here, I think the best way to answer your question is to start off with why we were mentioning this item at all. So, it's not to do with the level of the wholesale SMSs that we are doing, but it's rather linked with the fact that in the second and third quarter of last year, we had a surge of these SMSs linked with some specific clients and campaigns by some clients. And that had boosted our margins, I would say by something like 15 million per quarter in Q2 and in Q3. And so that is now represented as a high comparable base in Q2 numbers that you see, we will continue to see it in Q3. And then the base of comparison becomes much more normalized when we will start comparing ourselves in the last quarter of the year, because quarter four of last year was already past the peak of this particular product, I would say surge. And then, you know, when we look on the revenues, you know, right now, we are making about 40 million zloty per semester. For bulk SMS. This is not SMS overall. And as you know, SMS overall, it would be a little bit less relevant question because most of them are within the package that we offer. Which is unlimited. Yeah, which, you know, it's unlimited. And it's equally unlimited as the data is. So, it doesn't matter so much if the end user is using more of WhatsApp or more of SMS. It's the wholesale SMS that I was referring to. Obviously, we make it more from the entire SMS of mobile.

Dominik Niszczyński: Trigon

Yeah, so it's like 20 million per quarter. Yeah, that's clear. Great, so thank you. Thanks.

Leszek Iwaszko: Head of IR

Thanks, Dominik. Next question coming from the line of Dawid Górzynski from PKO BP. David, your line is open.

Dawid Górzynski: PKO BP

Hi, thank you for taking my questions. I have three, actually. First one on EBITDAaL, like some outlook on the second half of the year in terms of EBITDAaL after-release performance. Because of large number of one-offs that were reported in second half last year. I mean, both like related to FiberCo and in some cost positions, namely wages and interconnect. I just wonder if you think that keeping positive EBITDAaL dynamics will be possible or it would be rather challenging for you? It's the first question. So maybe take one by one, if you can.

Jacek Kunicki: CFO

Okay, thank you for your question. Yes, last year included several non-recurring items in, well, that affected the EBITDAaL. But, then I don't think you would find a semester without one-offs and H1 being not exempt. I would mention two things. First of all, when we are looking at the H1 results of this year, even if you were to take out the fiber rollout catch-up margin from both years, H1 of this year and H1 of last year, you would get to a very comparable evolution as we are reporting because this catch-up was practically the same for both years. So, it does give a relatively good picture on the underlying performance. And then looking at H2, I would still assume that we are eyeing for growth. I would say that for H2, depending on the success of the business, depending on the success of the ICT, which is always less repeatable and subject to any surprises that we might have, I would assume that something around 2% EBITDAaL growth for the standalone H2 is something that we could be considering. And I guess this is relatively close to what the consensus is assuming at the moment.

Dawid Górzynski: PKO BP

Okay, thank you so much. Second question on the new offer from T-Mobile recently. I mean quite aggressive unified mobile offerings, just one package, and aggressive promotions for FTTH. Do you see some – how do you see the impact of this new offering on the market in the mid-term, let's say? And do you see any sign of how successful they are in acquiring clients? Or maybe like you observe some slowdown in your acquisitions in third quarter? Thank you.

Liudmila Climoc: CEO

Thank you for the question. I will take it. So first to mention, we are pretty confident in what we are going to do and in our current performance. And I will not comment on particular strategies of our competitors. And let's see, we are looking with interest also how market will react on it.

Dawid Górzynski: PKO BP

Okay, I understand you see no clear signs or differences in client acquisition in your KPIs as well.

Liudmila Climoc: CEO

Market is very competitive in Poland. And we see it in T-Mobile offers and all-players offers. So, let's see how market and how customers will be reacting on it.

Dawid Górzynski: PKO BP

Okay, thank you. And the third question is, if I understood correctly, you delayed the decision about FiberCo reconsolidation until 2029 at earliest. And I wonder if that impacts your dividend policy in this shorter term.

Jacek Kunicki: CFO

So, on this particular point, what I would mention is we delayed the decision, we delayed the option a little bit. Previously, the option windows were between 2027 and 2029. Now they are between 2029 and 2032. And the basic thinking is here that we'd like to see the network and the asset in its final stage before we are taking a decision whether we want to reconsolidate or not. And then regarding the dividend, and obviously, you appreciate that we will be more talkative about this in February, but we are not linking the dividend decision to a particular constraint on the balance sheet side. And as you well know, the current level of indebtedness is very low, and it does not pose a real hurdle itself. As in, you know, net debt to EBITDAaL, even if I were to adjust it by the FiberCo impact, it's not the only item that we're looking at. What is predominantly our area of analysis is, how do we view our financial performance going forward? How do you view our cash flows going forward on a sustainable basis, so that they are able to finance over a long time the dividend that we are going to propose? And in this context, the change of the potential timing for the FiberCo reconsolidation is not a big factor here, because anyway, we need to keep the flexibility of the balance sheet to be able to reconsolidate. But anyway, we know that this flexibility is here with us. And unless something changes in the balance sheet substantially, it is not the balance sheet that is the limiting factor for the dividend. And obviously, we are working all the time to make sure that we do create more EBITDAaL, more cash flows, and more possibilities to serve the dividend to shareholders. And that is, from the outset, the plan of the leading future strategy.

Dawid Górzynski: PKO BP

Okay, great. Thank you for this call.

Leszek Iwaszko: Head of IR

Thank you. We have some questions that came to us online. Question from Paweł Puchalski from Santander. May I ask for updated guidance for coming quarters concerning other operating profits or FiberCo catch-ups? Also, what would change there under the new three-year agreement? I think we partly already answered that. And maybe I will read next questions from Paweł as well. The 43 million write-off booked in Q2'25 should we be worried. Please give us more color. I think this has been answered, so no reason to repeat it. And another question. I noticed 6.6 billion maximum pledge on Światłowod Inwestycje higher by 0.8 billion. Where this amount comes from? And does it relate to project valuation or maximum loan capacity?

Jacek Kunicki: CFO

Thank you. So, on the numerous questions, I will start one by one. And I will start with the coming quarters. So, when you take a look at our other operating income, you see that it contains, well, a variety of items. It's not only the FiberCo. And also, the FiberCo doesn't only have a catch-up mechanism, but it has a recurring part. So, I guess, you know, if we take the Q2 number, which is 156, we know that there was 75 million catch-up within this. But we also are aware that, for example, this particular quarter, the sale of copper was not particularly great. So, I wouldn't be surprised. I mean, the line can be volatile. And the nature of other operating profits, I wouldn't be surprised to see this area, you know, being in the range of, let's say, 100 million quarter after quarter, subject to any surprises that we might have. You know, we will be finalizing the rollout number one. There's always a possibility that we will need to readjust the profit upwards or downwards when we close it. I don't think this would be anything remotely as material as the adjustment that we have done right now. Because the adjustment that we have done right now, it had a clear and very big trigger, which was signing of this second agreement. And it's just, you know, A): we have more operating data for the rollout number one, and B): we are not faced anymore with the prospect of having to make a hard stop at the end of the year, because the agreement

ends. But we will be able to progressively adjust our production capacity to the production volumes that we see. And as you remember from the previous questions, it is a progressive decrease of the expected production year after year, not yet any decrease of production in 2026, but 2027 and 2028 are definitely going to be with a lower production. And this progressive pace and dynamics of the program allows us to manage the winding down of the machinery, the system, the processes, the ecosystem that is there to deliver this in a much more controlled and in a much less costly way. So, this was the clear trigger for the H1 positive reassessment of this project profitability. The new agreement, I think we've discussed it a little bit. We would assume 300,000 households in year one, and then you may assume something close to the numbers that I was mentioning before, so like 120,000 in 2027 and close to 80,000 in 2028. You may assume that any profitability profile that we get would be broadly in line with this, but then again, we need to wait and to see how we adjust. So that is, I think, the question on the other operating income and the new three-year agreement. The write-off, I think we have answered. And I mean, on the pledge, it's a standard mechanism that you assign when taking out the loans, and it's linked with the refinancing that Światłowód Inwestycje has conducted during the course of H1, and this refinancing is obviously contained in this standard mechanism. What is important is that this refinancing allows Światłowód Inwestycje to have a fully funded business plan for the upcoming rollout.

Leszek Iwaszko: Head of IR

Okay. We have a question from Maciej Bobrowski from BDM, but this is a question about us providing more information on defense spending tenders in which we'd like to be, so this has already been covered in the previous question. Another question came from Jakub Viscardi from BOŚ. I will read you the question. Do you anticipate moving the additional network rollout margin for FiberCo below EBITDAaL at some point in the future? Once the potential for demonstrating new margin contribution is exhausted and the accumulated base starts to weigh on EBITDAaL growth potential. This would be similar to how gains on real estate were previously treated.

Jacek Kunicki: CFO

So, thank you very much, Jakub, for your question. No, I do not assume that we will move the rollout margin below the EBITDAaL. It is part of our activity. It is with us, and we are doing this rollout from 2021, so it's with us for five years now. It's going to be with us for another three years at least. It has grown to be a big, big project and a part of our business processes, so I do not assume we will move this anywhere below EBITDAaL.

Leszek Iwaszko: Head of IR

Thank you. That exhausts our Q&A session. Thank you very much for the participation and enjoy the rest of the summer and talk to you in October. Thank you.

Jacek Kunicki: CFO

Thank you very much.

Liudmila Climoc: CEO

Thank you. Bye-bye.