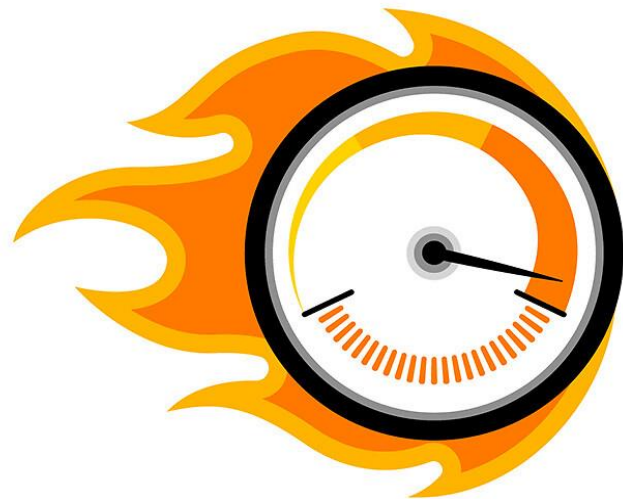


Orange Polska

Światłowód Inwestycje – Fibre JV with APG

12 April 2021



Światłowód Inwestycje – FiberCo

1

FiberCo to explore broadband market potential through rollout of c.1.7m HHC in low and mid competition areas

2

FiberCo will operate in open access model allowing OPL for fibre monetisation both in retail and wholesale

3

FiberCo will be a co-controlled joint venture with balance sheet independent of OPL

4

OPL to be anchor tenant and key industrial partner of FiberCo rendering wide range of services

5

Attractive terms of sale of 50% stake reveal the underlying value of OPL infrastructure assets

6

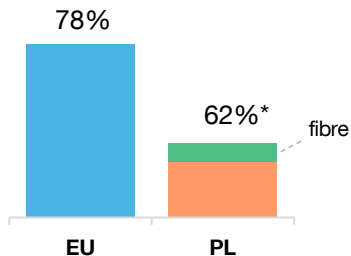
Światłowód Inwestycje will significantly contribute to social development in its areas of operations

1

FiberCo to explore broadband market potential through rollout of c.1.7m HHC in low and mid competition areas

FiberCo to grab opportunity of low broadband penetration and high customer demand

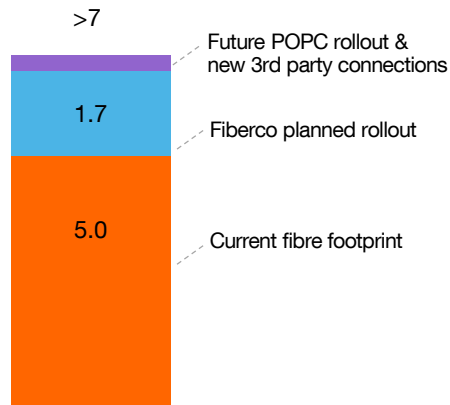
Low fixed broadband penetration in Poland with small share of fibre (% of households, 2019)



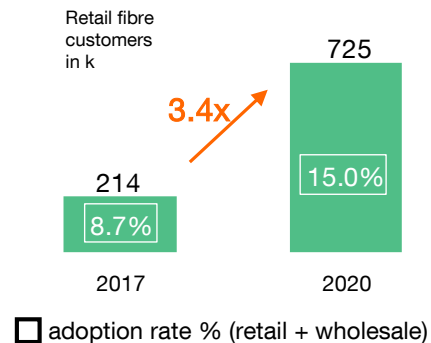
* incl. fixed wireless

Source: EU (DESI 2020)

Orange Polska fibre footprint to reach c.50% of Polish households (HHC m)



Dynamic growth of OPL fibre customers



IRR > WACC

Our track record indicates that fibre generates an attractive return on investment significantly above WACC

FiberCo will operate in open access model allowing OPL for fibre monetisation both in retail and wholesale

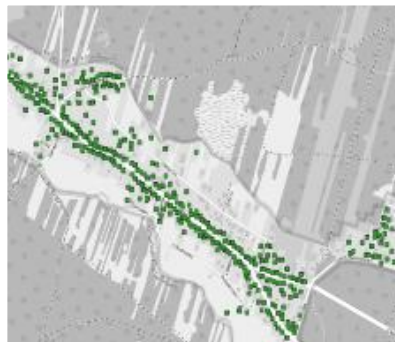
- We selected FiberCo footprint to be built on mid and low competition areas providing...
 - ...best conditions for fast customer takeup due to weak infrastructure and unsatisfied demand for fast FBB
- FiberCo will operate in open access model benefitting from low risk of overbuild and regulations...
 - ...allowing OPL to monetise fibre both in retail and wholesale

FiberCo JV will invest in several types of topographical locations capitalising on OPL expertise regarding selection of the most profitable areas for investments

Small city not yet covered by fibre



Suburban village



Residential housing district in big city

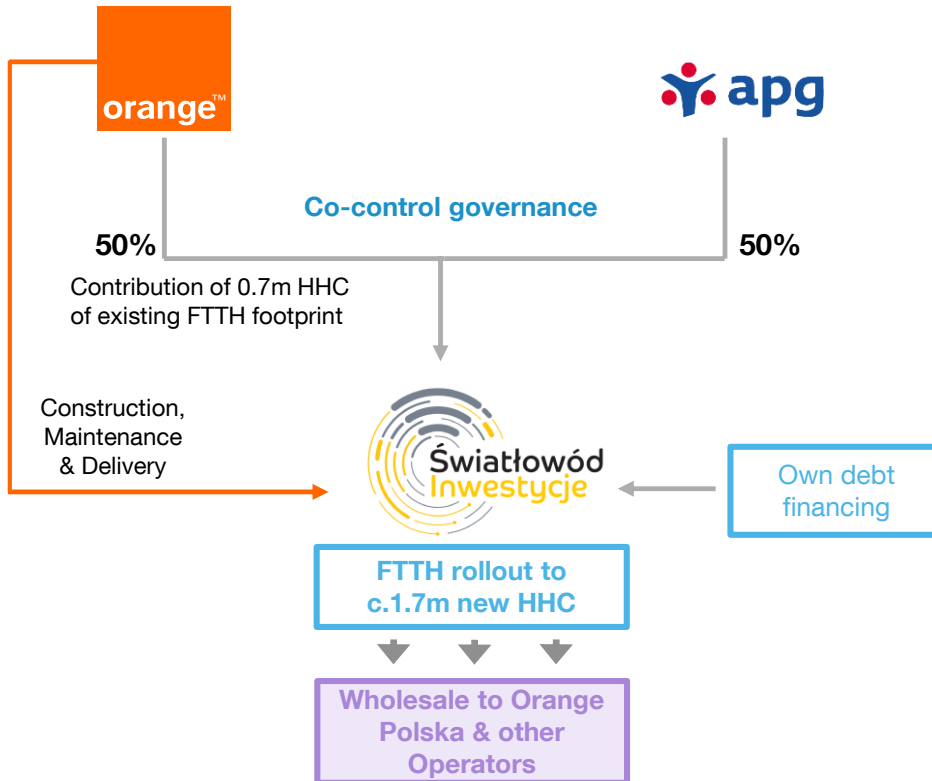


Densification of existing Investments in cities



3

FiberCo will be a co-controlled joint venture with balance sheet independent of OPL



- FiberCo will be deconsolidated by OPL
 - consolidation of 50% share in bottom line
 - debt and capex will not appear on OPL balance sheet
- OPL has call option on c.1% to obtain control in 2027-2029
- Network rollout capex estimated at PLN 3bn (including access and transmission network)
 - >80% of capex financed by debt (with no recourse to OPL)
 - OPL will guarantee network construction within fixed budget
- Closing expected by the end of August
- Transaction subject to regulatory approvals

OPL to be anchor tenant and key industrial partner of FiberCo rendering wide range of services (provided at arm's length)

Significant synergies with OPL know-how and experience



* based on variable fee per retail client

Attractive terms of sale of 50% stake reveal the underlying value of OPL infrastructure assets

c.PLN 2,748m
100% EV of FiberCo

c.PLN 1,374m
Proceeds for OPL from 50% stake sale

o/w PLN 887m
paid on closing

o/w PLN 487m
paid in 2022-26 after
delivering agreed
rollout plan

- The transaction price reflects opportunity on the Polish market and long term perspectives of this vital infrastructure
- The sale of 50% stake allows OPL for
 - Partial monetisation of existing fibre footprint putting a mark on the value of OPL fibre infrastructure
 - Monetisation of future opportunity, while sharing major risks and benefits with equity partner
- Proceeds will strengthen OPL balance sheet and will be an important element of the strategy update
- Business case assumes cash contributions of around PLN 300m for each of the equity partners in 2023-2026
- Impact of the transaction on OPL financial statements will be announced as soon as possible

Światłowod Inwestycje will significantly contribute to social development in its areas of operations



Environment



- Average electricity consumption per customer of fibre is c.80% lower compared to copper
- Helps customers to avoid emissions and reduce carbon footprint

Social



- Supports digital inclusion
- Supports regions development (e.g. higher investment attractiveness)
- Improves quality of life providing access to modern service

Governance



- Co-operation model ensures proper distribution of responsibilities to guarantee transparency of partners decisions

Appendix

APG: a high profile financial partner with extensive track record in infrastructure management



a global leading infrastructure investor

the world's largest
independent pension
fund manager with
pension assets of

€575bn

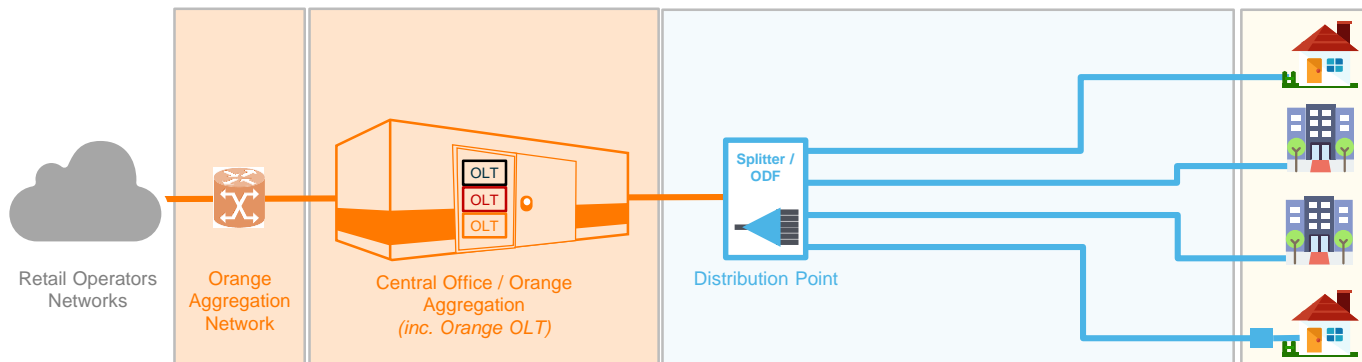
active infrastructure
investor since 2004,
investing:

€16bn
(35 Investments)

the firm's investments
include assets with
energy and utilities,
telecom and transport
Infrastructure

FiberCo roll-out and operations focused on the missing fibre cable parts

While the active layer and the aggregation network reside with OPL, FiberCo is envisioned to own, operate and further expand the passive part of the fiber infrastructure



ISP service infrastructure	Network of the retail operator connecting to Orange Polska's network as reselling wholesale customer
Ethernet PoPs	Aggregation of traffic from OLTs to reseller network through Orange Polska's 14 access points spreading the country
Central office / Hosting	Orange Polska central offices providing transmission, telehousing and maintenance services to FiberCo
Distribution	Passive optical network owned and operated by FiberCo including new overhead poles and underground ducts
In-building wiring	Last mile connection ownership and service activation of customer premises equipment in a form of technical assistance by FiberCo or the retailer