



Current Report 4/2024
Orange Polska S.A., Warsaw, Poland
14 February, 2024

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”, “Company”) for 4Q and FY 2023.

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 2023 (available at <https://www.orange-ir.pl/results-center/>).

Orange Polska reports strong 2023 financial results and raises its dividend by 37%

key figures (PLN million)	4Q 2023	4Q 2022	Change	2023	2022	Change
Revenue	3,492	3,379	+3.3%	12,970	12,488	+3.9%
EBITDAaL	753	736	+2.3%	3,179	3,078	+3.3%
EBITDAaL margin	21.6%	21.8%	-0.2 p.p.	24.5%	24.6%	-0.1 p.p.
operating income	109	256	-57.4%	1,221	1,161	+5.2%
net income	72	163	-55.8%	818	724	+13.0%
eCapex	653	823	-20.7%	1,555	1,719	-9.5%
organic cash flow	325	-4	+329m	1,173	822	+42.7%

KPI ('000)	4Q 2023	4Q 2022	Change
convergent customers (B2C)	1,700	1,625	+4.6%
mobile accesses (SIM cards)	17,628	17,630	0.0%
post-paid	13,143	12,566	+4.6%
pre-paid	4,485	5,064	-11.4%
fixed broadband accesses (retail)	2,821	2,804	+0.6%
o/w fibre	1,349	1,171	+15.2%
fixed voice lines (retail)	2,428	2,572	-5.6%

Highlights:

- **Strong 2023 financial results across the board, guidance delivered:**
 - **Revenues +3.9% yoy** (+3.3% yoy in 4Q) driven by core telecom services (+4.8% yoy), IT/IS (+14% yoy) and equipment (+18% yoy)
 - **EBITDAaL +3.3% yoy** (+2.3% yoy in 4Q) as direct margin expansion combined with further cost transformation mitigated c.PLN 200 million inflation impact
 - **Net income +13% yoy** as a result of growing operating income & lower financial costs
 - **ROCE at 7.6%** (vs 6.5% in 2022) due to improving operating performance and balance sheet discipline
 - **eCapex at PLN 1.56bn**, close to the low end of the guided range
 - **Organic Cash Flow +43% yoy**, above PLN 1bn landmark

2023	Revenues	EBITDAaL	eCapex
Guidance	low-to-mid single digit growth	low single digit growth	PLN 1.5-1.7bn
Achievements	+3.9% yoy ✓	+3.3% yoy ✓	PLN 1.56bn ✓

- **Solid and consistent commercial performance in all key services in 2023:**
 - +5% yoy growth of convergent customers coupled with +4% yoy ARPO growth
 - +15% yoy growth of fibre customers coupled with +4% fixed broadband-only ARPO growth
 - +2.5% yoy growth of mobile handset customers coupled with +3% mobile-only handset ARPO only growth
- **Orange Polska Management recommends to pay PLN 0.48 dividend per share in 2024 (+37% yoy)**, underscoring Company's strong operating performance and balance sheet
- **Management guidance for 2024:**
 - low single digit revenue growth
 - low single digit EBITDAaL growth
 - eCapex in the range of PLN 1.7-1.9bn
- **2021-2023 performance in line with .Grow strategy ambitions**

	Mid-term guidance (2021 to 2024)*	2021-23 performance
Revenues	low single digit growth CAGR**	+4.1% CAGR**
EBITDAaL	low-to-mid single growth CAGR**	+4.4% CAGR**
eCapex (PLN bn)	1.7 to 1.9 yearly average over the period	1.67bn (avg 2021-23)
ROCE	increase 3-4x (vs. 1.6% in 2020)	7.6% in 2023 (5x increase)
Net debt / EBITDAaL	we aim to keep safe balance sheet, with financial leverage in the range 1.7-2.2x***	1.1x at the end of '23

*As presented in .Grow strategy in June 2021

**Compound annual growth rate

***Long-term prospects for net debt/EBITDAaL

Commenting on 2023 performance, Liudmila Climoc, Chief Executive Officer, said:

“Our achievements in 2023 put us on track to deliver on the objectives of our .Grow strategy. Our business has, once again, demonstrated its resilience to a difficult macro environment and intensive competition. This underscores its strong fundamentals. All three engines of our core business delivered growth: services for consumers, businesses and other telecom operators. This is essential to our ability to further improve our financial results. Customer bases of all our key subscription services sustained their healthy growth. Importantly, this was accompanied by ARPO growth, which has accelerated thanks to consistent implementation of our value strategy. This is particularly important as we are coping with the impact of high inflation.

We continue to transform our business to become ever more efficient. We are starting to reap benefits from our use of new AI/Big Data solutions to further digitise our processes. Among others, these benefits include 20% of sales now being made through digital channels and an AI-supported customer-value management platform, developed to improve our value strategy. These solutions not only make our processes more efficient but they also improve customer satisfaction. We are very excited to be finally able to use the new mobile spectrum: our customers will benefit from super-fast internet on the move and on site empowered by 5G. It is a milestone to our future, unlocking prospects for new innovative solutions, improving spectrum efficiency, optimising data traffic management and facilitating the technological evolution away from 3G which we have begun to decommission.

In 2023 we also made exemplary progress in responsibility pillar of our strategy. We significantly accelerated reduction of our CO2 emissions as we benefitted from contracts for renewable energy: emissions were down 79% compared to our reference year (2015). We have met our 2025 strategic goal two years in advance. We are also proud to have completed one of our flagship social education programs in which more than 80,000 teachers enhanced their digital skills.

2024 is the last year of implementation for the .Grow strategy. I am confident that we will deliver all our commitments to shareholders and all other stakeholders. Simultaneously, we will use 2024 to work on a new strategic plan which I am sure will be a platform for us to further increase shareholder value.”

Financial Review

2023 revenues +3.9% yoy with good performance in all key revenue lines

Revenues totalled PLN 12,970 million in 2023 and were up 3.9% year-on-year or PLN 482 million. There were five main factors that influenced this performance. Firstly, core telecom services (combined revenues of convergence, mobile-only and broadband-only) were up 4.8% year-on-year. It resulted from simultaneous expansion of customer bases and ARPO. Secondly, IT and integration services had another year of solid growth with revenues +14% year-on-year. While we were not immune to the global slowdown in IT services, we benefitted from integration projects, especially in the public sector. Thirdly, revenues from equipment grew by a particularly strong 18% year-on-year as a result of customer demand for higher value handsets and our commercial value strategy. Fourthly, wholesale revenues (excluding legacy areas) increased 10% year-on-year, as we continue to capitalise on demand for our infrastructure. Finally, other revenues decreased 19% year-on-year due to lower volumes in energy resale business.

In 4Q alone, revenues were up 3.3% or PLN 113 million year-on-year. The key contributors to the growth were: core telecom services (+3.8% year-on-year), IT/IS (+17% year-on-year) and equipment revenues (+10% year-on-year).

Commercial activity: solid and consistent performance in all key services

In 2023 we continued to successfully combine solid growth of customer volumes in all key services (convergence, fixed broadband, mobile post-paid) with improving 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. In 2023 our **B2C convergent customer base** increased by 75 thousand and 4.6% year-on-year and reached 1.7 million. ARPO from convergent customers expanded by 3.7% year-on-year to PLN 118.9 (vs. +2.5% yoy in 2022), owing to our value strategy and increasing share of fibre. In 4Q alone customer net additions reached 31 thousand while ARPO stood at PLN 120.5 and was up 4.0% year-on-year.

Total **fixed broadband customer base** increased in 2023 by 17 thousand and 0.6% year-on-year. Fibre customers base expanded by 178 thousand or 15% as a result of solid customer demand, expansion of the fibre footprint and migration from copper. In 4Q alone, the fibre net additions stood at 49 thousand. Fibre already reached 48% of our total broadband customer base. The copper broadband technologies customer base continued to decrease and was lower by 158 thousand versus previous year. The ARPO from broadband-only services in 2023 stood at PLN 64.2 and grew by 4.1% year-on-year (vs. +3.7% in 2022) benefitting from our value strategy and growing share of fibre customers (fibre generates higher ARPO versus other technologies). In 4Q alone this ARPO stood at PLN 65.1 and was up 4.2% year-on-year.

Mobile handset customer base increased in 2023 by 218 thousand or 2.5% year-on-year. The mobile-only handset ARPO increased by 3.2% year-on-year (vs. 2.5% in 2022) owing to our value strategy. In 4Q alone customer net additions reached 59 thousand while ARPO stood at PLN 29.4 and was up 2.1% year-on-year.

Pre-paid customer base in 2023 decreased by 11% to 4.5 million. This reflected mainly lower demand from Ukrainian customers and intense market competition. ARPO from pre-paid offers stood at PLN 13.8 in 2023 and was up 11% year-on-year mainly as a result of changes in the customer base structure (a year ago ARPO was diluted by free starters offers for Ukrainian customers) and our value strategy.

In **fixed voice**, in 2023 net loss of lines stood at 144 thousand as compared to 130 thousand a year ago and reflected structural negative market trends.

2023 EBITDAaL +3.3% yoy as direct margin expansion contained inflation impact on indirect costs

EBITDA after Leases (EBITDAaL) for 2023 came in at PLN 3,179 million and was up 3.3% year-on-year or PLN 101 million. The growth was generated by 4.3% year-on-year (PLN 288 million) increase of the direct margin (a difference between revenues and direct costs) resulting mainly from good margin generation by core telecom services, equipment sales and energy resale. Indirect costs increased 5% year-on-year. They were affected by around PLN 200 million impact of inflation and minimum wage growth.

In 4Q alone EBITDAaL increased 2.3% year-on-year as a result of 3% growth of the direct margin and 4% growth of indirect costs. The drivers of the performance were similar as in the full-year results.

2023 net income +13% yoy due growing operating profit and lower finance costs

Net income for 2023 was PLN 818 million and was up 13% (PLN 94 million) over 2022. It benefitted from growth of EBITDAaL, lower depreciation (-2% year-on-year) and +25% higher year-on-year (PLN 27 million) gain on sale of assets (mainly real estate that we no longer use due to the

technology transformation of our fixed network from copper to fibre). Net profit was also supported by PLN 81 million lower year-on-year net finance costs mainly due to FX gains on Euro denominated long-term lease liabilities. The net income reflected as well the PLN 125 million provision related to the new social plan signed for 2024-2025.

2023 Organic Cash Flow +43% yoy supported by reduction in working capital

Organic cash flow for 2023 was PLN 1,173 million, a growth of PLN 351 million (or 43%) versus 2022. Cash generation benefitted from growth of EBITDAaL coupled with PLN 462 million year-on-year decrease in the working capital requirement. It mainly resulted from the extension of securitisation of receivables related to sale of handsets on instalments. Cash generation also benefitted from PLN 77 million higher year-on-year proceeds from sale of assets¹. Cash capex expenditures¹ were around PLN 270 million higher year-on-year as a result of payments (made in 1H) for very high capex incurred at the end of 4Q 2022.

Commenting on 2023 results, Jacek Kunicki, Chief Financial Officer, said:

“Our financial results in 2023 were strong across the board as we delivered on all of our objectives despite a difficult environment. We increased our revenues, profits, cash generation and improved return on capital employed, all while keeping a healthy balance sheet. In line with our policy we recommend another increase of the dividend bringing it to PLN 0.48 per share.

Our EBITDAaL expanded by more than 3%, despite headwinds of around PLN 200 million stemming from double-digit inflation. Growth of direct margin was the key to this achievement, fuelled by a solid contribution from all key revenue lines. It was coupled with the benefits of our cost transformation, which helped to maintain our high operating leverage.

I am particularly satisfied that our operating performance translates into an impressive growth of net income and cash generation, as evidenced by organic cash flow exceeding the PLN 1 billion milestone, for the first time in almost a decade. Our strategy of improving our results through a combination of growing EBITDAaL and disciplined capex is bearing fruits and we are on the right track to deliver all of the commitments and shareholder value creation of the .Grow strategy.”

Management recommends PLN 0.48 dividend per share from 2023 profits

In line with .Grow dividend policy and taking into account strong 2023 results and sound balance sheet situation, the Management Board of Orange Polska on 14 February 2024 has adopted a resolution to recommend to Annual General Meeting payment of a cash dividend of PLN 0.48 per share in 2024 from 2023 profits.

The proposal to increase the dividend by 37% is a reflection of the confidence of the management in the future prospects of Orange Polska. The Company considers PLN 0.48 per share as a new floor payable in 2025.

Orange Polska 2024 guidance

The Management Board of Orange Polska hereby publishes the Company’s guidance for the full-year 2024.

We forecast our revenues to increase by a low single digit in 2024. We anticipate further growth of core telecommunication services (convergence, mobile and broadband) and solid contribution from

¹ Cash capex calculation reduced by cash proceeds from sale of fibre network assets to FiberCo JV (excluded from cash proceeds from sale of assets)

other key business areas. We also expect continued pressure on legacy services (retail and wholesale fixed telephony).

The EBITDAaL for 2024 is expected to be growing by a low single digit percentage. Similarly to 2023, we expect EBITDAaL to be supported by profitable revenue expansion in the key areas of business and further cost optimisation. Inflationary environment is expected to continue to weigh on our operating costs.

We anticipate our economic capex (eCapex) in 2024 to be in the range of PLN 1.7-1.9 billion noting that the eCapex definition excludes acquisition of mobile spectrum. The guided range reflects increased investments into mobile area related to 5G network rollout, disciplined approach to investments in all areas and further disposals of our unused real estate.

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.

Reconciliation of operating performance measure to financial statements

<i>in PLNm</i>	4Q 2023	4Q 2022	FY 2023	FY 2022
Operating income	109	256	1,221	1,161
Less gains on disposal of fixed assets	-9	-22	-134	-107
Add-back of depreciation, amortisation and impairment of property, plant and equipment and intangible assets*	517	520	2,000	2,046
Add share of loss of joint venture adjusted for elimination of margin earned on asset related transactions with joint venture	20	9	62	57
Interest expense on lease liabilities	-36	-30	-138	-95
Adjustment for the impact of employment termination programs and reorganisation costs	150	-1	166	-1
Adjustment for the costs related to acquisition, disposal and integration of subsidiaries	2	4	2	17
EBITDAaL (EBITDA after Leases)	753	736	3,179	3,078

*Includes impairment of rights of perpetual usufruct of land historically recognised as property, plant and equipment, subsequently reclassified to right-of-use assets (PLN 4 million in 1Q 2023 and PLN 3 million in 2Q 2023).

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 2023 results presentation.

15th February 2024

Start: 11:00 CET

The presentation will take place on-line. It will be available via a live webcast <https://mm.closir.com/slides?id=411064> 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

United Kingdom: 0044 203 984 9844

United States: 001 718 866 4614

Orange Polska Group Consolidated

amounts in PLN millions

Income statement

	2022 proforma					2023				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY
	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
Revenues										
Mobile services only	671	699	710	717	2,797	710	723	733	725	2,891
Fixed services only	477	475	475	471	1,898	464	471	459	453	1,847
Narrowband	153	147	143	138	581	132	128	123	119	502
Broadband	219	223	224	224	890	222	224	222	223	891
B2B Network Solutions	105	105	108	109	427	110	119	114	111	454
Convergent services B2C	526	530	544	554	2,154	564	578	591	604	2,337
Equipment sales	331	363	400	488	1,582	463	417	442	537	1,859
IT and integration services	312	357	323	500	1,492	348	458	312	583	1,701
Wholesale	456	467	493	474	1,890	427	448	456	457	1,788
Mobile wholesale	286	295	295	285	1,161	233	246	260	258	997
Fixed wholesale	73	72	85	79	309	75	78	77	74	304
Other	97	100	113	110	420	119	124	119	125	487
Other revenues	158	164	178	175	675	163	129	122	133	547
Total revenues	2,931	3,055	3,123	3,379	12,488	3,139	3,224	3,115	3,492	12,970
Labour expenses*	(368)	(344)	(322)	(365)	(1,399)	(372)	(347)	(344)	(370)	(1,433)
External purchases*	(1,688)	(1,780)	(1,826)	(2,129)	(7,423)	(1,867)	(1,881)	(1,780)	(2,211)	(7,739)
- Interconnect expenses	(369)	(385)	(395)	(389)	(1,538)	(337)	(356)	(370)	(371)	(1,434)
- Network and IT expenses	(207)	(205)	(230)	(241)	(883)	(228)	(235)	(231)	(266)	(960)
- Commercial expenses	(602)	(688)	(665)	(898)	(2,853)	(762)	(771)	(676)	(989)	(3,198)
- Other external purchases*	(510)	(502)	(536)	(601)	(2,149)	(540)	(519)	(503)	(585)	(2,147)
Other operating incomes & expenses*	5	34	16	21	76	46	19	40	33	138
Impairment of receivables and contract assets	(18)	(23)	(19)	(14)	(74)	(22)	(24)	(23)	(22)	(91)
Amortization and impairment of right-of-use assets	(123)	(123)	(123)	(126)	(495)	(131)	(133)	(131)	(133)	(528)
Interest expense on lease liabilities	(17)	(21)	(27)	(30)	(95)	(31)	(35)	(36)	(36)	(138)
EBITDAaL (EBITDA after Leases)	722	798	822	736	3,078	762	823	841	753	3,179
% of revenues	24.6%	26.1%	26.3%	21.8%	24.6%	24.3%	25.5%	27.0%	21.6%	24.5%
Gains on disposal of fixed assets	21	49	15	22	107	86	28	11	9	134
Depreciation, amortisation and impairment of property, plant and equipment and intangibles assets**	(504)	(506)	(516)	(520)	(2,046)	(487)	(502)	(494)	(517)	(2,000)
Add-back of interest expense on lease liabilities	17	21	27	30	95	31	35	36	36	138
Adjustment for the impact of employment termination programs and reorganization costs*	0	6	(6)	1	1	13	(25)	(4)	(150)	(166)
Adjustment for the costs related to acquisition, disposal and integration of subsidiaries*	(4)	(5)	(4)	(4)	(17)	0	0	0	(2)	(2)
Share of profit/ (loss) of joint venture adjusted for elimination of margin earned on asset related transactions with joint venture*	(8)	(26)	(14)	(9)	(57)	(13)	(16)	(13)	(20)	(62)
Operating income	244	337	324	256	1,161	392	343	377	109	1,221
% of revenues	8.3%	11.0%	10.4%	7.6%	9.3%	12.5%	10.6%	12.1%	3.1%	9.4%
Finance costs, net	(88)	(68)	(86)	(52)	(294)	(62)	(45)	(87)	(19)	(213)
- Interest income	13	23	31	27	94	26	19	21	24	90
- Interest expense on lease liabilities	(17)	(21)	(27)	(30)	(95)	(31)	(35)	(36)	(36)	(138)
- Other interest expense and financial charges	(47)	(50)	(43)	(51)	(191)	(42)	(38)	(37)	(34)	(151)
- Discounting expense	(19)	(21)	(20)	(20)	(80)	(13)	(16)	(13)	(12)	(54)
- Foreign exchange gains/ (losses)	(18)	1	(27)	22	(22)	(2)	25	(22)	39	40
Income tax	(31)	(26)	(45)	(41)	(143)	(60)	(59)	(53)	(18)	(190)
Consolidated net income / (loss)	125	243	193	163	724	270	239	237	72	818

*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, and starting from Q2'22 also for elimination of margin earned on transactions with joint venture.

**In 1Q 2023 D&A includes PLN 4 million and in 2Q 2023 PLN 3 million impairment of rights of perpetual usufruct of land historically recognised as property, plant and equipment, subsequently reclassified to right-of-use assets.

Orange Polska Group key performance indicators

Customer base (in thousands)	2022				2023			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
B2C convergent customers	1,563	1,578	1,594	1,625	1,639	1,653	1,669	1,700
Fixed broadband access								
Fibre	999	1,065	1,120	1,171	1,218	1,257	1,300	1,349
ADSL	653	623	591	561	530	504	478	454
VDSL	480	470	459	448	435	424	411	397
Wireless for fixed	622	627	624	625	623	624	621	622
Retail broadband - total	2,755	2,786	2,793	2,804	2,806	2,810	2,811	2,821
<i>o/w B2C convergent</i>	<i>1,563</i>	<i>1,578</i>	<i>1,594</i>	<i>1,625</i>	<i>1,639</i>	<i>1,653</i>	<i>1,669</i>	<i>1,700</i>
TV client base								
IPTV	737	768	794	821	839	853	867	886
DTH (TV over Satellite)	241	203	169	135	103	84	69	59
TV client base - total	978	970	963	955	943	937	936	945
<i>o/w B2C convergent</i>	<i>848</i>	<i>843</i>	<i>839</i>	<i>836</i>	<i>827</i>	<i>824</i>	<i>827</i>	<i>838</i>
Mobile accesses								
Post-paid								
<i>Mobile Handset</i>	<i>8,506</i>	<i>8,609</i>	<i>8,666</i>	<i>8,723</i>	<i>8,763</i>	<i>8,820</i>	<i>8,882</i>	<i>8,941</i>
<i>Mobile Broadband</i>	<i>659</i>	<i>646</i>	<i>638</i>	<i>627</i>	<i>621</i>	<i>620</i>	<i>615</i>	<i>610</i>
<i>M2M</i>	<i>2,880</i>	<i>2,983</i>	<i>3,168</i>	<i>3,216</i>	<i>3,253</i>	<i>3,319</i>	<i>3,543</i>	<i>3,592</i>
Total post-paid	12,046	12,238	12,472	12,566	12,636	12,759	13,040	13,143
<i>o/w B2C convergent</i>	<i>2,914</i>	<i>2,937</i>	<i>2,958</i>	<i>2,991</i>	<i>3,001</i>	<i>3,024</i>	<i>3,044</i>	<i>3,082</i>
Pre-paid	5,260	5,591	5,451	5,064	4,799	4,690	4,599	4,485
Total	17,306	17,829	17,924	17,630	17,435	17,449	17,640	17,628
Fibre households connectable	6,153	6,475	6,757	7,073	7,252	7,497	7,716	7,973
Wholesale customers								
WLR	222	214	206	198	190	184	178	171
Bitstream access	147	151	155	162	167	171	178	186
<i>o/w fibre</i>	<i>59</i>	<i>65</i>	<i>73</i>	<i>83</i>	<i>94</i>	<i>103</i>	<i>107</i>	<i>117</i>
LLU	40	39	37	34	33	31	30	29
Fixed telephony accesses								
PSTN	1,463	1,417	1,375	1,331	1,286	1,248	1,196	1,146
VoIP	1,199	1,216	1,228	1,241	1,250	1,257	1,267	1,282
Total retail main lines	2,662	2,633	2,603	2,572	2,536	2,506	2,463	2,428
<i>o/w B2C convergent</i>	<i>896</i>	<i>911</i>	<i>923</i>	<i>940</i>	<i>947</i>	<i>952</i>	<i>959</i>	<i>970</i>
<i>o/w B2C PSTN convergent</i>	<i>8</i>	<i>7</i>	<i>7</i>	<i>6</i>	<i>6</i>	<i>5</i>	<i>5</i>	<i>5</i>
<i>o/w B2C VoIP convergent</i>	<i>888</i>	<i>904</i>	<i>916</i>	<i>934</i>	<i>941</i>	<i>947</i>	<i>954</i>	<i>965</i>
Quarterly ARPO in PLN per month								
Convergent services B2C	113.7	113.7	115.6	115.9	116.4	118.6	120.0	120.5
Fixed services only - voice	36.5	36.2	36.2	36.4	36.1	36.1	35.9	35.8
Fixed services only - broadband	61.0	61.3	62.0	62.5	63.0	64.0	64.5	65.1
Mobile services only	20.1	20.2	20.1	20.8	21.1	21.9	22.4	22.1
Post-paid excl M2M	26.4	26.8	27.3	27.3	27.4	27.7	28.3	27.9
<i>Mobile Handset</i>	<i>28.0</i>	<i>28.3</i>	<i>28.9</i>	<i>28.8</i>	<i>28.9</i>	<i>29.3</i>	<i>29.9</i>	<i>29.4</i>
<i>Mobile Broadband</i>	<i>12.1</i>	<i>12.1</i>	<i>12.1</i>	<i>12.1</i>	<i>11.9</i>	<i>11.7</i>	<i>11.8</i>	<i>11.6</i>
Pre-paid	12.3	12.5	11.8	12.9	13.0	13.9	14.2	13.9

Other mobile operating statistics	2022				2023			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
DATA AUPU in GB								
post-paid	6.8	7.4	8.0	8.3	8.5	9.2	10.0	10.0
pre-paid	6.0	6.4	6.7	7.9	8.4	8.9	9.8	10.7
blended	6.5	7.0	7.5	8.2	8.5	9.1	9.9	10.2
Quarterly mobile customer churn rate (%)								
post-paid	1.9	1.9	2.3	2.1	2.1	1.8	1.9	2.1
pre-paid	9.5	7.5	14.6	18.5	16.3	13.2	12.9	11.6
Employment structure of Group as reported Active full time equivalents (end of period)	2022				2023			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Orange Polska	10,085	9,831	9,640	9,445	9,366	9,222	9,074	9,044
50% of Networks	338	339	331	319	334	332	334	324
Total	10,423	10,170	9,971	9,764	9,700	9,554	9,408	9,368
Key environmental indicators	2022				2023			
	full year				full year			
CO2 emissions (Scope 1+2) [k tones] ¹	335				120			
Energy consumption [GWh]- electricity	516				505			
Renewable electricity as % total electricity consumption	12%				74%			

¹ Starting from 2023, we changed the calculation method for scope 1 and 2 emissions in order to be more consistent with the GHG Protocol standard. More information is in MD&A for 2023 in Chapter 10, point: 6:Environmental Area

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.

ROCE- Return on capital employed = EBIT (ex. extraordinary items) / (Shareholder's Equity + Average net debt)