P4 sp. z o.o. Group

Interim condensed consolidated financial statements

prepared in accordance with IAS 34
as at and for the 6-month period ended
June 30, 2025

PLAY

Table of contents of the consolidated financial statements

Approval of financial statements

We hereby approve the interim financial statements of the P4 sp. z o.o. Group as at and for the 6-month period ended June 30, 2025, consisting of the interim condensed statement of comprehensive income showing total income of PLN 838.5 million, the interim condensed statement of financial position with assets and liabilities and equity of PLN 21,136.7 million, the interim condensed statement of changes in equity showing an increase in equity by PLN 295.7 million, the interim condensed statement of cash flows showing an decrease in net cash by PLN 69.3 million and other explanatory notes.

Kenneth Campbell
Management Board President

Mikkel Noesgaard
Management Board Member

Beata Zborowska
Management Board Member

Michał Ziółkowski
Management Board Member

Ewa Zmysłowska
Management Board Member

Warsaw, August 27, 2025

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

Interim condensed consolidated statement of comprehensive Income

	Notes	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
		Unaudited	**Unaudited**
Operating revenue	3	**5,138.7**	**5,010.7**
Service revenue		4,262.0	4,055.1
Sales of goods and other revenue		876.7	955.6
Operating expenses		**(4,147.3)**	**(4,092.5)**
Interconnection, roaming and other service costs	4	(1,202.4)	(1,141.8)
Contract costs		(290.3)	(270.1)
Cost of goods sold		(726.9)	(750.2)
Employee benefits	5	(311.1)	(316.8)
External services	6	(674.9)	(723.4)
Depreciation and amortization	7	(889.4)	(841.4)
Taxes and fees		(52.3)	(48.8)
Other operating income	8	1,003.9	911.2
thereof: gains from derecognition of financial assets measured at amortized costs	8	*14.9*	*29.7*
Other operating costs	8	(379.2)	(329.6)
thereof: impairment of financial assets	8	*(76.4)*	*(84.9)*
Share of profit of equity-accounted investee		19.2	15.4
Operating profit		**1,635.3**	**1,515.2**
Finance income	9	16.0	18.5
thereof: interest income from assets at amortized cost	9	*9.2*	*0.5*
Finance costs	9	(595.5)	(574.0)
Profit before income tax		**1,055.8**	**959.7**
Income tax charge	10	(215.2)	(202.1)
Net profit		**840.6**	**757.6**
- attributable to owners of P4 sp. z o.o.		*836.1*	*754.0*
- attributable to owners of non-controlling interest		4.5	3.6
Items that will not be reclassified to profit or loss			
Income tax relating to items not to be reclassified		-	0.2
Items that may be reclassified subsequently to profit or loss			
Gains on cash flow hedges	26	26.9	67.8
Income tax relating to items that may be reclassified	26	(5.1)	(12.9)
Share of other comprehensive income/(loss) of equity-accounted investee		(23.9)	24.4
Other comprehensive income/(loss), net		**(2.1)**	**79.5**
Total comprehensive income		**838.5**	**837.1**
- attributable to owners of P4 sp. z o.o.		*834.0*	*833.5*
- attributable to owners of non-controlling interest		*4.5*	*3.6*

.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

Interim condensed consolidated statement of financial position

	Notes	June 30, 2025	December 31, 2024
		Unaudited	
ASSETS			
Non-current assets			
Goodwill		1,397.0	1,397.0
Other intangible assets	11	4,708.7	4,138.0
Property, plant and equipment	12	3,396.8	3,374.7
Right-of-use assets	20.2	4,733.1	4,665.0
Investment in joint venture		1,811.2	1,816.0
Other long term financial assets	13	27.7	31.4
Long term prepaid expenses	18	13.7	5.8
Deferred tax asset		2.4	2.4
Total non-current assets		**16,090.6**	**15,430.3**
Current assets			
Inventories	14	964.0	930.7
Trade and other receivables	15	1,875.8	1,472.6
Contract assets	16	1,379.5	1,638.4
Contract costs	17	539.1	537.3
Current income tax receivables		0.2	0.5
Prepaid expenses	18	99.2	111.2
Cash and cash equivalents	19	167.5	141.7
Other short-term financial assets	13	20.8	12.0
Total current assets		**5,046.1**	**4,844.4**
TOTAL ASSETS		**21,136.7**	**20,274.7**
EQUITY AND LIABILITIES			
Equity			
Share capital		48.9	48.9
Other supplementary capital		20.5	(159.0)
Other reserves		231.0	162.4
Retained earnings	21	915.8	872.7
Equity attributable to the owners of P4 sp. z o.o.		**1,216.2**	**925.0**
Non-controlling interest		19.7	15.2
Total equity		**1,235.9**	**940.2**
Non-current liabilities			
Long-term financial liabilities	22	10,000.2	9,939.7
Long-term lease liabilities	20.2	4,856.2	4,661.9
Long-term provisions	23	285.5	299.7
Deferred tax liability		242.2	294.6
Other non-current liabilities		9.8	8.4
Total non-current liabilities		**15,393.9**	**15,204.3**
Current liabilities			
Short-term financial liabilities	22	1,096.1	1,005.7
Short-term lease liabilities	20.2	345.8	331.5
Trade and other payables	24	2,272.8	2,035.5
Contract liabilities	25	561.3	471.9
Current income tax payable		112.2	106.2
Accruals		87.2	148.0
Short-term provisions	23	31.5	31.4
Total current liabilities		**4,506.9**	**4,130.2**
TOTAL LIABILITIES AND EQUITY		**21,136.7**	**20,274.7**

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

Interim condensed consolidated statement of changes in equity

	Notes	Attributable to owners of P4 sp. z o.o.					Non-controlling interest	Total equity
		Share capital	Other supplementary capital	Other reserves	Retained earnings	Total		
As at January 1, 2025		**48.9**	**(159.0)**	**162.4**	**872.7**	**925.0**	**15.2**	**940.2**
Net profit		-	-	-	836.1	836.1	4.5	840.6
Other comprehensive income/(loss), net		-						
Gains on cash flow hedges with relating income tax	26	-	-	21.8	-	21.8	-	21.8
Share of other comprehensive loss of equity-accounted investee		-	-	(23.9)	-	(23.9)	-	(23.9)
Total comprehensive income		**-**	**-**	**(2.1)**	**836.1**	**834.0**	**4.5**	**838.5**
Recognition of costs of equity-settled incentive and retention programs		-	7.2	-	-	7.2	-	7.2
Increase of other reserves	21	-	-	70.7	(70.7)	-	-	-
Covered losses in share premium	21	-	172.3	-	(172.3)	-	-	-
Dividend payment	21	-	-	-	(550.0)	(550.0)	-	(550.0)
As at June 30, 2025, unaudited		**48.9**	**20.5**	**231.0**	**915.8**	**1,216.2**	**19.7**	**1,235.9**

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

	Notes	Attributable to owners of P4 sp. z o.o.					Non-controlling interest	Total equity
		Share capital	Other supplementary capital	Other reserves	Retained earnings	Total		
As at January 1, 2024		**48.9**	**(166.7)**	**7.8**	**914.8**	**804.8**	**9.0**	**813.8**
Net profit		-	-	-	754.0	754.0	3.6	757.6
Other comprehensive income/(loss), net								
Actuarial gains on post-employment benefits with relating income tax		-	-	0.2	-	0.2	-	0.2
Gains on cash flow hedges with relating income tax	26	-	-	54.9	-	54.9	-	54.9
Share of other comprehensive income of equity-accounted investee		-	-	24.4	-	24.4	-	24.4
Total comprehensive income		**-**	**-**	**79.5**	**754.0**	**833.5**	**3.6**	**837.1**
Recognition of costs of equity-settled incentive and retention programs		-	8.8	-	-	8.8	-	8.8
Increase of other reserves		-	-	159.4	(159.4)	-	-	-
Dividend payment		-	-	-	(747.0)	(747.0)	-	(747.0)
Other		-	0.1	-		0.1	-	0.1
As at June 30, 2024, unaudited		**48.9**	**(157.8)**	**246.7**	**762.4**	**900.2**	**12.6**	**912.8**

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

Interim condensed consolidated statement of cash flows

	Notes	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
		Unaudited	**Unaudited**
Profit before income tax		**1,055.8**	**959.7**
Depreciation and amortization		889.4	841.4
Interest expense (net)		582.6	567.0
Gain on financial instruments at fair value		(0.9)	(13.3)
Foreign exchange gains		(2.0)	(2.2)
Share of profit of equity-accounted investee		(19.2)	(15.4)
Gain on disposal of subsidiaries		-	(114.5)
(Gain)/Loss on disposal of non-current assets and termination of lease contracts		119.0	(354.5)
Impairment of non-current assets		1.0	0.3
Change in provisions		(39.3)	(133.6)
Change in share premium from equity-settled retention programs		7.2	8.8
Changes in working capital and other	29	(687.5)	(263.3)
Change in contract assets	29	258.8	(79.9)
Change in contract costs	29	(1.7)	0.8
Change in contract liabilities	29	89.3	50.5
Cash provided by operating activities		**2,252.5**	**1,451.8**
Interest received		8.2	4.0
Income tax paid		(264.1)	(128.3)
Net cash provided by operating activities		**1,996.6**	**1,327.5**
Proceeds from sale of non-current assets		11.1	6.3
Purchase of fixed assets and intangibles (including deposit paid in the auction for telecommunications licenses)		(811.4)	(885.3)
Cash inflows related to sale of infrastructure		-	466.2
Cash outflows related to assets held for sale		-	(0.5)
Proceeds from sale of subsidiaries		-	174.7
Acquisition of subsidiaries, net of cash and cash equivalents acquired		-	(40.4)
Net cash used in investing activities		**(800.3)**	**(279.0)**
Dividends (paid)	21	(550.0)	(747.0)
Proceeds from financial liabilities		700.0	982.0
Repayment of financial liabilities		(793.2)	(423.5)
Paid interest relating to financial liabilities		(576.3)	(531.1)
Paid other costs relating to financial liabilities		(48.2)	(14.9)
Other proceeds from financing activities		2.1	0.2
Net cash used in financing activities		**(1,265.6)**	**(734.3)**
Net change in cash and cash equivalents		**(69.3)**	**314.2**
Effect of exchange rate change on cash and cash equivalents		0.1	(0.1)
Cash and cash equivalents at the beginning of the period		**(465.6)**	**(282.6)**
Cash and cash equivalents at the end of the period	28	**(534.8)**	**31.5**

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

Notes and explanations

1. P4 and P4 Group

P4 sp. z o.o. (hereafter referred to as "P4" or the "Company") was established under Polish law on September 6, 2004 and registered on September 15, 2004. The Company's registered office is in Warsaw, Poland at ul. Wynalazek 1.

As at June 30, 2025 the Company was controlled directly by Iliad Purple S.A.S. with its registered office in Paris (hereafter referred to as "Iliad Purple"), which held 100% shares in the Company. Iliad Purple S.A.S. is a subsidiary of Iliad S.A. with its registered office in Paris, controlled by Niel Family Group.

The Group's activities include the provisions of mobile telephony, mobile and fixed internet, television and business solutions under the „Play" and „Virgin mobile" brands.

These Financial Statements comprise:
- interim condensed consolidated statement of comprehensive income;
- interim condensed consolidated statement of financial position;
- interim condensed consolidated statement of changes in equity;
- interim condensed consolidated statement of cash flows;
- other explanatory notes

as at and for the 6-month period ended June 30, 2025 and the comparative period, i.e. the 6-month period ended June 30, 2024 hereafter the "Financial Statements".

These Financial Statements include the following subsidiaries with the consolidation method used as at June 30, 2025:

Entity	Designation	Principal activity	Ownership and percentage of voting rights	
			As at June 30, 2025	As at December 31, 2024
Parent entity				
P4 sp. z o.o.	P4, Company	Telecommunications	not applicable	not applicable
Fully consolidated entities				
Redge Technologies sp. z o.o.	Redge	IT	94.43%	94.70%
Redge Media PPV sp. z o.o.	Redge Media PPV	IT	94.43%	94.70%
Vestigit sp. z o.o.	Vestigit	IT	70.82%	64.17%
MediaTool sp. z o.o.	MediaTool	IT	84.99%	85.23%
Play Investments sp. z o.o.	Play Investments	Holding	100.00%	100.00%
SferaNet sp. z o.o.	SferaNet	Telecommunications	100.00%	100.00%
Syrion sp. z o.o.	Syrion	Telecommunications	100.00%	100.00%
Grupa Phobos sp. z o.o.	Phobos	Telecommunications	51.00%	51.00%
Fibreo S.A.	Fibreo	Telecommunications	-	100.00%
Miconet sp. z o.o.	Miconet	Telecommunications	100.00%	100.00%
Equity-accounted investees				
Polski Światłowód Otwarty sp. z o.o.	PŚO	Telecommunications	50.00%	50.00%
SferaNet Infrastruktura S.A.	SferaNet Infrastruktura	Telecommunications	50.00%	50.00%
MicoInfra sp. z o.o.	MicoInfra	Telecommunications	50.00%	50.00%

Changes in the Group's structure

On April 30, 2025, Fibreo merged with SferaNet as the surviving company, and on July 1, 2025, SferaNet Infrastruktura merged with PŚO as the surviving company.

2. Basis of preparation

These Financial Statements were authorized for issue by the Company's Management Board on August 27, 2025.

The Group's activities are not subject to significant seasonal or cyclical trends.

These Financial Statements have been prepared with the underlying going concern assumption.

The Financial Statements have been prepared in accordance with International Accounting Standard ("IAS") 34 – *Interim Financial Reporting* and in accordance with all the relevant accounting standards applicable to interim financial reporting, as endorsed by the European Union, published and in effect during the preparation of these Financial Statements.

These Financial Statements do not include all disclosures required for annual financial statements and therefore they should be read together with the audited consolidated financial statements for the year ended December 31, 2024 approved on March 12, 2025, prepared in accordance with the IFRS ("Annual Financial Statements").

The Financial Statements have been prepared under the historical cost convention except for derivatives which are measured at fair value and equity items relating to equity-settled incentive and retention programs, which are measured at fair value at the grant date.

The preparation of Financial Statements in conformity with the International Financial Reporting Standards("IFRS") requires the use of certain critical accounting estimates. The areas where assumptions and estimates are material to the Financial Statements are disclosed in Note 2.3 to the Annual Financial Statements.

These Financial Statements have been prepared in millions of PLN (rounded to one decimal place) therefore, comparative data from the Annual Financial Statements for 2024 and the interim consolidated financial statements for the first half of 2024, which were originally presented in thousands of PLN, have been converted and presented in millions of PLN. The above change in the presentation format has been introduced to enhance the readability of the Financial Statements.

2.1 New standards, interpretations and amendments to existing standards

These Financial Statements were prepared in accordance with the IFRS adopted by the European Union, issued and effective as at June 30, 2025.

The accounting policies applied in the Financial Statements have not changed as compared to the policies applied in the Financial Statements for the year ended December 31, 2024 approved by the Company's Management Board on March 12, 2025, except for new standards and interpretations as described in the table below:

New regulation	Issued on	Effective for annual periods beginning on or after	In EU effective for annual periods beginning on or after	Group's assessment of the regulation
Amendments to IAS 21: The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	August 15, 2023	January 1, 2025	January 1, 2025	No impact

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

The following new standards, amendments to standards and interpretations have been issued but are not effective for the reporting period ended June 30, 2025 and have not been adopted early:

New regulation	Issued on	Effective for annual periods beginning on or after	In EU effective for annual periods beginning on or after	Group's assessment of the regulation
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	May 30, 2024	January 1, 2026	January 1, 2026	Assessment in progress
Annual Improvements Volume 11	July 18, 2024	January 1, 2026	January 1, 2026	Assessment in progress
Amendments to IFRS 9 and IFRS 7. Contracts Referencing Nature-dependent Electricity.	December 18, 2024	January 1, 2026	January 1, 2026	Assessment in progress
IFRS 18 Presentation and Disclosure in Financial Statements	April 9, 2024	January 1, 2027	Not endorsed yet	Assessment in progress
IFRS 19 Subsidiaries without Public Accountability: Disclosures	May 9, 2024	January 1, 2027	Not endorsed yet	Assessment in progress

2.2 Consolidation

Subsidiaries, i.e. those entities over which the Group has a control, are consolidated. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
- the contractual arrangements with the other vote holders of the investee,
- rights arising from other contractual arrangements,
- the Group's voting rights and potential voting rights.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in the statement of comprehensive income. Any investment retained is recognised at fair value.

The Group's investments in associates, i.e. entities in which the Group has significant influence, as well as investments is joint ventures, are accounted for using the equity method.

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the cost cannot be recovered. The accounting policies of subsidiaries are adjusted where necessary to ensure consistency with the policies adopted by the P4 Group.

The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date at fair value and the amount of any non-controlling interest in the acquiree. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognised in the statement of comprehensive income. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

2.3 Foreign currency transactions

At the end of the reporting period monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate determined by the National Bank of Poland as at the end of the reporting period:

Currency	June 30, 2025	December 31, 2024
EUR	4.2419	4.2730
USD	3.6164	4.1012

2.4 Financial risk management

The P4 Group’s overall risk management program focuses on minimizing the potential adverse effects of the financial risks on the performance of the Group. The financial risk is managed under policies covering specific areas such as currency risk, interest rate risk, credit risk and liquidity risk, as well as covenants provided in financing agreements. During the current period, there were no significant changes in financial risk management. Detailed information is presented in Note 32 to the Annual Financial Statements.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

3. Operating revenue

Total operating revenue corresponds to the revenue from contracts with customers.

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Service revenue	**4,262.0**	**4,055.1**
Usage revenue	3,911.3	3,694.9
Interconnection revenue	350.7	360.2
Sales of goods and other revenue	**876.7**	**955.6**
	5,138.7	**5,010.7**

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Usage revenue by category		
Retail contract revenue	3,133.8	2,951.3
Retail prepaid revenue	489.6	490.2
Other usage revenue	287.9	253.4
	3,911.3	**3,694.9**

Other usage revenue consists mainly of revenues from mobile virtual network operators (“MVNOs”) to whom the Group provides telecommunications services and revenues generated from services rendered to subscribers of foreign mobile operators that have entered into international roaming agreements with the Group.

4. Interconnection, roaming and other service costs

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Interconnection costs, including network sharing	(375.6)	(387.7)
Other service costs	(826.8)	(754.1)
	(1,202.4)	**(1,141.8)**

Other service costs include fees for using the infrastructure as part of a partnership with PŚO, international roaming costs, costs of distribution of prepaid offerings (commissions paid to distributors for sales of top-ups), costs related to the distribution of TV shows and audiovisual content and fees paid to providers of content (e.g. TV, VoD, music) in transactions in which the Group acts as a principal.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

5. Employee benefits

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Salaries	(258.5)	(262.0)
Social security	(45.4)	(46.0)
Equity settled incentive and retention programs	(7.2)	(8.8)
	(311.1)	**(316.8)**

6. External services

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Network maintenance, leased lines and energy	(442.5)	(422.5)
Advertising and promotion expenses	(61.3)	(96.7)
Customer relations costs	(52.6)	(50.9)
Office and points of sale maintenance	(18.2)	(18.5)
IT expenses	(45.0)	(69.8)
People related costs	(13.9)	(15.1)
Finance and legal services	(6.7)	(9.9)
Other external services	(34.7)	(40.0)
	(674.9)	**(723.4)**

7. Depreciation and amortization

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Depreciation of property, plant and equipment	(369.9)	(356.2)
Amortization of intangibles	(309.1)	(293.2)
Depreciation of right-of-use assets	(210.4)	(192.0)
	(889.4)	**(841.4)**

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

8. Other operating income and other operating costs

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Other operating income		
Income from partnership	712.5	633.2
Gain on disposal of subsidiaries	-	114.5
Gains from derecognition of financial assets measured at amortized costs	14.9	29.7
Gain on disposal of non-current assets and termination of lease contracts	4.1	4.1
Income from subleasing of right-of-use assets	10.4	9.2
Other miscellaneous operating income	262.0	120.5
	1,003.9	**911.2**
Other operating costs		
Costs related to partnership	(276.7)	(211.4)
Expected credit loss of trade receivables	(63.0)	(43.3)
Expected credit loss of contract assets	(13.4)	(41.6)
Impairment of non-current assets	(3.0)	(0.3)
Other miscellaneous operating costs	(23.1)	(33.0)
	(379.2)	**(329.6)**

The “Income from partnership” and “Costs related to partnership” line items relate to the sale of passive infrastructure under the Built-to-Suit program (“BTS”) to On Tower Poland sp. z o.o. (“OTP”), construction works to PŚO and other services provided to PŚO and OTP. In H1 2025, the Group recognised a gain on sale and leaseback in the amount of PLN 346.9 million.

The gain on the disposal of subsidiaries in H1 2024 was the result of the sale of shares in SferaNet Infrastruktura S.A., 3S Box S.A. (currently Op Core Poland Sp. z o.o.), and PT sp. z o.o.

Gains from derecognition of financial assets measured at amortized cost represent mainly the result on the sale of trade receivables.

Income from subleasing of right-of-use assets relate to agreements classified as operating leases in which the Group, as the lessor, subleases assets that are accounted for as assets under IFRS 16 in the statement of financial position (please see Note 20.1).

Expected credit loss of trade receivables
The line “Expected credit loss of trade receivables” represents the amount charged to the statement of comprehensive income according to IFRS 9. When calculating the expected credit loss, the Group takes into account, among others, the price it expects to be able to recover in future from sales of receivables.
For movements of the expected credit loss of trade receivables please see Note 15.

Expected credit loss of contract assets
For movements of the expected credit loss of contract assets please see Note 16.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

9. Finance income and finance costs

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Finance income		
Interest income from assets at amortized cost	9.2	0.5
Income from the net investment in the lease	0.5	0.7
Net gain on financial instruments at fair value	0.9	12.3
Exchange rate gains	5.4	5.0
	16.0	**18.5**
Finance costs		
Interest expense, including:	(592.9)	(568.0)
- on lease liabilities	*(152.8)*	*(138.3)*
- effect of cash flow hedges	*(31.9)*	*(18.2)*
Other	(2.6)	(6.0)
	(595.5)	**(574.0)**

The line item "Net gain on financial instruments at fair value" represents the valuation of the ineffective portion of the cash flow hedge via interest rate swaps and valuation of other derivatives.

Interest expense includes the effect of using cash flow hedges (an adjustment related to the accrual of interest and settlement of interest rate swaps) – please see Note 26.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

10. Income tax

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Current tax charge	(272.6)	(203.2)
Deferred tax benefit	57.4	1.1
Income tax charge	**(215.2)**	**(202.1)**

Reconciliation between tax calculated at the prevailing tax rate applicable to profit (19%) and income tax charge is presented below:

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Profit before income tax	**1,055.8**	**959.7**
Tax calculated at the prevailing tax rate applicable to profit (19%)	(200.6)	(182.3)
Expenses not subject to tax	(13.6)	(28.6)
Income not subject to tax	2.5	11.9
Previous years tax income included in current year accounting profit	1.5	1.1
Adjustments relating to previous tax years	9.7	3.5
Change in unrecognised deferred tax asset	(14.7)	(13.0)
Tax effect of deconsolidation	-	5.3
Income tax charge	**(215.2)**	**(202.1)**
Effective tax rate	20.4%	21.1%

The items reconciling the income tax amount in the table above represent the tax effect with the application of appropriate tax rates.

The deferred income tax calculation is based upon an assessment of the probability that future taxable profit will be available against which temporary differences and the unused tax losses can be utilized. The estimation is based upon the budget for the year 2025 and long term financial projections.

As at June 30, 2025 and December 31, 2024, the Group did not recognise deferred tax assets relating to tax losses in the entities for which the likelihood of future taxable profits that would allow realization of these tax losses is insufficient. The Group has not recognised an asset on tax losses incurred on the capital activity generated by P4 in H1 2025 and year 2024.

The Group is subject to Pillar 2 of the OECD BEPS 2.0 Model Rules, which introduce a general framework for a global minimum tax. The Pillar 2 rules were implemented in Poland by the Act on Top-up Taxation Constituent Entities of Multinational and Domestic Groups (the "Act") dated November 6, 2024, which entered into force on January 1, 2025. P4, as a component unit of an international group with revenues in excess of EUR 750 million, is subject to the regulations of the aforementioned Act. The Company has conducted a preliminary assessment of its potential exposure to Pillar 2 income taxes based on data from the latest CbCR report and available financial data. The Company anticipates that it will be able to benefit from a temporary safe harbour based on the criterion of meeting the simplified effective tax rate test.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

11. Other intangible assets

	June 30, 2025, unaudited			
	Cost	Accumulated amortization	Accumulated impairment	Net book value
Telecommunications licenses	4,081.9	(1,631.0)	-	2,450.9
Computer and network software	2,866.5	(2,007.5)	(0.2)	858.8
Other intangible assets	1,895.6	(496.6)	-	1,399.0
	8,844.0	**(4,135.1)**	**(0.2)**	**4,708.7**

	December 31, 2024			
	Cost	Accumulated amortization	Accumulated impairment	Net book value
Telecommunications licenses	3,355.5	(1,516.8)	-	1,838.7
Computer and network software	2,767.7	(1,925.6)	(5.2)	836.9
Other intangible assets	1,895.0	(432.6)	-	1,462.4
	8,018.2	**(3,875.0)**	**(5.2)**	**4,138.0**

Telecommunications licenses

	License term		Net book value as at	
Frequency band	from	to	June 30, 2025	December 31, 2024
			Unaudited	
1800 MHz	February 13, 2013	December 31, 2027	85.9	103.0
800 MHz	January 25, 2016/ June 23, 2016	June 23, 2031	556.3	606.1
2600 MHz	January 25, 2016	January 25, 2031	82.6	90.1
2100 MHz	January 1, 2023	December 31, 2037	293.1	304.8
3500-3600 MHz	December 19, 2023	November 30, 2038	438.1	454.4
900 MHz	January 1, 2024	December 31, 2038	270.3	280.3
700 MHz	June 18, 2025	May 31, 2040	724.6	-
			2,450.9	**1,838.7**

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

Changes in the net carrying amount of other intangible assets were as follows:

	Telecommunications licenses	Computer and network software	Other intangible assets	Total
Net book value as at January 1, 2025	**1,838.7**	**836.9**	**1,462.4**	**4,138.0**
Increases	726.4	150.5	-	876.9
Amortization charge	(114.2)	(130.3)	(64.6)	(309.1)
Impairment charge	-	0.4	-	0.4
Transfers and reclassifications	-	1.3	1.2	2.5
Net book value as at June 30, 2025, unaudited	**2,450.9**	**858.8**	**1,399.0**	**4,708.7**

	Telecommunications licenses	Computer and network software	Other intangible assets	Total
Net book value as at January 1, 2024	**2,063.6**	**794.7**	**1,590.5**	**4,448.8**
Increases	-	161.6	0.7	162.3
Amortization charge	(112.5)	(116.3)	(64.4)	(293.2)
Impairment charge	-	0.5	-	0.5
Transfers and reclassifications	-	2.2	-	2.2
Decreases	-	(0.3)	(0.4)	(0.7)
Net book value as at June 30, 2024, unaudited	**1,951.1**	**842.4**	**1,526.4**	**4,319.9**

12. Property, plant and equipment

	June 30, 2025, unaudited			
	Cost	Accumulated amortization	Accumulated impairment	Net book value
Land and buildings	1,507.5	(395.4)	(18.4)	1,093.7
IT equipment	832.6	(517.8)	-	314.8
Telecommunications infrastructure	3,806.0	(2,459.2)	(3.6)	1,343.2
Other	1,268.7	(623.6)	-	645.1
	7,414.8	**(3,996.0)**	**(22.0)**	**3,396.8**

The "Land and buildings" group presents mainly cost of civil works and materials used for adapting leased property (e.g. roof tops) so that the Group's telecommunications equipment and telecommunication towers remaining the Group's property can be installed.

Certain proportion of the Property, plant and equipment is also used to generate revenue from operating leases where some assets (towers) are also being shared with other operators. Nevertheless, property, plant and equipment that the Group holds is used mainly for its own purposes and therefore the value of items leased to third parties is not material for the Financial Statements.

	December 31, 2024			
	Cost	Accumulated amortization	Accumulated impairment	Net book value
Land and buildings	1,443.2	(367.9)	(15.5)	1,059.8
IT equipment	809.8	(478.2)	(0.1)	331.5
Telecommunications infrastructure	3,638.9	(2,312.0)	(4.4)	1,322.5
Other	1,234.3	(571.3)	(2.1)	660.9
	7,126.2	**(3,729.4)**	**(22.1)**	**3,374.7**

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

Changes in the net carrying amount of property, plant and equipment were as follows:

	Land and buildings	IT equipment	Telecommunications infrastructure	Other	Total
Net book value as at January 1, 2025	**1,059.8**	**331.5**	**1,322.5**	**660.9**	**3,374.7**
Increases	102.0	1.8	227.6	75.2	406.6
Depreciation charge	(37.7)	(46.4)	(182.6)	(103.2)	(369.9)
Impairment charge	(2.9)	0.1	(0.5)	1.9	(1.4)
Reclassification to work in progress	(1.6)	-	-	-	(1.6)
Other transfers and reclassifications	(19.6)	27.8	(23.2)	13.2	(1.8)
Decreases	(6.3)	-	(0.6)	(2.9)	(9.8)
Net book value as at June 30, 2025, unaudited	**1,093.7**	**314.8**	**1,343.2**	**645.1**	**3,396.8**

	Land and buildings	IT equipment	Telecommunications infrastructure	Other	Total
Net book value as at January 1, 2024	**922.4**	**285.6**	**1,368.7**	**563.7**	**3,140.4**
Increases	66.7	8.3	246.2	103.3	424.5
Acquisition of subsidiaries	-	-	-	0.3	0.3
Depreciation charge	(33.6)	(44.6)	(173.3)	(104.7)	(356.2)
Impairment charge	(0.6)	-	(0.2)	-	(0.8)
Reclassification from/(to) assets held for sale	26.7	-	2.2	(0.1)	28.8
Other transfers and reclassifications	(4.0)	23.8	(34.3)	13.0	(1.5)
Decreases	(14.0)	(0.1)	(0.4)	(2.8)	(17.3)
Net book value as at June 30, 2024, unaudited	**963.6**	**273.0**	**1,408.9**	**572.7**	**3,218.2**

13. Other financial assets

	June 30, 2025	December 31, 2024
	Unaudited	
Long-term receivables	20.2	20.6
Long-term lease receivables	7.3	10.4
Long-term investments	0.2	0.2
Interest rate swaps	-	0.2
Other long term financial assets	**27.7**	**31.4**
Short-term lease receivables	6.5	7.7
Interest rate swaps	14.3	4.3
Other short-term financial assets	**20.8**	**12.0**
	48.5	**43.4**

Long-term receivables comprise mainly amounts paid as collateral for lease agreements.

Lease receivables were described in Note 20, while interest rate swaps were described in Note 26.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

14. Inventories

	June 30, 2025	December 31, 2024
	Unaudited	
Goods for resale	238.2	192.9
Goods in dealers' premises	35.1	28.1
Materials	15.3	28.3
Work in progress	682.8	689.4
Impairment of goods for resale	(7.4)	(8.0)
	964.0	**930.7**

In the “Work in progress” line item, the Group presents expenditures incurred in connection with the performance of the construction work for PŚO and expenditures for base stations sold to OTP built outside of the minimum limit specified in the BTS program.

Movements of the provision for impairment of inventories are as follows:

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Beginning of period	**(8.0)**	**(9.4)**
- (charged)/credited to profit or loss	0.6	(0.7)
End of period	**(7.4)**	**(10.1)**

The recognition/reversal of the provision for inventories is recognised in the cost of goods sold.

15. Trade and other receivables

	June 30, 2025	December 31, 2024
	Unaudited	
Trade receivables	2,090.0	1,627.7
Expected credit loss of trade receivables	(215.9)	(162.0)
Trade receivables (net)	**1,874.1**	**1,465.7**
VAT and other government receivables	0.5	4.7
Other receivables	1.2	2.2
Other receivables (net)	**1.7**	**6.9**
	1,875.8	**1,472.6**

The total amount of trade receivables is comprised of receivables from contracts with customers.

Trade receivables include mainly receivables from the provision of telecommunication services as well as instalment receivables relating to sales of handsets and mobile computing devices.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

Movements of the expected credit loss of trade receivables are as follows:

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Beginning of period	**(162.0)**	**(136.3)**
- charged to profit or loss	(63.0)	(43.3)
- utilized	9.1	26.2
End of period	**(215.9)**	**(153.4)**

16. Contract assets

	June 30, 2025	December 31, 2024
	Unaudited	
Contract assets	1,459.8	1,747.3
Expected credit loss of contract assets	(80.3)	(108.9)
	1,379.5	**1,638.4**

The carrying amount of expected credit loss of contract assets corresponds to the expected credit loss recognised in accordance with IFRS 9 upon initial recognition of the contract asset.

Movements of the expected credit loss of contract assets were as follows:

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Beginning of period	**(108.9)**	**(108.8)**
- charged to profit or loss	(13.4)	(41.6)
- utilization	42.0	35.8
End of period	**(80.3)**	**(114.6)**

The “charged to profit or loss” line in the table above represents changes in estimated credit losses that the Group expects to incur in the future, charged to other operating costs (please see Note 8), while “utilization” represents the value of the provision for expected credit losses in respect of customer contracts that were terminated during the period.

Movements in the value of contract assets in the 6-month periods ended: June 30, 2025 and June 30, 2024 were as follows:

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Contract assets, net - Beginning of period	**1,638.4**	**1,739.9**
Additions	348.2	795.6
Invoiced amounts transferred to trade receivables	(593.7)	(674.1)
Expected credit loss, charged to profit or loss	(13.4)	(41.6)
Contract assets, net - End of period	**1,379.5**	**1,819.8**

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

Additions correspond to adjustments to revenue from sales of goods under IFRS 15 when services and devices are sold in bundled packages to customers.

In current and in comparative periods there were no significant changes in the time frame for a right to consideration to become unconditional or in the time frame for a performance obligation to be satisfied.

In current and in comparative periods there were no cumulative catch-up adjustments to revenue that affect the corresponding contract asset or contract liability, including adjustments arising from a change in an estimate of the transaction price or a contract modification.

17. Contract costs

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
As at January 1	537.2	512.9
Contract costs recognised as an asset	263.6	250.2
Contract costs charged to profit or loss	(261.7)	(251.1)
As at June 30	**539.1**	**512.0**

Contract costs amortized over time include incremental contract acquisition and maintenance costs (sales commissions).

18. Prepaid expenses

	June 30, 2025	December 31, 2024
	Unaudited	
Long term prepaid expenses		
Loan origination fees	12.7	4.7
Other	1.0	1.1
	13.7	**5.8**
Short term prepaid expenses		
Costs related to network sharing and use of telecommunications infrastructure	36.0	58.0
Distribution and selling costs	8.0	8.5
Network and IT maintenance	16.0	12.3
Loan origination fees	6.7	8.2
Other	32.5	24.2
	99.2	**111.2**

19. Cash and cash equivalents

	June 30, 2025	December 31, 2024
	Unaudited	
Petty cash	0.6	0.8
Balances deposited with banks	166.7	140.2
Other cash assets	0.2	0.7
	167.5	**141.7**

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

20. Leasing

20.1 Group as a lessor

Finance lease receivables

Amounts due from leases when Group acts as a lessor and classifies its leases as finance leases according to IFRS 16 are recognised as receivables in the amount of the Group's investment in the leases. Finance lease income is allocated to reporting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.
Finance lease receivables as at June 30, 2025 relate to dark fiber and IT equipment lease contracts.

Operating leases

The Group enters also into lease agreements in which it is the lessor, which are classified as operating leases (i.e. when the terms of the lease do not transfer substantially all the risks and rewards of ownership to the lessee). Operating leases relate mainly to point of sales, base stations and fiber optic cables. Operating lease income is presented respectively in the operating revenue or other operating income (please see Note 8) in the "Income from subleasing of right-of-use assets" line item.

20.2 Group as a lessee

	June 30, 2025, unaudited			
Right-of-Use:	**Cost**	**Accumulated amortization**	**Accumulated impairment**	**Net book value**
Land and buildings	6,098.5	(1,570.7)	-	4,527.8
Telecommunications infrastructure	196.6	(49.7)	-	146.9
Other	93.2	(34.8)	-	58.4
	6,388.3	**(1,655.2)**	**-**	**4,733.1**

The cost relating to variable lease payments that do not depend on an index or a rate amounted to PLN nil in H1 2025 and H1 2024. In H1 2025 and H1 2024 there were no leases with residual value guarantees or leases not yet commenced to which the Group is committed. The costs relating to leases for which the Group applied the practical expedient described in paragraph 5a of the IFRS 16 (leases with the contract term of less than 12 months) amounted to PLN 7.6 million in H1 2025 and PLN 14.9 million in H1 2024.

Income from subleasing of right-of-use assets is presented in Note 8.

	December 31, 2024			
Right-of-Use:	**Cost**	**Accumulated amortization**	**Accumulated impairment**	**Net book value**
Land and buildings	5,878.4	(1,407.1)	-	4,471.3
Telecommunications infrastructure	173.9	(42.2)	-	131.7
Other	98.4	(36.4)	-	62.0
	6,150.7	**(1,485.7)**	**-**	**4,665.0**

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

Changes in the net value of right-of-use assets were as follows:

	Land and buildings	Right-of-Use: Telecommunications infrastructure	Other	Total
Net book value as at January 1, 2025	**4,471.3**	**131.7**	**62.0**	**4,665.0**
Increases	312.1	27.9	5.3	345.3
Depreciation charge	(193.8)	(10.6)	(6.0)	(210.4)
Transfers and reclassifications	-	(0.6)	(0.1)	(0.7)
Decreases	(61.8)	(1.5)	(2.8)	(66.1)
Net book value as at June 30, 2025, unaudited	**4,527.8**	**146.9**	**58.4**	**4,733.1**

	Land and buildings	Right-of-Use: Telecommunications infrastructure	Other	Total
Net book value as at January 1, 2024	**4,244.0**	**109.4**	**56.7**	**4,410.1**
Increases	429.8	18.7	9.1	457.6
Depreciation charge	(178.6)	(8.6)	(4.8)	(192.0)
Transfers and reclassifications	-	(0.6)	(0.1)	(0.7)
Decreases	(84.8)	(1.0)	(3.8)	(89.6)
Net book value as at June 30, 2024, unaudited	**4,410.4**	**117.9**	**57.1**	**4,585.4**

Lease liabilities

	June 30, 2025 Unaudited	December 31, 2024
Long-term lease liabilities		
Land and buildings for telecommunication sites and network	4,428.0	4,278.9
Points of sale	59.5	54.1
Dark fiber optic cable	55.8	51.7
Collocation centers	256.9	208.6
Offices and warehouse	28.8	38.1
IT equipment and telecommunications equipment	3.1	1.4
Motor vehicles	24.1	29.1
	4,856.2	**4,661.9**
Short-term lease liabilities		
Land and buildings for telecommunication sites and network	232.3	220.0
Points of sale	34.9	33.1
Dark fiber optic cable	13.4	11.8
Collocation centers	23.6	25.5
Offices and warehouse	21.3	22.4
IT equipment and telecommunications equipment	1.9	1.4
Motor vehicles	18.4	17.3
	345.8	**331.5**
	5,202.0	**4,993.4**

For information regarding costs related to lease liabilities, please see the Note 9.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

21. Shareholders' equity

On June 16, 2025 the Shareholder Meeting adopted a resolution on the distribution of P4's 2024 profit, according to which the Company's net profit was distributed as follows:

- PLN 1,091.9 million was earmarked for the dividend, of which PLN 541.9 million was paid as an advance dividend on December 11, 2024, while remaining PLN 550 million was paid on June 17, 2025,
- PLN 172.3 million was allocated to share premium to cover previous year losses from valuation of equity-settled retention programs,
- the remaining part of the net profit in the amount of PLN 70.7 million was allocated to other reserves, to be used for interim dividends or future dividends.

22. Financial liabilities - debt

Financial liabilities are recognised initially at fair value, net of the transaction costs incurred. Bank loans, lease liabilities and notes liabilities are subsequently measured at amortized cost. Loan origination fees incurred in relation to the loan are included in the calculations of the effective interest rate. The effective interest rate reflects the interest costs as well as amortization of the loan origination fees.

	June 30, 2025	December 31, 2024
	Unaudited	
Long-term financial liabilities		
Long-term bank loans	6,637.6	7,288.6
Long-term notes liabilities	1,948.7	1,249.0
Interest rate swaps	11.7	0.4
Other debt	1,402.2	1,401.7
	10,000.2	**9,939.7**
Short-term financial liabilities		
Short-term bank loans	315.5	322.9
Short-term notes liabilities	20.5	3.0
Interest rate swaps	13.9	47.3
Other debt	746.2	632.5
	1,096.1	**1,005.7**
	11,096.3	**10,945.4**

Interest rate swaps were described in Note 26.

22.1 Bank loans

	June 30, 2025	December 31, 2024
	Unaudited	
Long-term bank loans	6,637.6	7,288.6
Short-term bank loans	315.5	322.9
	6,953.1	**7,611.5**
the balance of unamortized fees	48.1	15.5
the weighted average effective interest rate	6.79%	7.73%

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

The table below presents the list of the Group's current loan agreements. "Amount used" represents the nominal value of bank loans as at June 30, 2025.

Agreement	Disbursement date	Final maturity	Repayment type	Interest rate	Amount used	Remaining amount available
Term and Revolving Facilities Agreement – the term part	March 30, 2021	March 26, 2030	At the end of the agreement	floating	3,500.0	-
Term and Revolving Facilities Agreement – the revolving part	March 26, 2021	March 26, 2030	At the end of the agreement	floating	-	2,000.0
Term Facility Agreement	April 1, 2022	March 26, 2030	At the end of the agreement	floating	2,521.8	-
Investment loan					325.0	-
Tranche 1	October 31, 2022	September 20, 2028	Instalments	fixed	96.5	
Tranche 2	December 29, 2022	September 20, 2028	Instalments	fixed	89.1	
Tranche 3	March 31, 2023	September 20, 2028	Instalments	fixed	39.2	
Tranche 4	May 31, 2023	September 20, 2028	Instalments	fixed	55.5	
Tranche 5	July 31, 2023	September 20, 2028	Instalments	fixed	44.7	
Facility agreement for the purchase of electronic equipment					174.1	-
Tranche 1	March 9, 2022	December 22, 2026	Instalments	floating	88.1	
Tranche 2	June 22, 2022	December 22, 2026	Instalments	floating	46.9	
Tranche 3	December 23, 2022	December 22, 2026	Instalments	floating	39.1	
Investment loan from the European Investment Bank					441.4	-
Tranche 1	February 25, 2022	February 25, 2028	Instalments	fixed	128.6	
Tranche 2	June 27, 2022	June 27, 2028	Instalments	fixed	42.8	
Tranche 3	December 22, 2022	December 22, 2030	Instalments	floating	35.0	
Tranche 4	May 31, 2024	May 31, 2034	Instalments	floating	235.0	

On May 5, 2025, P4 made an early repayment of PLN 478 million under the Term Facility Agreement drawn down on April 1, 2022.

In H1 2025, the Company entered into amendment agreements to the Term and Revolving Facilities Agreement of 2021 (PLN 3.5 billion) and the Term Facility Agreement of 2022 (PLN 2.5 billion), as a result, the maturity dates of these loans and availability period of the revolving facility were extended to March 26, 2030 (originally due in March 2026). The above changes became effective on May 5, 2025. A portion of the bank fees incurred as a result of signing the above amendment agreements has been included in the valuation of loan liabilities and will be amortized over the time using the amortized cost method.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

22.2 Notes

	June 30, 2025	December 31, 2024
	Unaudited	
Long-term notes liabilities		
PLN Floating Rate Notes	1,948.7	1,249.0
	1,948.7	**1,249.0**
Short-term notes liabilities		
Accrued interest related to notes	20.5	3.0
	20.5	**3.0**
	1,969.2	**1,252.0**
the balance of unamortized fees	1.3	1.0
the weighted average effective interest rate	7.47%	7.78%

The Second Bond Issuance Program

On December 23, 2024, the Group established the Second Bond Issuance Program ("Program II"), under which the issuer will be able to make multiple bond issues over a three-year period, up to a maximum total nominal value of bonds issued under the Program and outstanding at any time of PLN 3 billion. The Bonds may be qualified as green bonds where funds raised from the issuance will be used to refinance and finance expenditures to increase the energy efficiency of the telecommunications network. In addition, they will enable investments in renewable energy, the closed-loop economy and electric cars in the fleet.

On February 27, 2025, under the Program, P4 issued 700,000 unsecured 5-year series C green bearer bonds with a par value of PLN 1,000 each and an aggregate par value of PLN 700 million.

The notes maturity date is February 27, 2030 and interest, based on 6M WIBOR plus margin, is paid semi-annually. On March 31, 2025, the notes were admitted to trading in the Catalyst Alternative Trading System operated by the Warsaw Stock Exchange and their first listing took place on April 7, 2025.

The notes liability was measured at amortized cost using the effective interest rate. Loan origination fees incurred in relation to the notes were included in the calculation of the effective interest rate.

22.3 Other financial liabilities

As at June 30, 2025 other financial liabilities include, among others:
- liabilities under the loan granted to P4 by Iliad S.A. on May 12, 2023 with a nominal value of PLN 1,400 million,
- liabilities of PLN 710.2 million under the cash pooling agreement, which was concluded on March 23, 2023 between the Group and Iliad S.A., with BNP Paribas acting as a clearing agent,
- liabilities under instalment purchase contracts relating to property, plant and equipment and intangible assets.

22.4 Assets pledged as security for financial liabilities

The Group's obligations under facility agreements in effect as at June 30, 2025 are not secured.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

23. Provisions

	June 30, 2025	December 31, 2024
	Unaudited	
Assets retirement provision	82.2	57.0
Other long-term provisions	203.3	242.7
Short-term provisions	31.5	31.4
	317.0	**331.1**

Other long-term and short-term provisions relate to legal, regulatory matters (please see also Note 33) or arise under commercial contracts. The Group does not disclose detailed information on the amount of provisions created in relation to individual proceedings because, in the opinion of the Company's Management Board, such disclosure could affect the outcome of ongoing cases.

24. Trade and other payables

	June 30, 2025	December 31, 2024
	Unaudited	
Trade payables	1,454.1	1,592.5
Investment payables	222.0	222.6
Government payables	584.3	203.2
Other	12.4	17.2
	2,272.8	**2,035.5**

As at June 30, 2025 government payables include a liability related to the fee for reservation of the 700 MHz frequency band in the amount of PLN 426.4 million. The liability was paid on July 1, 2025 (see Note 32.1).

25. Contract liabilities

Contract liabilities comprise the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the end customer or the amount is due as well as the value of prepaid products delivered to a distributor but not yet transferred to the end customer.

The balance of contract liabilities as at June 30, 2025 and December 31, 2024 consisted primarily of the Group's obligation to perform services prepaid by contract and pre-paid services.

	June 30, 2025	December 31, 2024
	Unaudited	
Prepaid services	132.4	123.8
Contract services	297.0	270.7
Other	131.9	77.4
	561.3	**471.9**

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

26. Hedge accounting

The Group has applied hedge accounting to swap instruments used to hedge interest rate risk. The hedge covers both the debt arising under loan agreements as well as liabilities under Unsecured Notes (see Note 22).

As at June 30, 2025, the total value of hedged debt was PLN 5.4 billion (PLN 6.5 billion as at December 31, 2024), while the ratio of the hedge to the nominal value of the hedged position is as follows:

Hedged item	Nominal hedging value	IRS Settlement date	Share of hedging item in the hedged item
Term and Revolving Facilities Agreement, „TRFA”	2,500.0	2026-2027	71%
Term Facility Agreement	2,000.0	2025	79%
Unsecured Notes series A	200.0	2026	27%
Unsecured Notes series C	700.0	2027	100%
Total	**5,400.0**		

The above interest rate swaps have been established as hedges of cash flows linked to loans and bonds (hedged instruments) and therefore the Group applies hedge accounting principles to the measurement of these instruments. The contracts provide for a swap of the WIBOR 6M variable rate to a fixed rate and cash settlements over half-year periods.

As at June 30, 2025 the Group recognised both a financial asset and liability arising under interest rate swaps (see also Notes 13 and 22).

The Group recognises the effect of measurement of the above financial instruments, in the portion determined to be an effective hedge in “Other reserves”.

A change in the level of the cash flow hedge reserves is presented below:

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Cash flow hedge reserves - Beginning of period	**(26.9)**	**(103.3)**
- before tax	*(33.2)*	*(127.5)*
- deferred tax	*6.3*	*24.2*
Effective part of gains/(losses) on cash flow hedge instruments	(5.0)	49.6
Reclassification to profit or loss - interest expense presented in finance costs	31.9	18.2
Income tax charge	(5.1)	(12.9)
Cash flow hedge reserves - End of period	**(5.1)**	**(48.4)**
- before tax	*(6.3)*	*(59.7)*
- deferred tax	*1.2*	*11.3*

27. Fair value estimation

The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale.

The Group enters into derivative financial instruments, principally with financial institutions with investment grade credit ratings. Since there are no market prices available for unlisted derivative financial instruments (interest rate swaps, foreign exchange forward contracts), the Group classifies them as Level 2 of the fair value hierarchy and their fair values are calculated using standard financial valuation models, based entirely on observable inputs. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value. For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The nominal values of liabilities and receivables less the allowance for expected credit losses with a maturity up to one year are assumed to approximate their fair values.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

The level of the fair value hierarchy within which the fair value measurements are categorized are presented in the table below:

	Note	Assets at fair value through profit or loss	Assets at amortized cost	Liabilities at fair value through profit or loss	Liabilities at amortized cost	Fair value	Fair value hierarchy level
		Carrying amount					
June 30, 2025, unaudited							
Cash and cash equivalents	19	167.5	-	-	-	167.5	Level 1
Trade receivables	15	-	1,874.1	-	-	1,874.1	*
Other receivables	15	-	1.7	-	-	1.7	Level 2
Interest rate swaps	27	14.3	-	(25.6)	-	(11.3)	Level 2
Lease receivables	20	-	13.8	-	-	13.8	Level 2
Long-term receivables	13	-	20.2	-	-	20.2	Level 2
Bank loans	22.1	-	-	-	(6,953.1)	(7,001.2)	Level 2
Notes	22.2	-	-	-	(1,969.2)	(1,992.2)	Level 1
Other debt	22.3	-	-	-	(2,148.4)	(2,148.4)	Level 2
Lease liabilities	20	-	-	-	(5,202.0)	(5,202.0)	Level 2
		181.8	**1,909.8**	**(25.6)**	**(16,272.7)**	**(14,277.8)**	
December 31, 2024							
Cash and cash equivalents	19	141.7	-	-	-	141.7	Level 1
Trade receivables	15	-	1,465.7	-	-	1,465.7	*
Other receivables	15	-	6.9	-	-	6.9	Level 2
Interest rate swaps	27	4.5	-	(47.7)	-	(43.2)	Level 2
Lease receivables	20	-	18.1	-	-	18.1	Level 2
Long-term receivables	13	-	20.6	-	-	20.6	Level 2
Bank loans	22.1	-	-	-	(7,611.5)	(7,627.0)	Level 2
Notes	22.2	-	-	-	(1,252.0)	(1,252.5)	Level 1
Other debt	22.3	-	-	-	(2,034.2)	(2,034.2)	Level 2
Lease liabilities	20	-	-	-	(4,993.4)	(4,993.4)	Level 2
		146.2	**1,511.3**	**(47.7)**	**(15,891.1)**	**(14,297.3)**	

* For other classes of financial assets and liabilities, fair value corresponds to their carrying amount.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

28. Cash and cash equivalents presented in statement of cash flows

For the purpose of the consolidated statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and net of cash pool liabilities (see also Note 22.3). Interest accrued and not received is excluded from cash and cash equivalents for the purpose of the consolidated statement of cash flows

	June 30, 2025	June 30, 2024
	Unaudited	**Unaudited**
Cash and cash equivalents in statement of financial position	167.5	297.9
Cash pool	(702.3)	(266.4)
Cash and cash equivalents in statement of cash flows	**(534.8)**	**31.5**

29. Impact of changes in working capital and other, change in contract costs, change in contract assets and change in contract liabilities on statement of cash flows

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
(Increase)/decrease of inventories	(33.2)	(301.8)
(Increase)/decrease of receivables	(399.6)	112.4
(Increase)/decrease of prepaid expenses	11.0	(1.5)
Increase/(decrease) of payables excluding investment payables	(203.2)	(23.9)
Increase/(decrease) of accruals	(60.8)	(44.4)
Increase/(decrease) of deferred income	(3.6)	(3.2)
(Increase)/decrease of long-term receivables	0.5	(1.1)
Increase/(decrease) of other non-current liabilities	1.4	0.2
Changes in working capital and other	**(687.5)**	**(263.3)**
(Increase)/decrease in contract assets	258.8	(79.9)
(Increase)/decrease in contract costs	(1.7)	0.8
Increase/(decrease) in contract liabilities	89.3	50.5
	(341.1)	**(291.9)**

In H1 2025 changes in "Changes in working capital and other" item was driven mainly by an increase in trade receivables resulting from the sale of devices to end customers under an instalment model.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

30. Segment reporting

The Company and its subsidiaries provide services of mobile telephony, mobile and fixed internet, television and business solutions.
An operating segment is a distinguishable component of an enterprise that is engaged in business activities from which it may earn revenues and incur expenses and operating results of which are regularly reviewed by the Management Board to make decisions about resources to be allocated and to assess its performance. The whole P4 Group was determined as one operating segment, as its performance is assessed based on revenue and adjusted earnings before interest, tax, depreciation and amortization (EBITDAaL), only from the perspective of the P4 Group as a whole.

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Operating profit	**1,635.3**	**1,515.2**
Add depreciation of property, plant and equipment	369.9	356.2
Add amortization of intangible assets	309.1	293.2
Add valuation of incentive and retention programs	7.2	8.8
Add impairment of non-current assets	1.0	0.3
Add one-off costs/(revenues) and extraordinary items	(9.9)	(98.6)
Deduct share of profit of equity-accounted investees	(19.2)	(15.4)
EBITDAaL	**2,293.4**	**2,059.7**

EBITDAaL is a non-IFRS measure. Other entities may calculate EBITDAaL using other methods.

31. Related parties transactions

31.1 Remuneration of management and supervisory bodies

Cost of remunaration (including accrued bonuses) of members of Management Boards and Executive Committees in Group entities incurred in H1 2025 were PLN 9.4 million (9.1 million in H1 2024).

Additionally, Members of the P4's Executive Committee participated in the equity-settled incentive and retention programs. Following the valuation of these programs, the Group recognised costs in the amount of PLN 1.4 million in H1 2025 (3.2 million in H1 2024). Relating costs are included in costs of employee benefits in the consolidated statement of comprehensive income.

Cost of benefits for former members of Management Boards and Executive Committees in Group entities incurred after they stepped down from their positions amounted to PLN 1.1 million H1 2025 and PLN 0.4 million in H1 2024.

Cost of benefits for Members of Supervisory Boards in Group entities remained below PLN 0.1 million in both H1 2025 and H1 2024.

Apart from the transactions mentioned above, the Group is not aware of any other material transactions between the Group and members of the Management Board and of the Executive Committee of P4, or Supervisory Boards and Management Board Member of companies within the Group.

(expressed in PLN, all amounts in tables given in millions unless stated otherwise)

31.2 Related party transactions with entities linked to Shareholders

The tables below present the balances of transactions made with Iliad Purple S.A.S. ("Parent Company") and its related entities. As at June 30, 2025 and December 31, 2024, the parent company was Iliad Purple S.A.S.

The transactions were concluded on the terms that do not differ materially from market terms.

	June 30, 2025	December 31, 2024
	Unaudited	
Trade receivables	**219.8**	**232.7**
Other related parties	219.8	232.7
Long-term financial liabilities	**1,404.3**	**1,404.3**
Parent company	4.5	4.5
Higher level parent company	1,399.8	1,399.8
Long-term lease liabilities	**155.3**	**113.8**
Other related parties	155.3	113.8
Short-term financial liabilities	**710.2**	**610.9**
Higher level parent company	710.2	610.9
Short-term lease liabilities	**5.4**	**8.3**
Other related parties	5.4	8.3
Trade and other payables	**144.7**	**145.3**
Parent company	9.6	6.4
Higher level parent company	0.2	9.4
Other related parties	134.9	129.5

	Six-month period ended June 30, 2025	Six-month period ended June 30, 2024
	Unaudited	**Unaudited**
Dividend payment	**(550.0)**	**(747.0)**
Parent company	(550.0)	(747.0)
Operating revenue	**3.3**	**3.0**
Other related parties	3.3	3.0
Operating costs	**(365.0)**	**(334.3)**
Parent company	(3.2)	(2.1)
Higher level parent company	(0.2)	-
Other related parties	(361.6)	(332.2)
Other operating income	**279.6**	**186.0**
Higher level parent company	0.7	-
Other related parties	278.9	186.0
Finance costs	**(73.4)**	**(65.9)**
Parent company	(0.2)	(0.2)
Higher level parent company	(68.0)	(65.7)
Other related parties	(5.2)	-
Prepayments received	**131.9**	**71.3**
Other related parties	131.9	71.3
Prepaid expenses	**(26.2)**	**(29.8)**
Other related parties	(26.2)	(29.8)

32. License requirements

32.1 700 MHz license requirements

In the June 3, 2025 decision, the President of UKE granted P4 reservation of two blocks of spectrum in the 700 MHz band, in total value PLN 726.4 million. The reservation decision imposes obligations on P4, primarily regarding ensuring data transmission service coverage within the reserved area. Additionally P4 is required to commence the provision of services using 700 MHZ frequency no later than four months from the date of receipt of the reservation decision.

32.2 3500-3600 MHz license requirements

The December 19, 2023 decision allocating frequencies in the 3500-3600 MHz band to P4 includes a number of requirements that P4 must meet. They concern among others the implementation of investments in the telecommunications network covering the launch of at least 3,800 stations no later than within 48 months from the date of delivery of the frequency reservation. At least 37% of the investment must be carried out in rural and suburban areas or in cities with fewer than 100,000 inhabitants.

32.3 Other license requirements

As of the date of issuance of these Financial Statements, the Group believes to have met the coverage obligations imposed in the frequency reservations for the other frequency ranges mentioned in Note 11.

33. Contingencies and legal proceedings

There is a number of other proceedings involving the Group initiated among others by UKE President or President of the Office of Competition and Consumer Protection (UOKiK) and court proceedings resulting from appeals against regulators' decisions. The Group has recognised provisions for known and quantifiable risks related to these proceedings. The amount of the provisions represents the Group's best estimate of the amounts, which are probable to be paid. The actual amounts of penalties, if any, are dependent on a number of future events the outcome of which is uncertain, and, as a consequence, the amount of the provision may change at a future date. For the total amount of provisions, including the provisions for pending legal cases, please see Note 23.

In December 2018 Polkomtel sp. z o.o. filed a lawsuit in which it demands that the State Treasury or P4 (as defendants *in solidum*) pay missing MTR remuneration that Polkomtel would have received from P4, if UKE had not decreased its MTRs by means of a decision which was subsequently annulled by court, as issued in violation of the law (procedural errors committed by UKE), and accumulated interest plus statutory interest from the time of filing the lawsuit. The claim against the State Treasury is based on the liability for damages caused by a public authority (UKE) and the claim against P4 is based on the unjust enrichment regime. On 12 March 2025 the District Court in Warsaw dismissed Polkomtel's claim. Polkomtel may appeal against the judgement.

On 16 June 2025, the President of UOKiK initiated proceedings against P4 regarding practice infringing the collective interests of consumers by unilateral change of contracts concerning the introduction of a fee for maintaining a number in the Play na Kartę odNOWA prepaid offer without a statutory basis or contractual premise and proceedings for declaring contract terms as unfair with respect to the fee for maintaining the number in the Play na Kartę odNOWA and Play na Kartę 3.0. prepaid offers.

In H1 2025 and up to the date of signing these Financial Statements, no material changes other than those described above occurred in contingent tax liabilities and legal and regulatory proceedings, which are described in detail in Note 39 to the Annual Financial Statements.

34. Events after the reporting period

On July 1, 2025 the Group made the payment of PLN 426.4 million in connection with the decision granting the reservation of frequencies in the 700 MHz band. The total frequency reservation fee amounted to PLN 726.4 million, of which PLN 300 million was paid in January 2025 as the auction deposit (see Note 32.1).

The Group has not identified any other events after the reporting period that should be disclosed in the Financial Statements.