Results for Q4 2023 and FY 2023

A1 Group

Cautionary statement

This presentation contains forward-looking statements. These forward-looking statements are usually accompanied by words such as 'believe', 'intend', 'anticipate', 'plan', 'expect' and similar expressions. Actual events may differ materially from those anticipated in these forward-looking statements as a result of a number of factors. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement. Neither Telekom Austria AG nor the A1 Group nor any other person accepts any liability for any such forward-looking statements. A1 Group will not update these forward-looking statements, whether due to changed factual circumstances, changes in assumptions or expectations.

Alternative performance measures are used to describe the operational performance. Please therefore also refer to the financial information presented in the Consolidated Financial Statements, as well as the reconciliation tables provided in the Earnings Release. This presentation was created with care and all data has been checked conscientiously. Nevertheless, the possibility of layout and printing errors cannot be excluded. The use of automated calculation systems may give rise to rounding differences.

This presentation does not constitute a recommendation or invitation to purchase or sell securities of A1 Group.

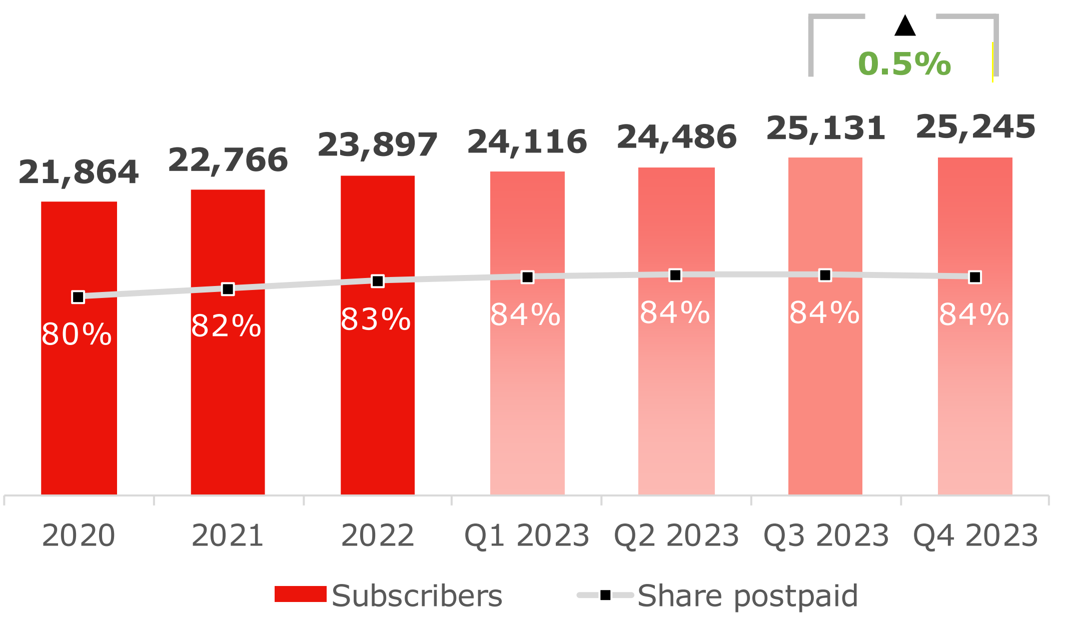
Highlights Q4 2023

- **Total revenues +2.3%** (+5.1% in CCY) driven by service revenues growth in all markets in CCY
  - increased mobile service revenues, solid traction of solution & connectivity business and tailwind from value protecting measures implemented in most markets
- **EBITDA** before restructuring, one-offs and FX up **+7.3%** (reported**:** +11.4%)
- **Spectrum acquisition in Bulgaria**: bands 700, 800 MHz, 15 years period for EUR 22 mn
- **Credit rating upgrade**: 12/2023 Moody's from Baa1 to A3; rated A by all 3 major credit rating agencies
- **ESG Ratings 2024**: CDP's A list and 6th best performing telco worldwide acc. to Sustainalytics
- **Tower spin-off impact, FY 23**: Revenues -0.1%, EUR 1 bn debt reduction, FCF lower EUR 60 mn/year
- Outlook 2024
  - Revenues: +3-4%
  - CAPEX: around EUR 800 mn excl. spectrum
  - Dividend for FY 2023*: EUR 0.36 per share (2022: EUR 0.32)

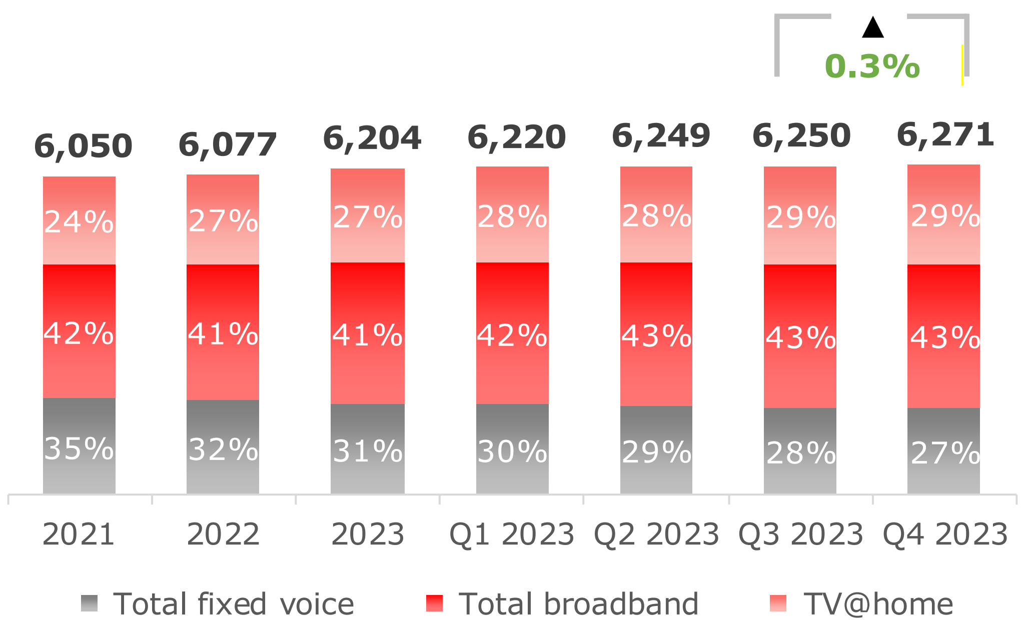
* Proposal to AGM 2024

Customer-related information

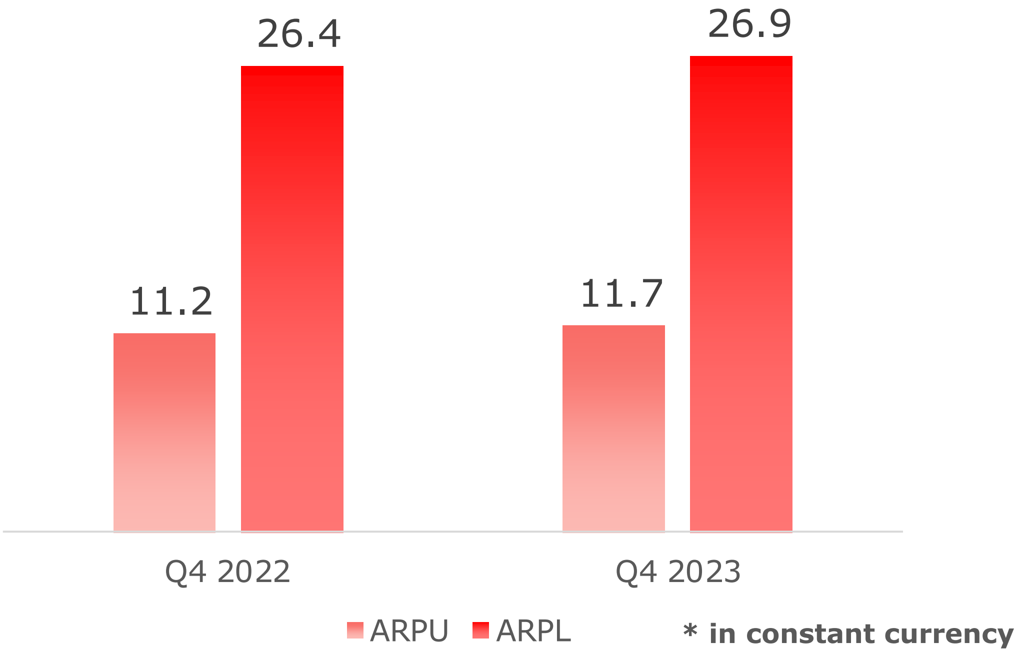
Mobile subscribers (in thousand)



RGUs (in thousand)



Q4 '23 Group ARPU and ARPL* (in €)



Number of **mobile subscribers** rose by **+5.6%** yoy (+0.5% in Q4 '23); excl.M2M customers stable development

RGUs growing at **+1.1%** yoy; **Broadband & TV RGUs** growth of **+3.2%** yoy

Q4 2023 Group **ARPL*** +2.1% yoy

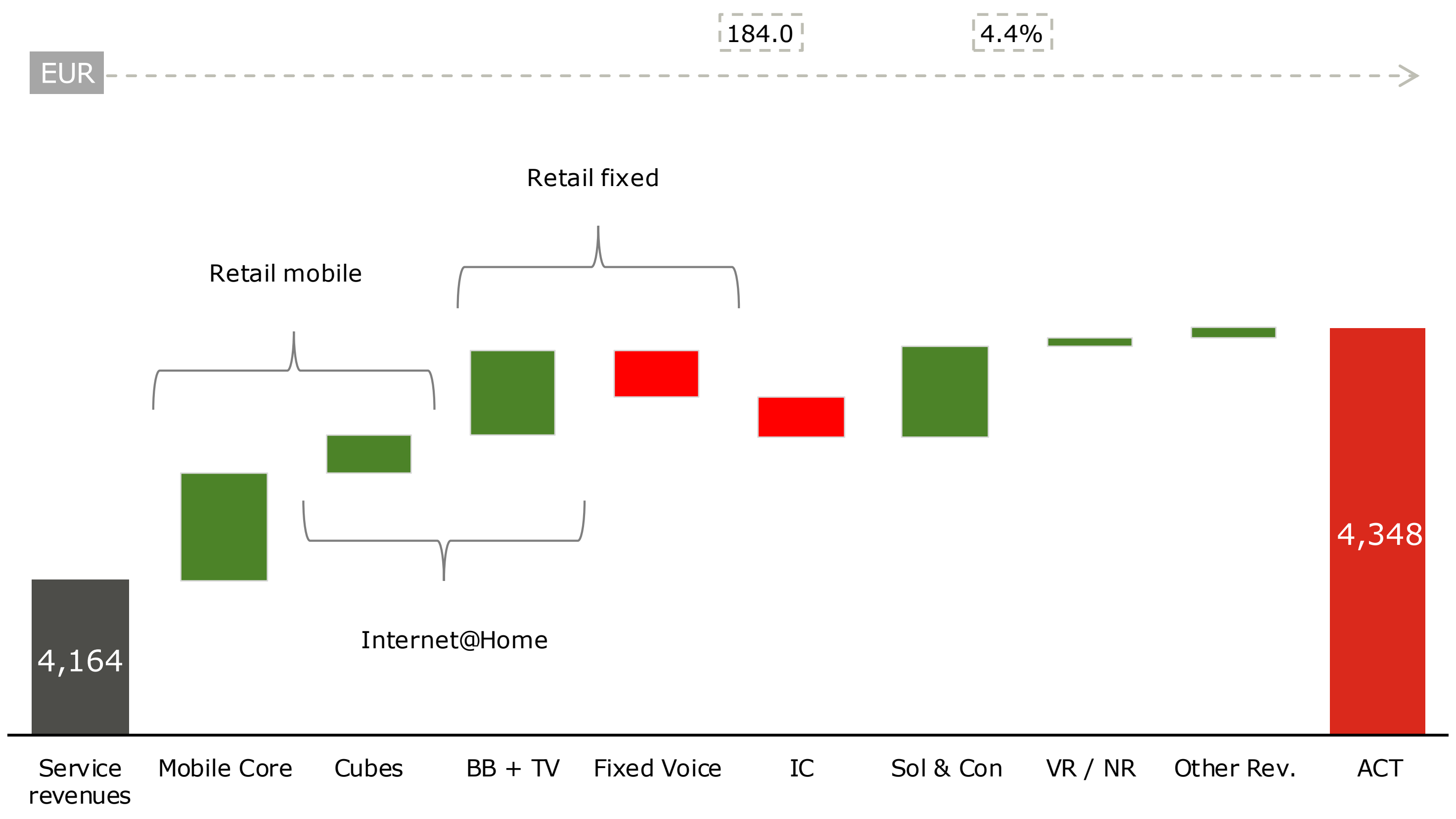
Q4 2023 Group **ARPU*** +4.1% yoy

* in constant currency

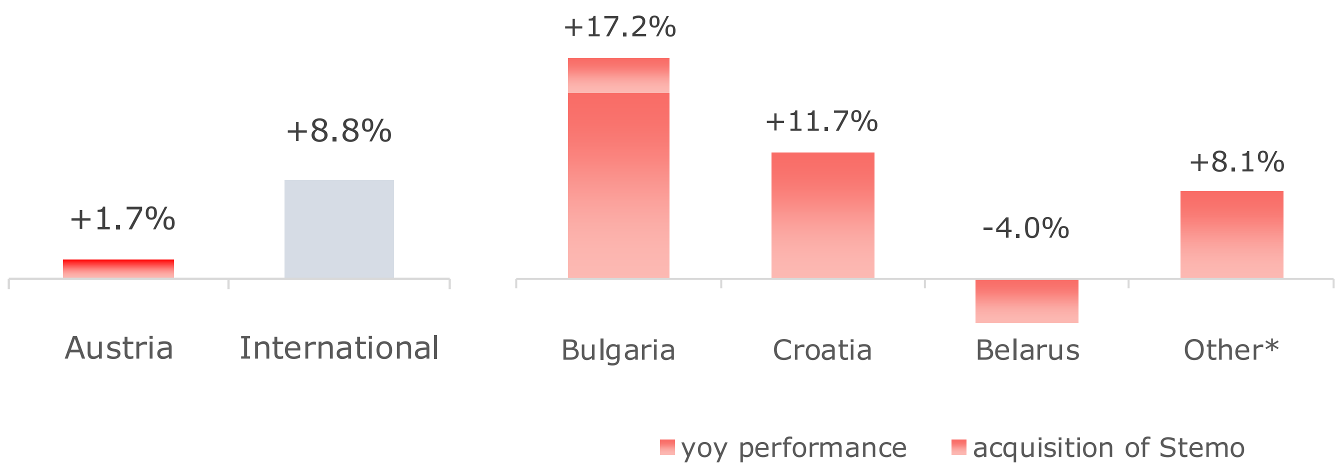
Group revenues

Unless otherwise stated, all amounts in € mn	Q4 2023	Q4 2022		FY 2023	FY 2022	
Service revenues	1,111	1,081	+2.8%	4,348	4,164	+4.4%
Equipment revenues	234	235	-0.6%	811	752	+7.9%
Other operating income	24	22	+12.7%	92	89	+3.6%
Total revenues	**1,369**	**1,338**	+2.3%	**5,251**	**5,005**	+4.9%

Service revenue growth drivers, YTD



Total revenues – Group and International, YTD



* Incl. corporate and eliminations

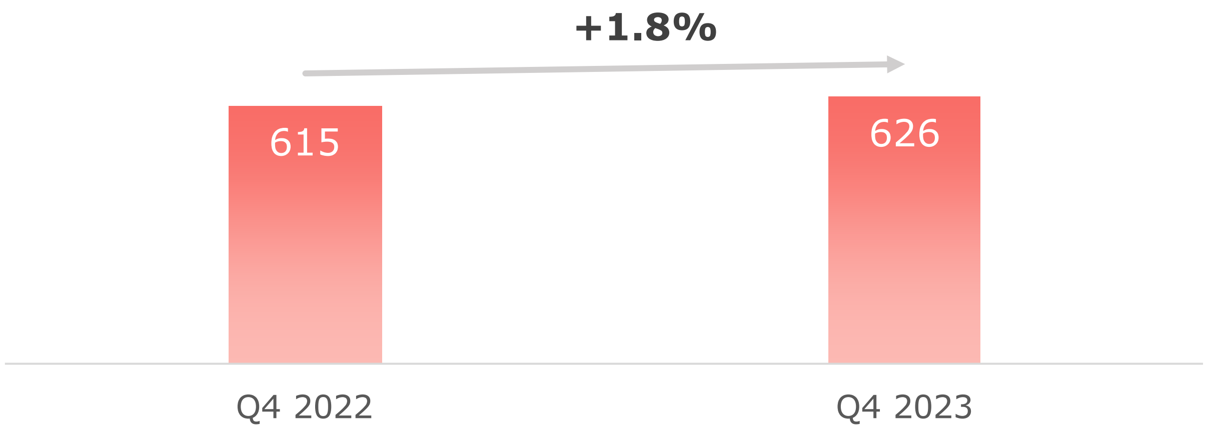
Segment Austria in Q4 2023

Highlights

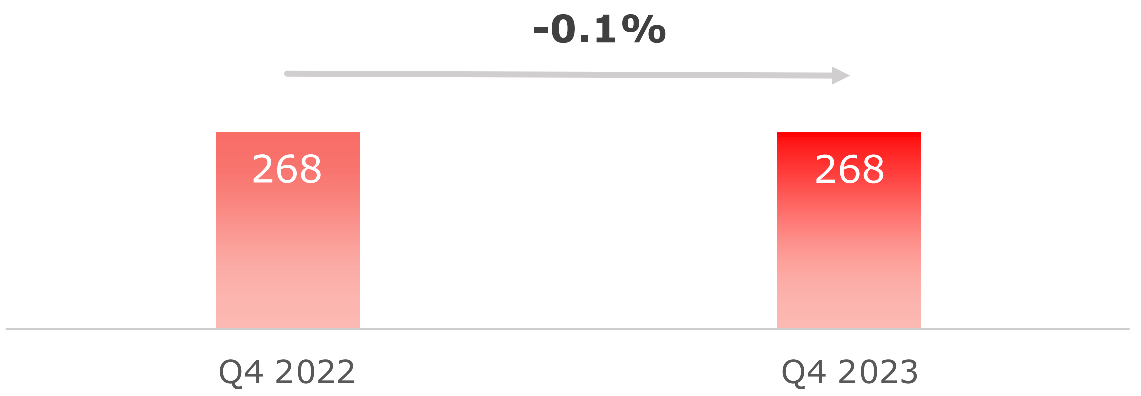
– Value-protecting measures, solid mobile core and solutions business overcompensating losses in IC and fixed-voice revenues

- **Mobile:**
  – Continued demand for high value hardware tariffs and netcubes
  – Improved availability of handsets and reasonable Christmas market
- **Fixed:**
  – FTTH expansion and rollout
  – Solid traction in Solution & Connectivity business
- **Core OPEX** (excl. positive one-off effects) rose due to higher electricity and product related costs. Workforce costs also higher amid rising inflation but number of FTEs further declined.
  - OPEX includes positive one-off effects of EUR 41 mn in Q4 23: pos. 35.5 mn (activation of stamp fee), pos. EUR 10 mn in workforce costs, negative EUR 5 mn in other OPEX
- **EBITDA** in Q4 2023: tough comparable Q4 2022 weighs on underlying performance compared to previous quarters. EBITDA ex. restructuring: +15.1% in Q4 2023 yoy

Service revenues (€ mn)



EBITDA adjusted* (€ mn)



* excl. one-off effects and restructuring

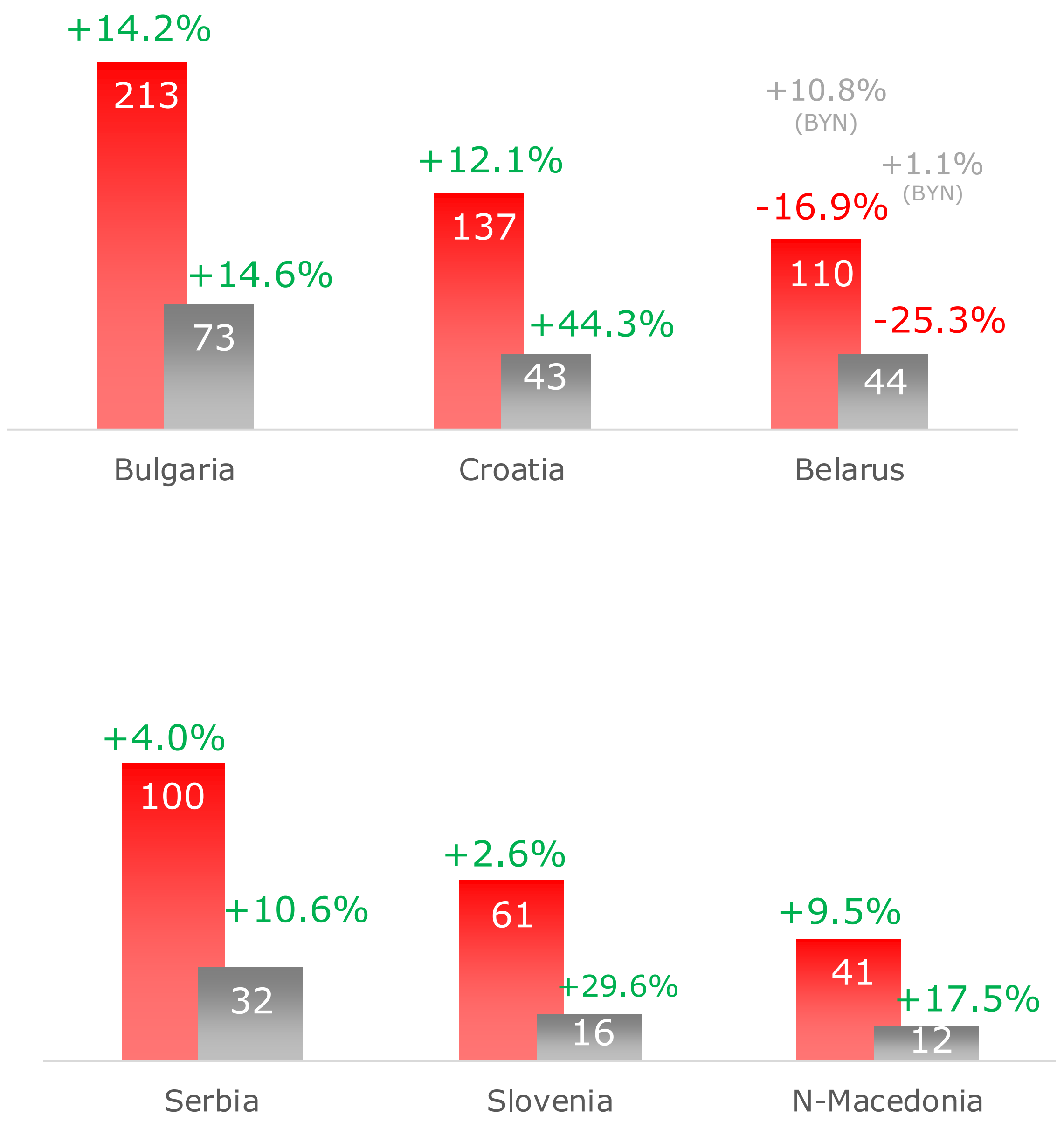
International segments in Q4 2023

Highlights

Growing service revenues and EBITDA in all markets except FX driven decline in Belarus.

- **Bulgaria:** strong results driven by upselling and value protecting measures as well as improved ICT business performance
- **Croatia:** cost transformation measures coupled with tariff indexation resulted in strong revenue growth and improved EBITDA margin
- **Belarus:** overall macro-economic and regulatory environment was a headwind to the results; solid operational performance
- **Serbia:** upselling to higher voice tariffs and data plans resulted in solid service revenue growth and successful translation into EBITDA growth
- **Slovenia:** service revenue growth supported by lower workforce and electricity costs resulted in EBITDA growth
- **N.Macedonia:** positive market trends and growing number of subscribers and RGUs contributed to both revenue and EBITDA growth

Revenues and EBITDA (€ mn)



P&L

Unless otherwise stated, all amounts in € mn

	Q4 2023	Q4 2022		FY 2023	FY 2022	
Revenues	**1,369**	**1,338**	**+2.3%**	**5,251**	**5,005**	**+4.9%**
OPEX	(888)	(906)	-2.0%	(3,327)	(3,167)	+5.1%
Restructuring	(32)	(23)	+38.3%	(85)	(73)	16.8%
EBITDA	**481**	**432**	**+11.4%**	**1,924**	**1,838**	**+4.7%**
EBITDA margin	*35.2%*	*32.3%*	*+2.9pp*	*36.6%*	*36.7%*	*-0.1pp*
before restructuring	514	455	+12.8%	2,009	1,911	+5.1%
Margin	*37.5%*	*34.0%*	*+3.5pp*	*38.3%*	*38.2%*	*+0.1pp*
FX effects	15	n.m.	n.m.	33	n.m.	n.m.
one-off effects	41	-	n.m.	34	-	n.m.
EBITDA underlying	488	455	7.3%	2,008	1,911	5.1%
Margin	*35.7%*	*34.0%*	*+1.6pp*	*38.2%*	*38.2%*	*+0.1pp*
after leases	380	385	-1.3%	1,671	1,657	+0.8%
Margin	*27.8%*	*28.8%*	*-1.0pp*	*31.8%*	*33.1%*	*-1.3pp*
EBIT	**201**	**185**	**8.7%**	**911**	**871**	**4.5%**
EBIT margin	*14.7%*	*13.8%*	*+0.9pp*	*17.3%*	*17.4%*	*-0.1pp*
Financial result	**(24)**	**(16)**	**47.3%**	**(90)**	**(55)**	**62.3%**
Income taxes	(32)	(37)	-14.3%	(175)	(181)	-3.4%
Net result	**145**	**132**	**10.3%**	**646**	**635**	**1.8%**
Net margin	*10.6%*	*9.8%*	*+0.8pp*	*12.3%*	*12.7%*	*-0.4pp*

FY 2023

Total **Costs and Expenses** – operationally higher; driven by the increased electricity, workforce costs as well as product-related costs.

Positive one-offs of EUR 34 mn (thereof pos. EUR 39 mn in workforce costs) and negative FX effects offset each other in FY 2023.

Operating result improved, driven by operational performance despite higher D&A coming from RoA associated with lease agreements with ETS.

Financial result in yoy comparison primarily impacted by higher interest expense on leases and financial liabilities.

Net result operationally slightly above PY level.

Free cash flow

Unless otherwise stated, all amounts in € mn	Q4 2023	Q4 2022		FY 2023	FY 2022	
EBITDA	481	432	+11.4%	1.924	1.838	4,7%
Restructuring charges, cost of labor obligations	39	28	+40.0%	92	74	+24.7%
Lease paid (principal, interest, prepayments)	(100)	(39)	+152.9%	(256)	(182)	+40.5%
Income taxes paid	(39)	(50)	-21.5%	(180)	(137)	+31.1%
Net interest paid	(11)	(7)	n.m	(32)	(47)	-31.4%
Change working capital and other changes	12	89	-86,8%	(14)	91	n.m
CAPEX	(270)	(330)	-18.2%	(1.093)	(944)	+15.7%
FCF before soc. plans	**111**	**122**	**-8.9%**	**441**	**692**	**-36.2%**
Social plans new funded	(28)	(21)	+33.9%	(88)	(88)	-0.7%
Free cash flow	**83**	**101**	**-17.6%**	**354**	**603**	**-41.4%**
FCF/revenues	*6,1%*	*7,6%*	*-1,5pp*	*6,7%*	*12,1%*	*-5,3pp*
Free cash flow (excl. spectrum)	***106***	***101***	***4,3%***	***487***	***613***	***-20,6%***

Free Cash Flow was lower vs FY 2022, due to payments for spectrum fee, higher lease payments as well as higher income taxes paid.

Spectrum payments amounted to EUR -132.9 mn in 2023 (2022: EUR -9.5 mn)

Working capital changes had a negative impact of EUR 14 mn in 2023 (2022: positive EUR 91 mn) as reduced accounts payable, increased installment sales and an accrual release could only be partly mitigated by positive timing effects from accounts receivable.

Focus points

A1 successfully spun-off tower business in Q3 2023

On September 22, 2023, the former tower business of Telekom Austria AG (Towers business) was listed on the Vienna Stock Exchange under the newly established EuroTeleSites AG.

Rationale:
Focus on core telecoms business | Efficient budget allocation | Reduction of financial debt | Higher multiples

Financial Impacts:

- Balance Sheet: +7%, mainly due to higher lease liabilities and right-of-use-assets
- P&L*: revenues (-0.1%), EBITDA (~+1%), EBIT (-7% due to higher D&A), net result (-14% due to lower interest expense on financing but higher interest related to rights of use and lower income tax)
- CAPEX lower by mid double digit € mn
- Free cash flow: lower by ~ € 60 mn per year (on average)
- Financial debt: Reduced by € 1 bn

A1 Group secured long-term access
Indefinite contract duration with termination possible | Inflation protection in place | A1 is free to choose tower providers

Low operational impact | No impact on A1 Group’s dividend policy | € 1 bn debt reduction for A1

* FY 2023 reported versus proforma; proforma = the tower business would have already been spun off in the respective comparison period

Austria: Continued investments in fiber and 5G network expansion

Current status

Fiber

Fiber roll-out on track
- 73,000 km fiber network in Austria
- EUR 234 mn subsidies granted from BBA 2030

FTTH utilization

FTTH utilization and deregulation
- VULA & VHCN partnerships
- Contracts w/ > 50 partners

5G

Leading 5G position in Austria
- ~85% 5G pop coverage

Way forward

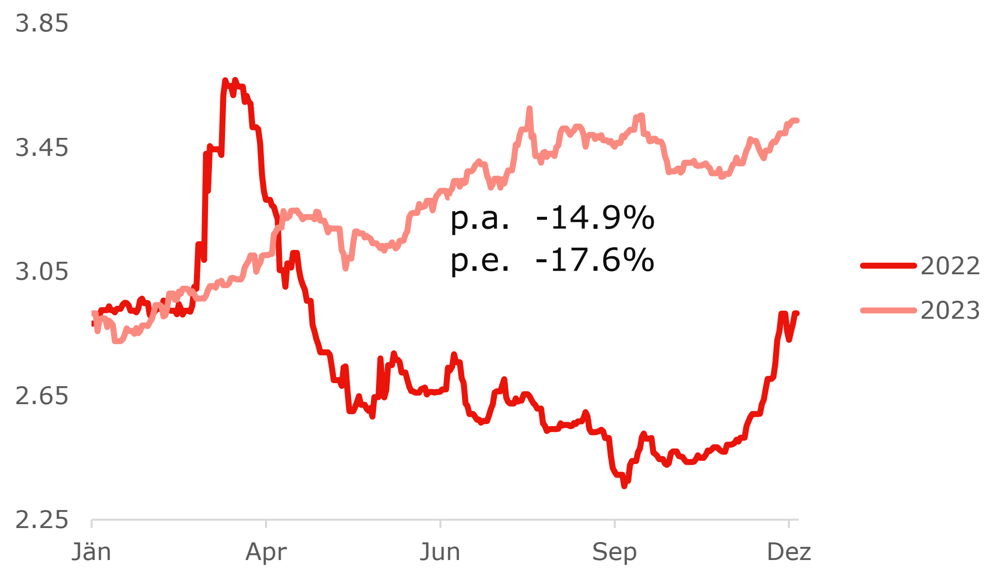
FTTH:
- Scale up in the build-out phase, perform optimization in the last mile

5G:
- Network equipment upgrade and low-band modernization to enhance readiness

Belarus: Focus on efficient growth to mitigate macro and regulatory headwinds

Macro

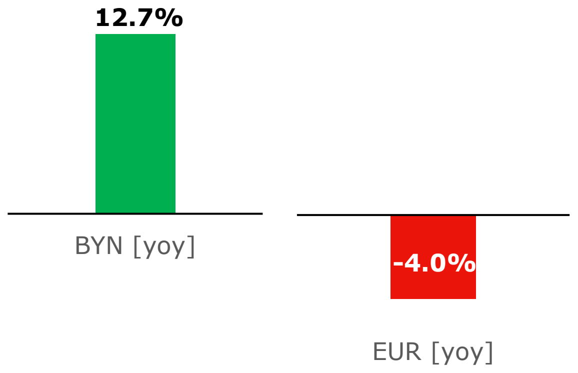
Depreciation of BYN/EUR:

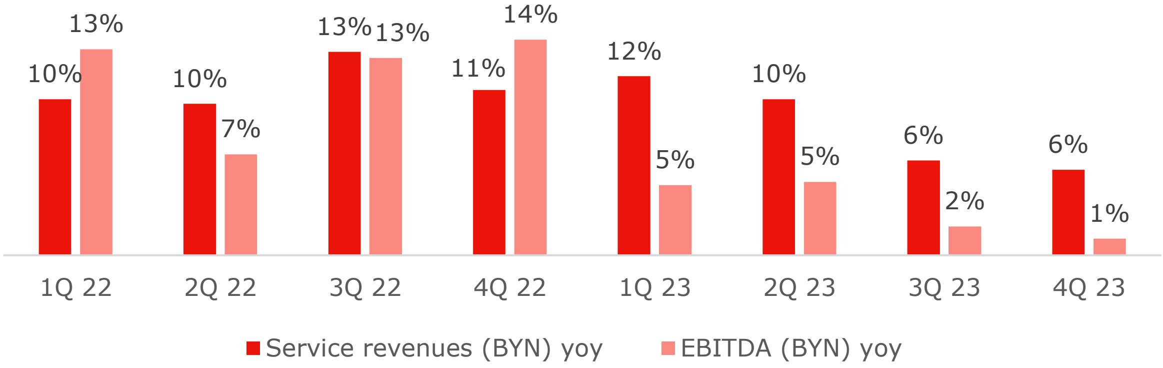


Inflation of +5.8% YTD 2023

GDP: Gradual industrial slowdown has constrained expansion in 2023. Deceleration expected in 2024.

Financials





Focus on efficient growth

- General ban on price increases to address inflation
- Industry-wide regulatory measures still in place, weighing on EBITDA
- Solid operational performance despite supply chain challenges
- More-for-more concept, cross and upselling of customers, utilizing convergent offer advantage
- Diligent approach to investments

AI in A1 Group: Leverage experience and use cases with proven feasibility and high value potential

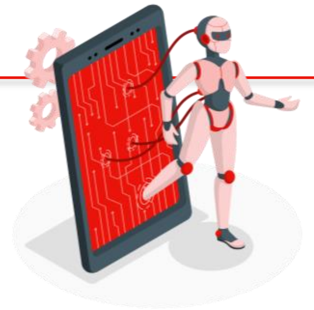
Marketing/Sales
- Extension of activities into Business Area
- Deeper personalization in customer contact

Customer Experience
- Improvement of experienced quality
- Integrate generative AI in customer journey

Financials & process management
- Increase efficiency of internal processes with AI
- Predictions basis of forecasts and estimates

Fiber Rollout
- Use AI to optimize fiber rollout, invest in an intelligent way

Data Privacy/Security/Sustainability
- Focus 2023 on „Fair AI“: Evaluation of all AI models regarding biases



Advanced analytics & AI Transformation @A1 Group

2005-2016	2017-2018	2019-2020	2021-2022	2023+
▪ AI/machine learning ▪ Churn prediction ▪ Segmentation ▪ Product affinities	▪ Transformation Project ▪ Datalake ▪ New technical framework	▪ Group Datalake C360 ▪ AI Analytics Labs ▪ Transparency	▪ Broad usage of Machine Learning ▪ Neural networks ▪ Integration in Marketing Automation Processes & Systems	▪ Realtime Models ▪ Generative AI experiments ▪ Fair AI

Skills & Technology → Usecases and Mindset → Scaling → Professionalization

Out look

Guidance '24

Total revenues	+3-4%
CAPEX (excl. spectrum)	Around € 800 million

- **CAPEX:** excl. spectrum at **around EUR 800 million**
    - A1 Group remains committed to fiber-rollout program in Austria at an unchanged pace
    - Revaluation of non-business-critical projects both in Austria and CEE
- **Dividend:** Proposal of € 0.36 dividend per share for full year 2023 (previous year: € 0.32) to the AGM on June 27, 2024

Appendix

A1 ambitions 2024-2026

Revenues

3-4% increase p.a.

Based on current inflation and exchange rate expectations

EBITDA

4-5% increase p.a.

Based on current inflation and exchange rate expectations

CAPEX

€ 2.8 bn plus frequencies

Dividend baseline

€ 0.32

Based on the Group's operational and financial development, the dividend level will be maintained or increased.

Conservative financial policy and investment-grade ratings
As of December 31, 2023

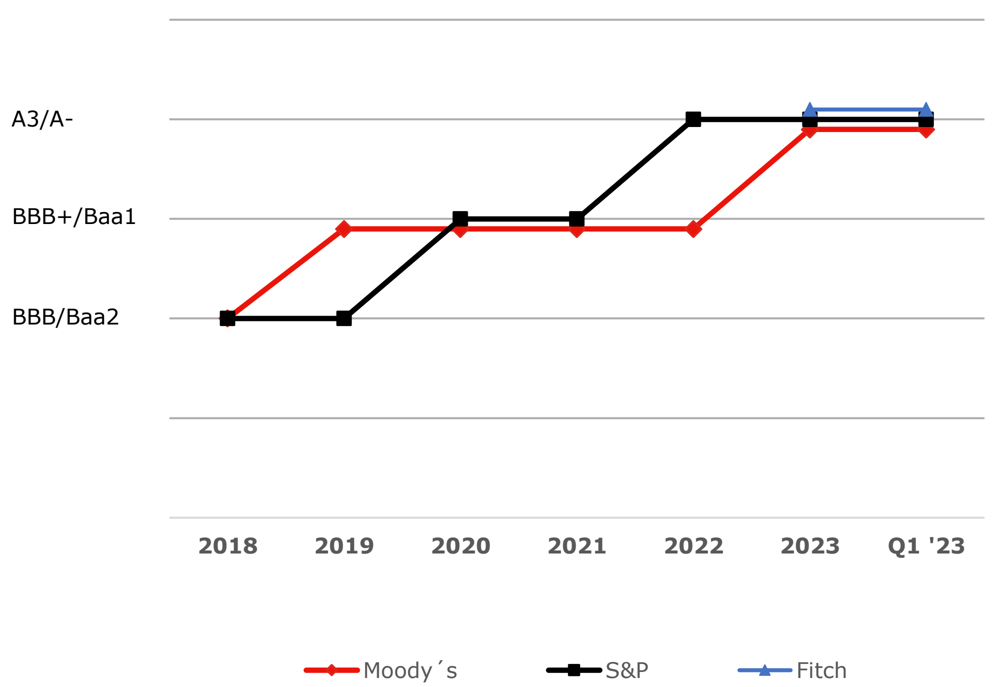
Overview (December 31, 2023)

- Total financial debt: € 808 mn
- Average cost of debt: 1.71%
- Cash & cash equivalents: € 169 mn
- Avg. term to maturity: 2.73 years

Lines of credit (December 31, 2023)

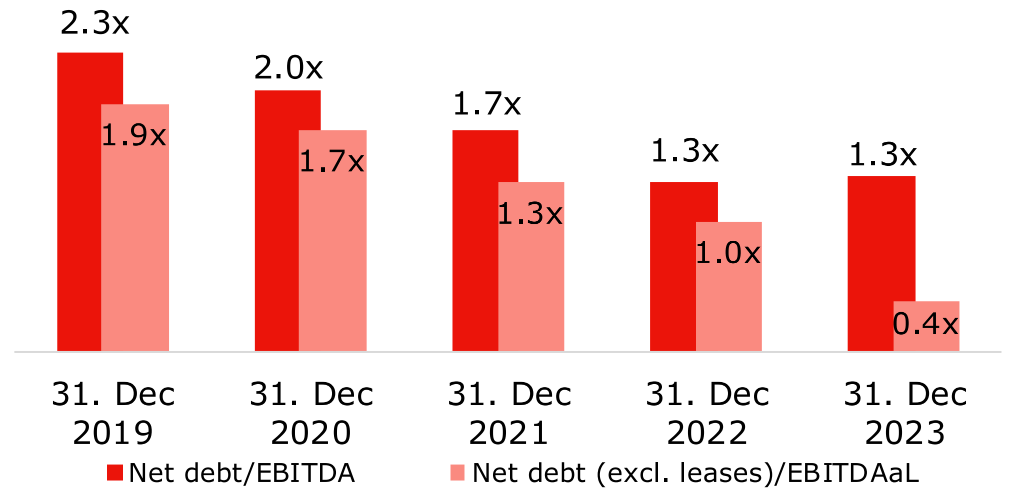
- Total committed lines: € 1,415 mn
  - Average term to maturity: 2.2 years
- Undrawn committed credit lines: € 1,355 mn

Credit ratings

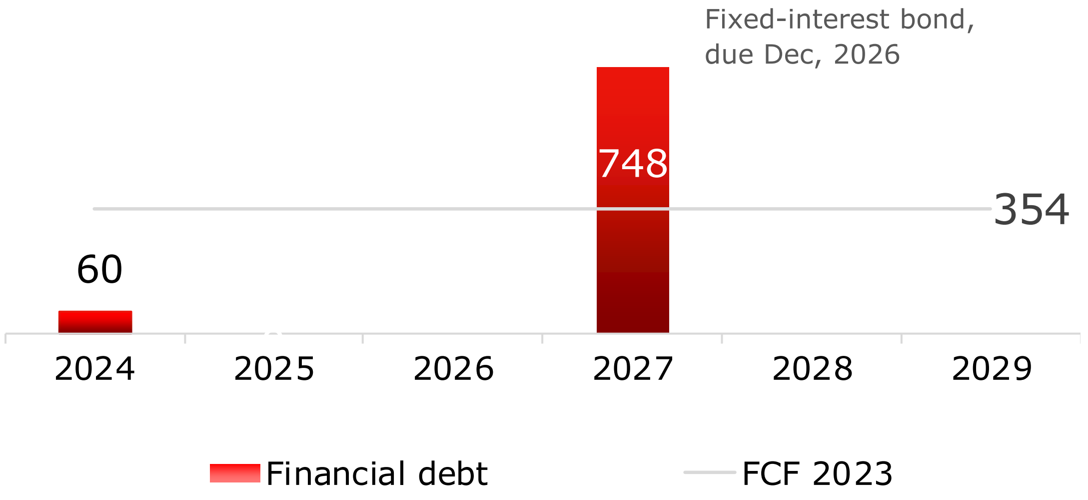


- Fitch assigned A- in June 2023 (initial rating, best European telco)
- S&P upgrade to A- in 10/2022
- Moody's assigned A3 in 12/2023

Net debt/EBITDA



Debt maturity profile (December 31, 2023)



Overview: Restructuring charges and provision vs. FTE

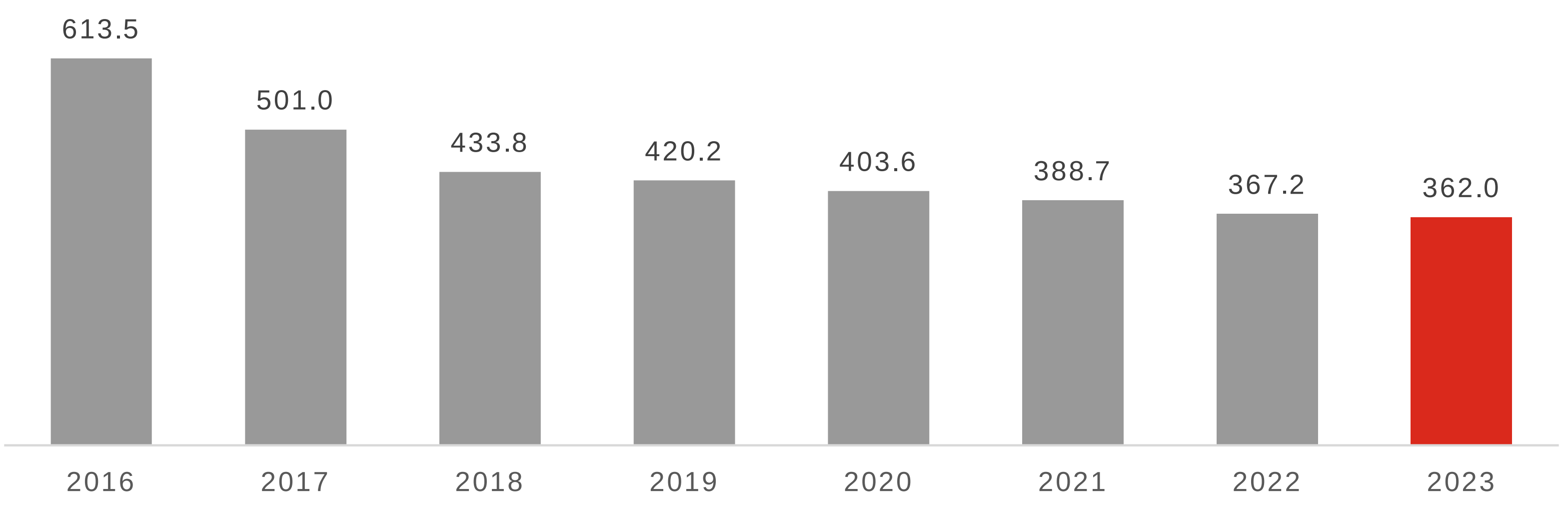
Overview restructuring charges (in EUR mn)

	2016	2017	2018	2019	2020	2021	2022	2023
FTE reduction	95.0	9.1	70.1	100.2	91.3	95.1	100.7	72.4
Servicekom contribution	-96.9	-27.3	-47.1	-19.4	-9.8	-10.9	-16.0	7.2
Staff released from work	0.0	0.0	0.0	0.0	0.0	0.0	6.9	0.2
Interest rate adjustments	9.2	0.0	-0.9	3.2	3.1	0.0	-18.4	5.7
Total	**7.2**	**-18.2**	**22.1**	**84.1**	**84.5**	**84.2**	**73.2**	**85.5**

FTEs addressed

	2016	2017	2018	2019	2020	2021	2022	2023
Transfer to government	6	3	0	0	0	0	0	0
Social plans	269	31	241	387	375	354	366	235
Staff released from work	0	0	0	0	0	0	0	1
Total	**275**	**34**	**241**	**387**	**375**	**354**	**366**	**236**

Overview restructuring provision* (in EUR mn)



Provisioned FTEs

	2016	2017	2018	2019	2020	2021	2022	2023
Transfer to government	193	176	159	128	113	107	105	97
Social plans	1,821	1,707	1,748	1,805	1,827	1812	1,826	1,698
Staff released from work	200	172	116	81	62	44	7	5
Total	**2,214**	**2,055**	**2,023**	**2,014**	**2,002**	**1,963**	**1,938**	**1,800**

* Including liabilities for transfer of civil servants to government bodies since 2010.

Thank you