Results for Q2 2024 and H1 2024

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.

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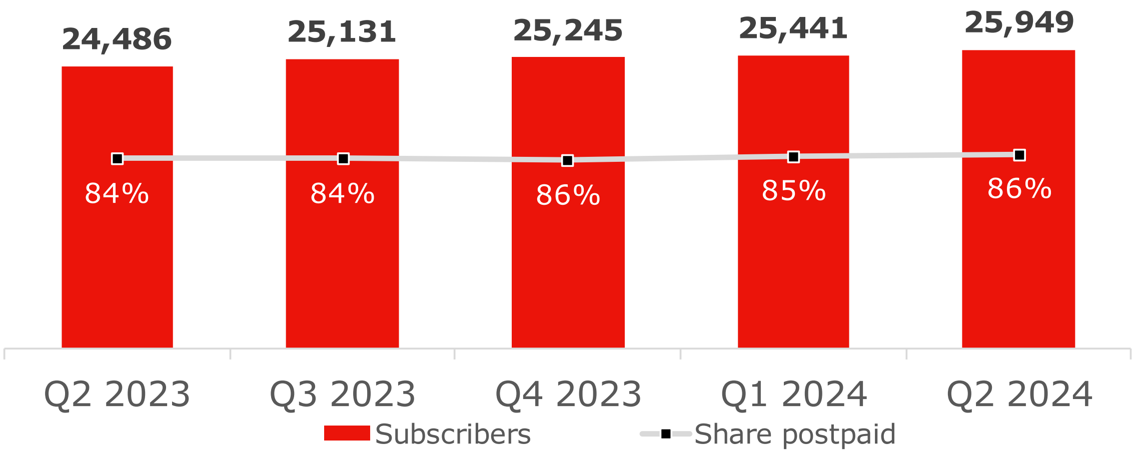
Summary Q2 2024

- **Total revenues up +1.3%** driven by service revenue growth (+3.9% yoy) in all markets except Belarus and Slovenia; strong decline in equipment revenues.
- **Service revenue growth** driven by value-protecting measures, and strong fixed-line performance in international segments.
- **EBITDA up 3.8%** yoy, margin improvement from 37.4% to 38.3%; +8.3% adjusted for one-offs, restructuring and FX.
- **Core OPEX** (ex one-offs) driven mainly by higher workforce and product related costs, electricity costs decreased
- **Spectrum prolongation in Bulgaria**: A1 prolonged and acquired frequencies in the 900 and 1.800 MHz spectrum for EUR 31 mn in June 2024
- **Dividend of 36 Eurocents** per share for FY 2023 approved by Annual General Meeting (previous year: 32 Eurocents).
- **FCF in H1 42% higher** due to lower CAPEX and better operational result.
- **S&P confirmed its credit rating** for Telekom Austria AG with 'A-' in May 2024.
- **Outlook confirmed**: 3-4% revenue growth, CAPEX of approx. EUR 800 mn (excl. spectrum and M&A)

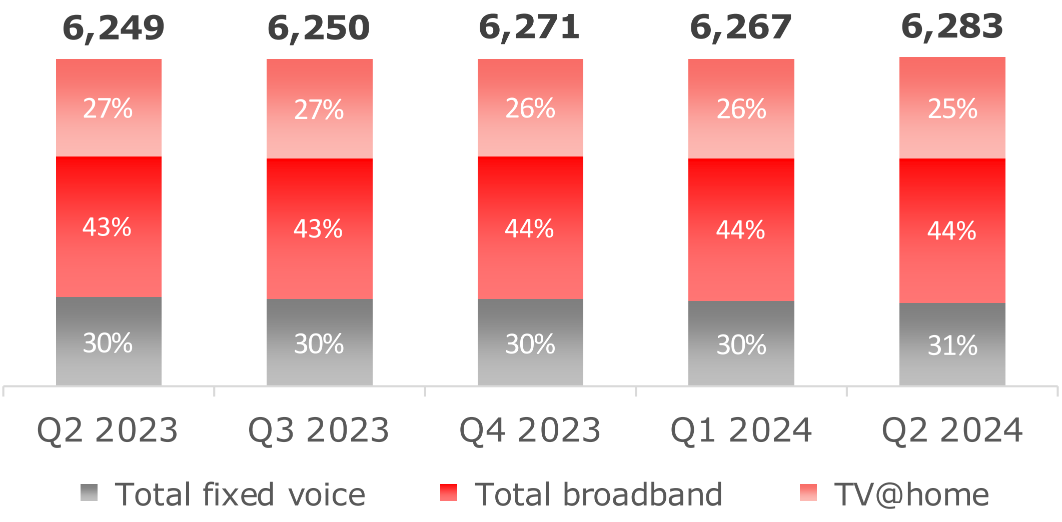
Please note that this presentation, besides reported values, also contains values on a pro forma basis, due to the towers spin-off in 2023. Pro forma means, data of the comparison period has been adjusted, as if the towers have already been spun-off in the respective period.

Customer-related information

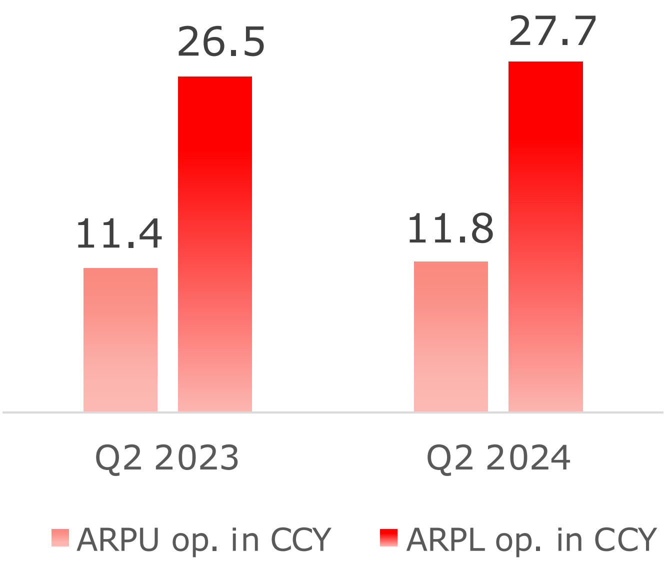
Mobile subscribers (in thousand)



RGUs (in thousand)



Q2 '24 Group ARPU and ARPL (in EUR)



Mobile subscribers: +6.0% yoy; stable excl.M2M customers

RGUs: **+0.5%** yoy; **Broadband RGUs: +1.9%** yoy, **Advanced RGUs: +13.8%** yoy

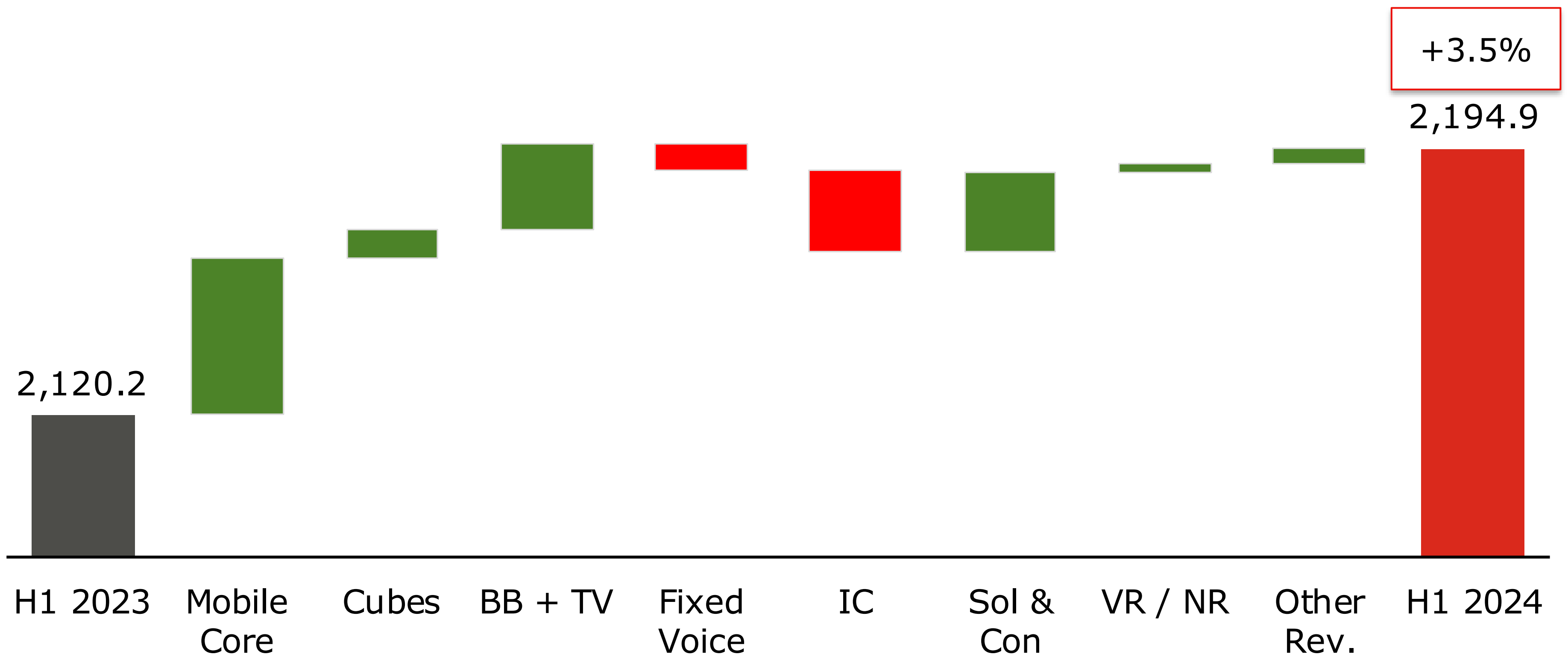
ARPL operative +4.4% yoy in CCY

ARPU operative +4.0% yoy in CCY

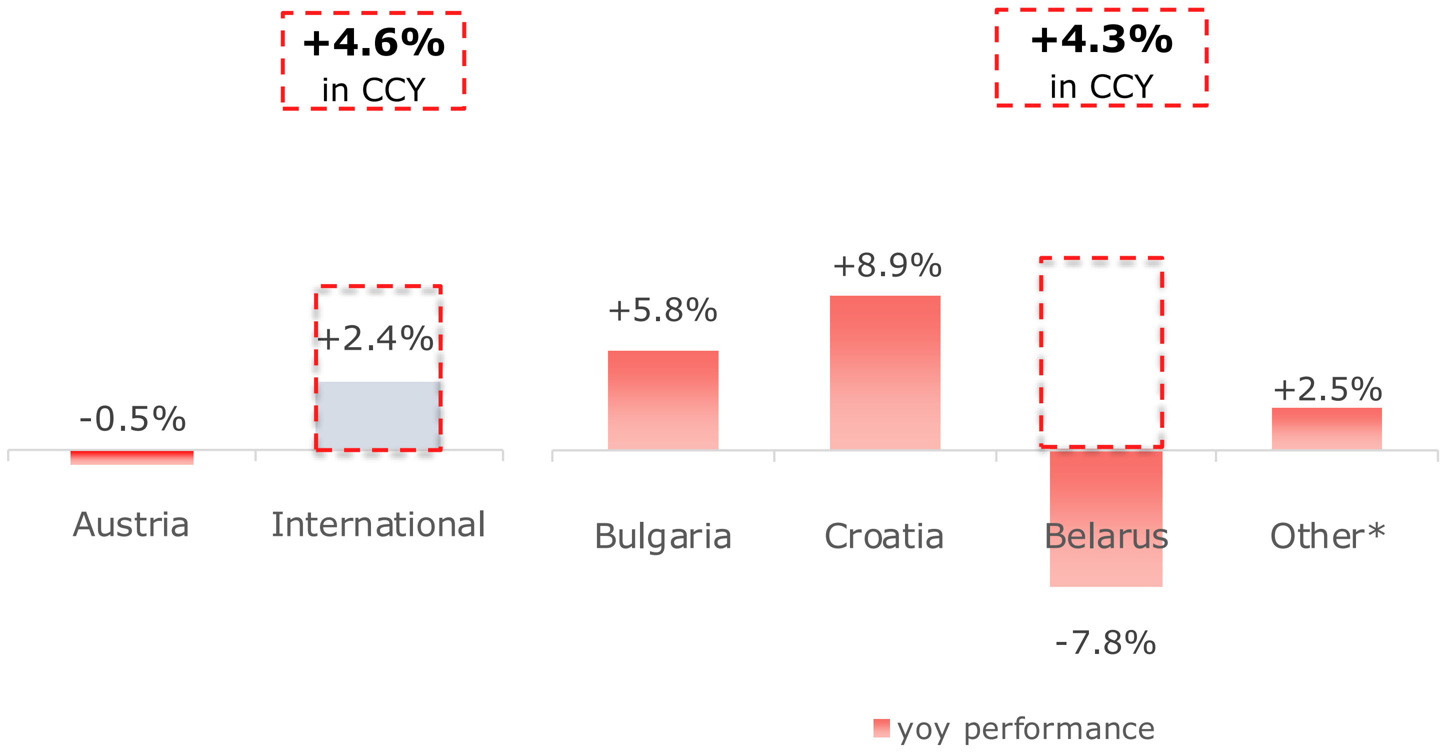
Group revenues

otherwise stated, all amounts in EUR mn	Q2 2024	Q2 2023		H1 2024	H1 2023	
Service revenues	1,124	1,082	+3.9%	2,195	2,120	+3.5%
Equipment revenues	168	194	-13.4%	344	389	-11.6%
Other operating income	24	23	+3.3%	44	47	-6.5%
Total revenues	**1,316**	**1,299**	+1.3%	**2,583**	**2,557**	+1.0%

Service revenue growth drivers, YTD



Total revenue growth – Group and International, YTD



* Incl. corporate and eliminations

Segment Austria in Q2 2024

Key Points

- Total revenues decrease: Q2 2023 profited from large ICT deals (visible in lower equipment and solutions & conn. revenues)
- Service revenue growth in mobile and fixed profiting from value protecting measures; overcompensating losses in IC and voice

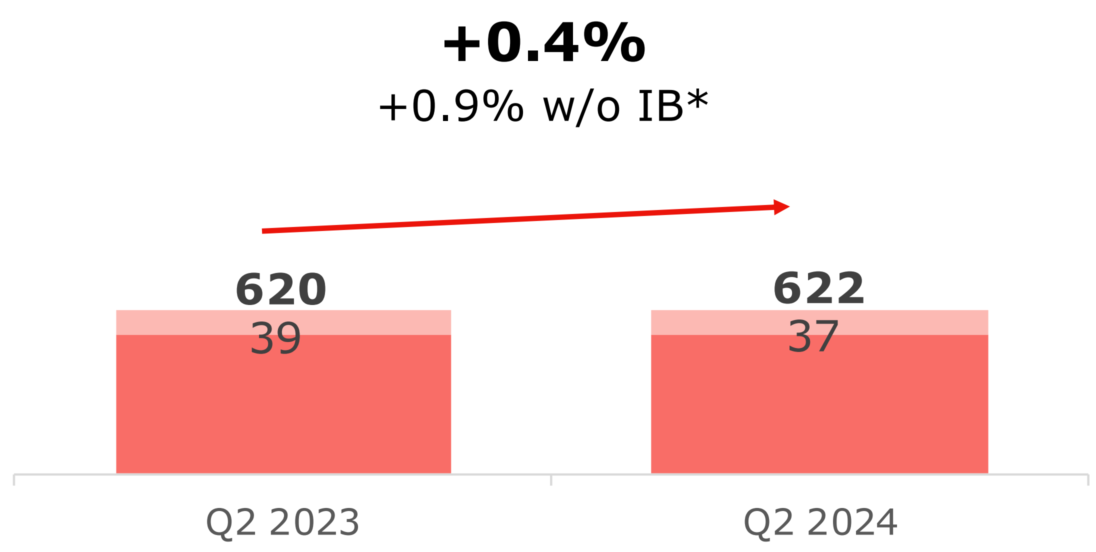
Operations

- Value-protecting measures +7.8% (as of Apr. 1st 24)
- Mobile: lower total subscriber number driven by voice only customers; net adds positive in Q2
- Fixed: RGU loss due to voice, gains in high-bandwidth BB RGUs not fully compensate for low-bandwidth BB RGU loss

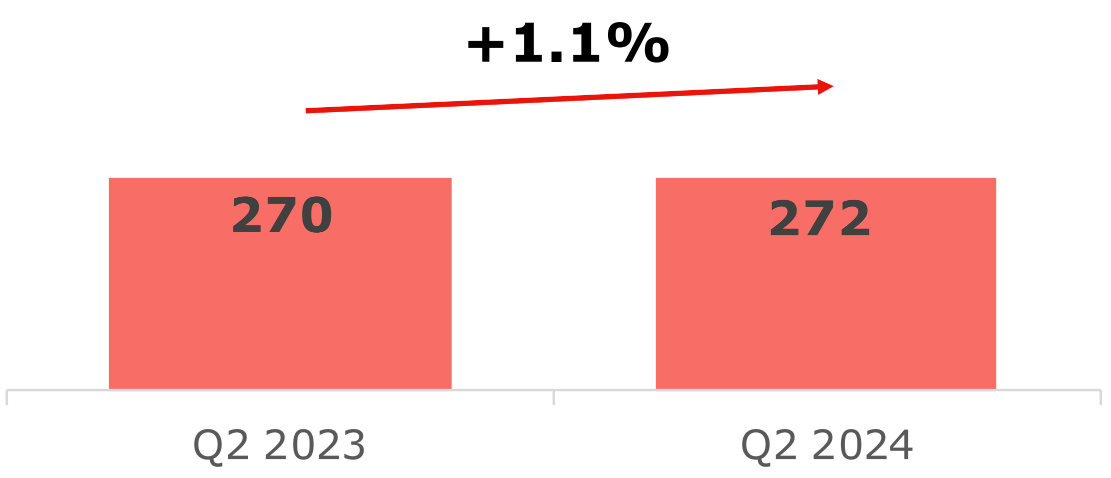
Core OPEX increase: higher workforce costs (collective bargaining agreement but lower FTEs), higher network maintenance and product-related costs but lower electricity costs

One-offs in OPEX: net total of EUR 3 mn related to provisions in Q2 2024

AT Service revenues (EUR mn)



AT EBITDA (EUR mn)



International Business* comprising transit and other interconnection, solutions & connectivity) as reported in Austria, shown separately as it is not reflecting Austrian business performance

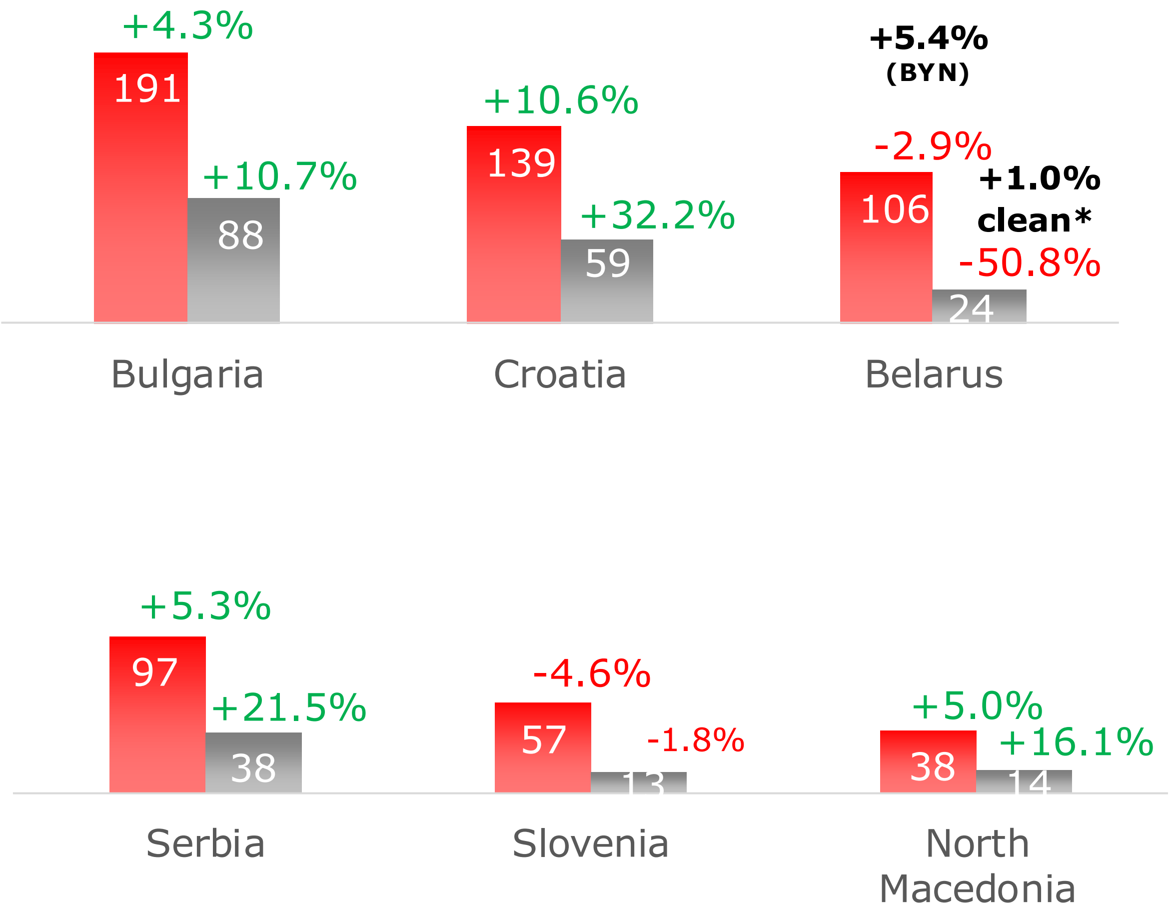
International segments in Q2 2024

Highlights

Total revenues grew driven by higher service revenues clearly overcompensating the losses in equipment revenues.

- **Bulgaria:** Strong growth in fixed, mobile and ICT: upselling, value-protecting measures, TV and broadband RGU increase
- **Croatia:** Value-protecting measures in June 2024, mobile subs and TV RGU growth; focus on monetizing higher network investments of PY
- **Belarus:** Dividend restrictions as of Q2 2024; higher service revenues in LCY, solid traction in fixed-line service revenues, EBITDA suffers from negative one-off
- **Serbia:** Service revenue growth supported by pricing measures in March. Postpaid share increased further
- **Slovenia:** Fierce competition, decline in fixed and mobile service revenues. Core OPEX improved, driven by advertising and electricity
- **N.Macedonia:** Strong service revenue increase both in retail mobile & retail fixed translated in double-digit EBITDA growth

Revenues and EBITDA (EUR mn)



* excl. negative FX effects and
EUR 24 mn negative one-off effect in Q2 2024 in Belarus

P&L

Unless otherwise stated, all amounts in EUR mn	Q2 2024	Q2 2023		H1 2024	H1 2023	
Revenues	**1,316**	**1,299**	**+1.3%**	**2,583**	**2,557**	**+1.0%**
OPEX	(812)	(813)	-0.2%	(1,624)	(1,635)	-0.6%
Restructuring	(18)	(17)	+6.9%	(39)	(38)	2.6%
EBITDA	**504**	**486**	**+3.8%**	**959**	**922**	**+4.0%**
EBITDA margin	38.3%	37.4%	+0.9pp	37.1%	36.1%	+1.0pp
before restructuring	522	503	+3.9%	998	960	+3.9%
Margin	39.7%	38.7%	+1.0pp	38.6%	37.5%	+1.1pp
FX effects	1	-	n.m.	9	-	n.m.
one-off effects	21	-	n.m.	21	-	n.m.
EBITDA underlying	544	503	8.3%	1,028	960	7.1%
Margin	41.1%	38.7%	+2.4pp	39.4%	37.5%	+1.8pp
after leases	400	436	-8.3%	753	825	-8.7%
Margin	30.4%	33.6%	-3.2pp	29.1%	32.3%	-3.1pp
EBIT	**218**	**241**	**-9.3%**	**396**	**436**	**-9.1%**
EBIT margin	16.6%	18.5%	-1.9pp	15.3%	17.0%	-1.7pp
Financial result	**(23)**	**(27)**	**-12.9%**	**(49)**	**(48)**	**2.9%**
Income taxes	(49)	(48)	1.8%	(83)	(86)	-4.0%
Net result	**146**	**166**	**-11.9%**	**263**	**301**	**-12.5%**
Net margin	11.1%	12.8%	-1.7pp	10.2%	11.8%	-1.6pp

Q2 2024 - below EBITDA

EBIT declined due to **D&A:**

- EUR 43.8 mn higher D&A, mainly due to rights of use assets after tower spin-off
- D&A on a proforma basis increased by EUR 17 mn

Financial result: lower interest on financial liabilities offset higher interest expenses for the tower leases

Net result lower, on pro forma* basis above previous year Q2 and H1 by 8.0% and 9.1% respectively

Pro-forma= as if tower business has already been spun-off in comparison period

Free cash flow

Unless otherwise stated, all amounts in EUR mn	Q2 2024	Q2 2023		H1 2024	H1 2023	
EBITDA	504	486	3.8%	959	922	4.0%
Restructuring charges, cost of labor obligations	19	18	5.2%	41	41	1.4%
Lease paid (principal, interest, prepayments)	(96)	(42)	127.6%	(193)	(108)	78.9%
Income taxes paid	(31)	(31)	-0.2%	(54)	(48)	11.6%
Net interest paid	4	(7)	n.m.	7	(9)	n.m.
Change working capital and other changes	(11)	(15)	-25.4%	(63)	(26)	143.8%
CAPEX	(247)	(359)	-31.2%	(480)	(606)	-20.8%
FCF before soc. plans	**142**	**50**	**183.0%**	**217**	**166**	**30.5%**
Social plans new funded	(19)	(20)	-4.3%	(42)	(43)	-2.4%
Free cash flow	**123**	**30**	**309.4%**	**175**	**123**	**42.1%**
FCF/revenues	*9.3%*	*2.3%*	*+7.0pp*	*6.8%*	*4.8%*	*+2.0pp*

Free Cash Flow in H1 2024 higher due to

- substantially lower CAPEX due to savings and lower spectrum payments:
  EUR 38.7 mn in H1 2024 vs
  EUR 110 mn in H1 2023
- better operational result
- higher lease paid
- unfavorable changes in working capital

Working capital changes:

- Negative impact from accounts payable (broadband subsidy received in 2023) but
- lower inventories and accounts receivables

Focus points

Austria: More challenging market environment

Mobile market

- MVNOs: Attractive offers & intense communication from MVNOs
- Price sensitivity due to inflation
- SIM-only market share increasing
- Increased promotional activity continuing
- No service fee for new customers

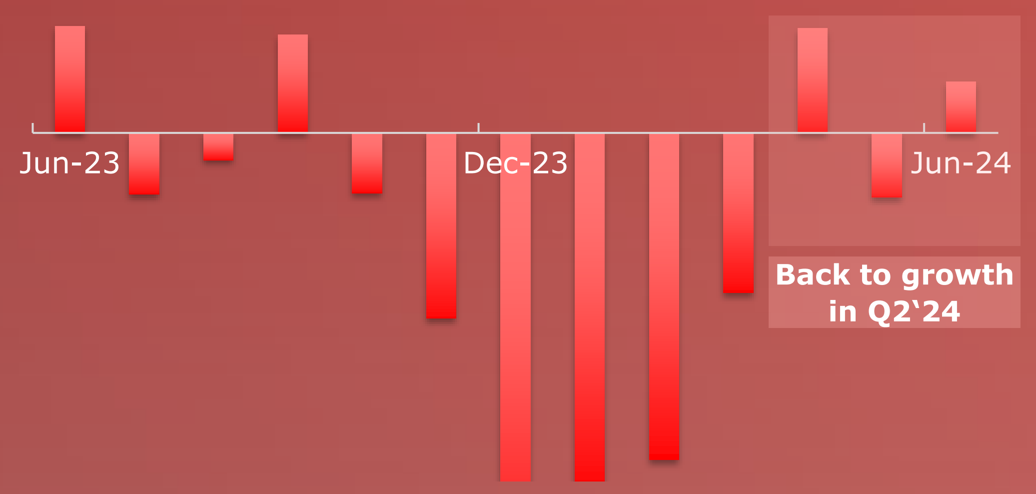
Fixed market

- Fiber roll-out accelerated but needs time to be effective
- Higher number of infrastructure players
- High demand for high bandwidth products, <100 Mbps under pressure
- No service fee for new customers

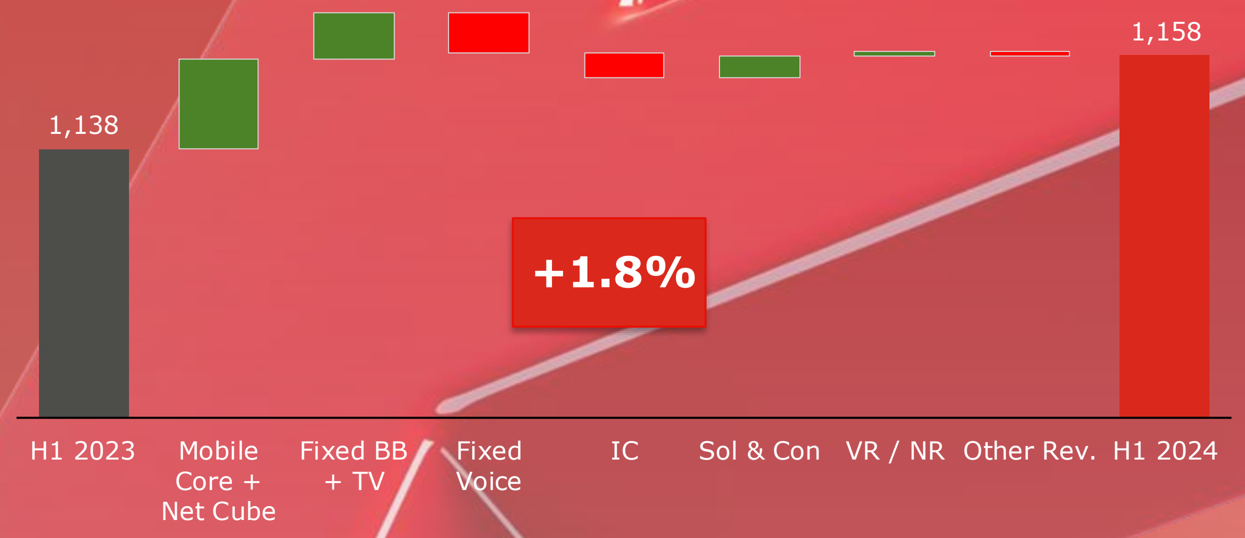
Austria – Striking a balance between revenue market share and customer growth

Net adds back to growth in Q2 2024

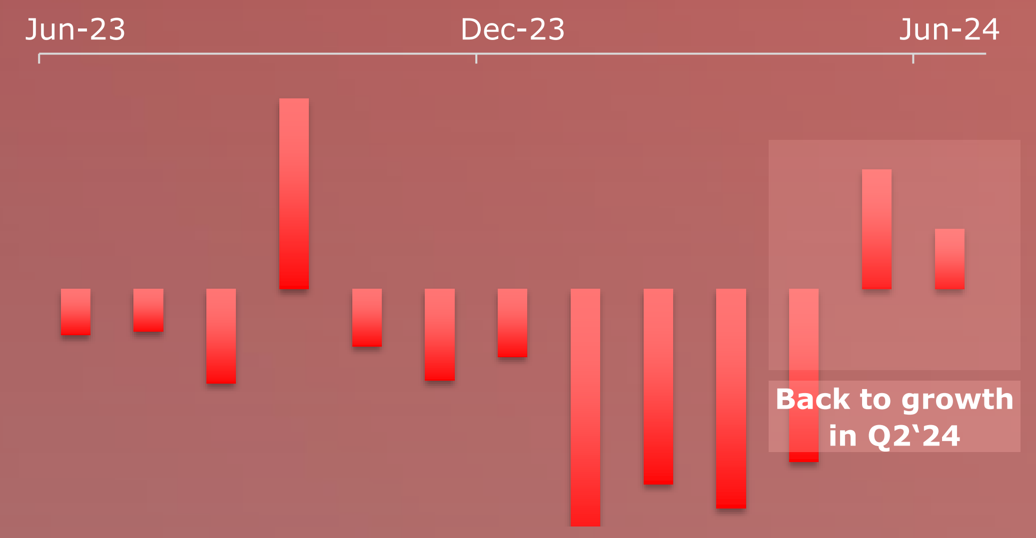
Net adds – Internet@home subscribers



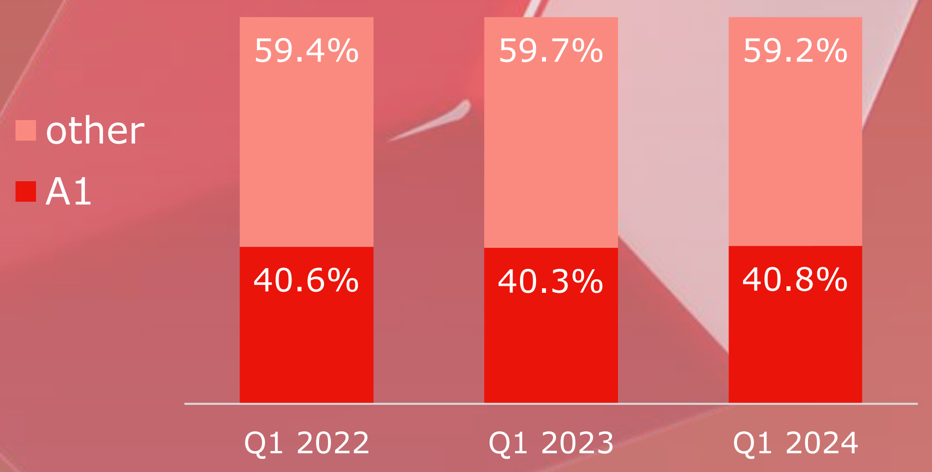
Service revenue drivers (excl. int. business)



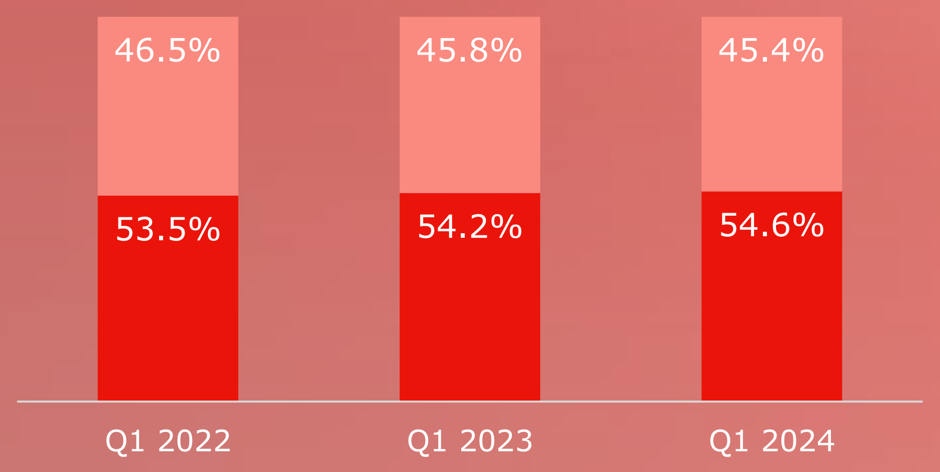
Net adds – mobile core subscribers



Revenue market shares increasing



Mobile service revenue market share



Fixed service revenue market share
(incl. Sol&Con, excl. fixed voice)

Accelerating internal transformation with a Competence Delivery Center (CDC)

- Repurposing costs (indirect to direct) to exploit opportunities & invest in the market
- One CDC with different delivery centers (DCs), from 7 local to 1 international team

Short-term

- Efficiency gains and employee cost reduction
- Insourcing and external workforce reduction

i.e.

- Employee cost reduction:

~25% of addressed scope till YE 2026

Mid- to long-term

- Synergies through process and tool harmonisation and automation leading to efficiency gains in CDC

i.e.

- Network operations center reduction of tools & systems:

>300 to <100

Out look

Guidance 2024

Total revenues	+3-4%
CAPEX (excl. spectrum)	Around EUR 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:** The Annual General meeting on June 27, 2024 approved a dividend of EUR 0.36 per share (previous year: EUR 0.32).

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

EUR 2.8 bn plus frequencies

Dividend baseline

EUR 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 June 30, 2024

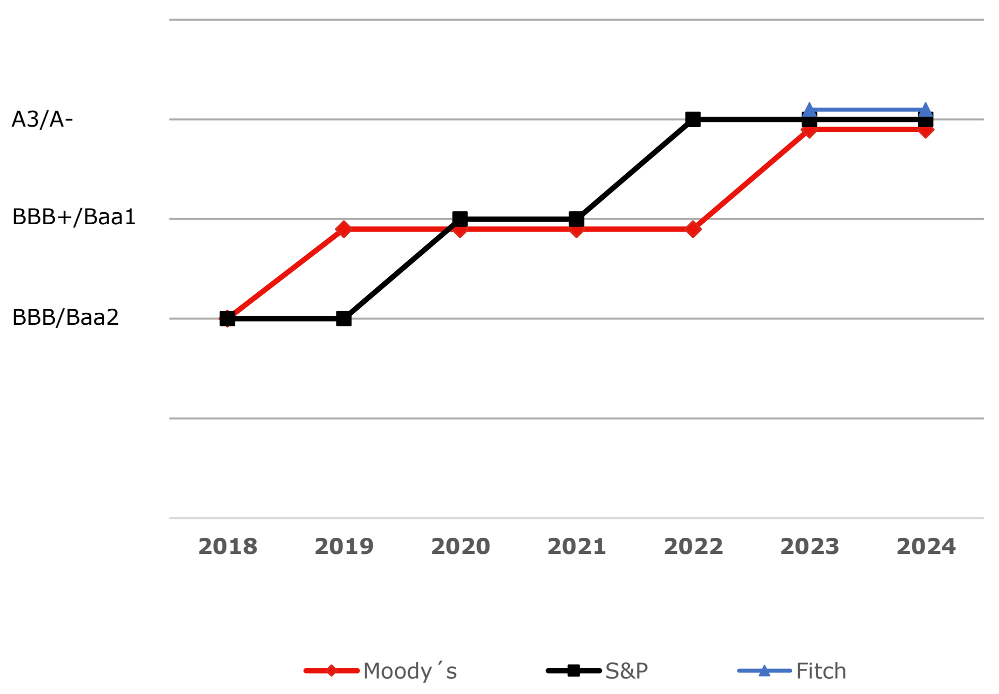
Overview (June 30, 2024)

- Total financial debt: EUR 748 mn
- Average cost of debt: 1.50%
- Cash & cash equivalents: EUR 271 mn
- Avg. term to maturity: 2.44 years

Lines of credit (June 30, 2024)

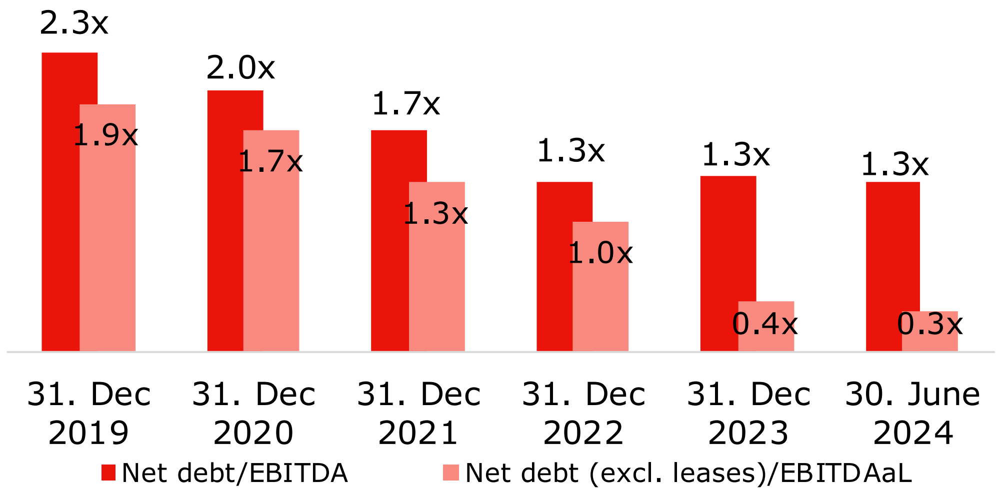
- Total committed lines: EUR 1,315 mn
  - Average term to maturity: 1.76 years
- Undrawn committed credit lines: EUR 1,315 mn

Credit ratings

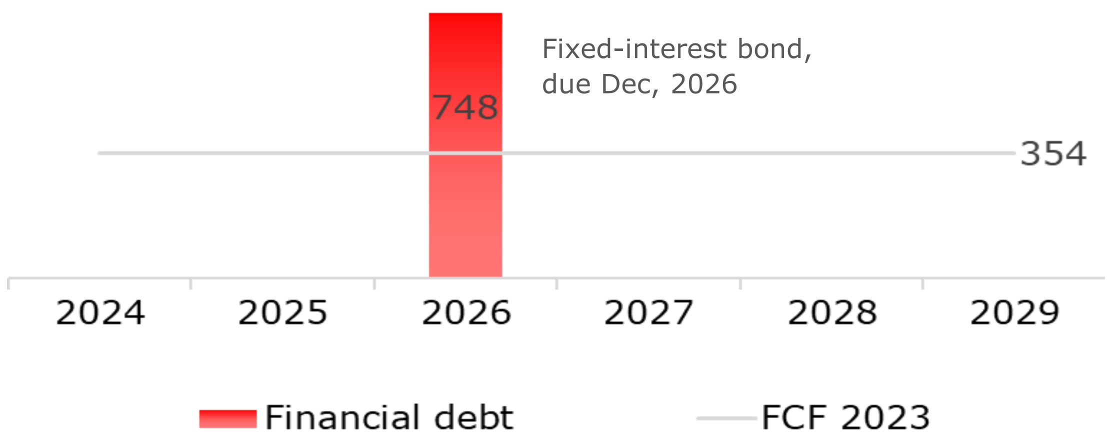


- Fitch assigned A- in June 2023 (initial rating, best European telco)
- S&P confirmed A- in 5/2024
- Moody’s assigned A3 in 12/2023

Net debt/EBITDA



Debt maturity profile (June 30, 2024)



Thank you