



A1 Capital Markets Day

5 September 2023

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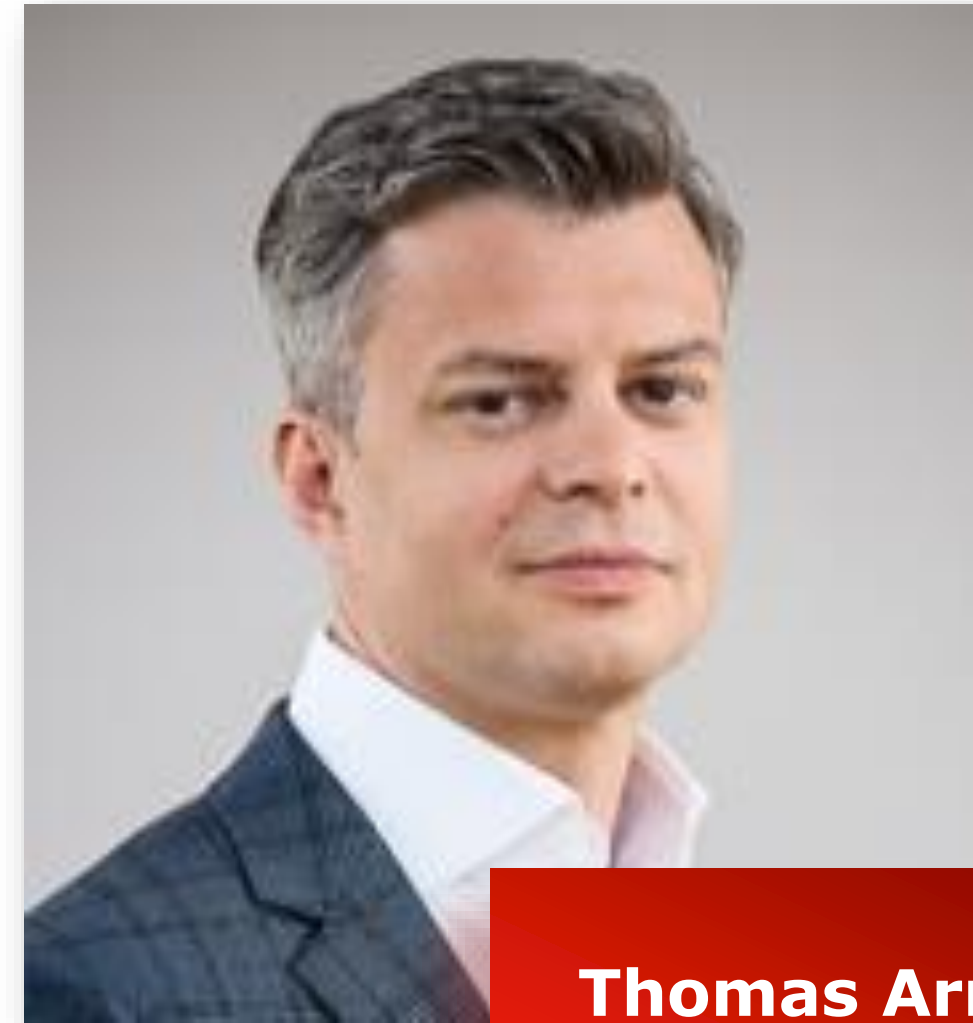
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A1 Group Management Board



Alejandro Plater
A1 Group
CEO



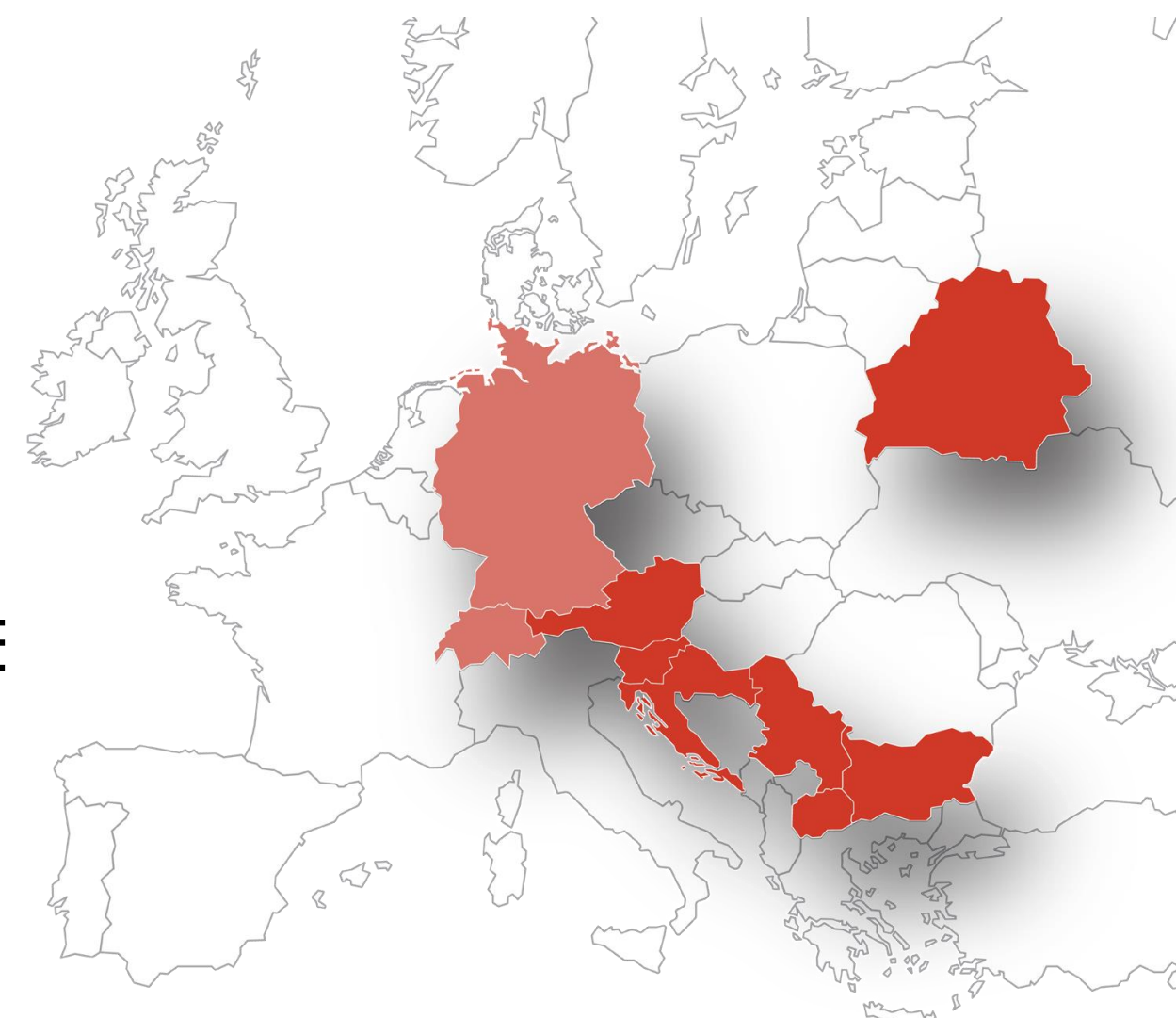
Thomas Arnoldner
A1 Group
Deputy CEO

Agenda

A1 Group	A1 Investment Profile	09:00 - 10:00 (CEST)
	Transaction Background and Rationale	
	Impact on A1	
<i>Break</i>		
EuroTeleSites	Introduction to EuroTeleSites	10:15 - 12:00 (CEST)
	Key Investment Highlights	
	Business Overview	
	Financial Overview	

A1 in a nutshell

- The leading telco across Austria and CEE
- Well-balanced performance: stability in Austria, growth in CEE
- Strong growth, solid balance sheet
- Sustainable dividend policy, well covered by FCF
- Among the best-rated European Telcos by S&P and Fitch



€5.0 billion

€1.8 billion

27 million

18 thousand

Revenues FY 2022

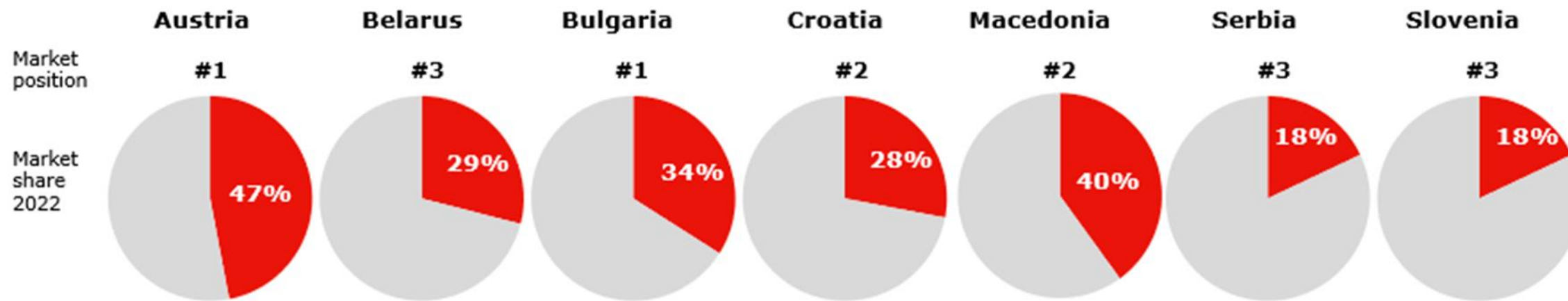
EBITDA FY 2022

Customers in 7
core markets

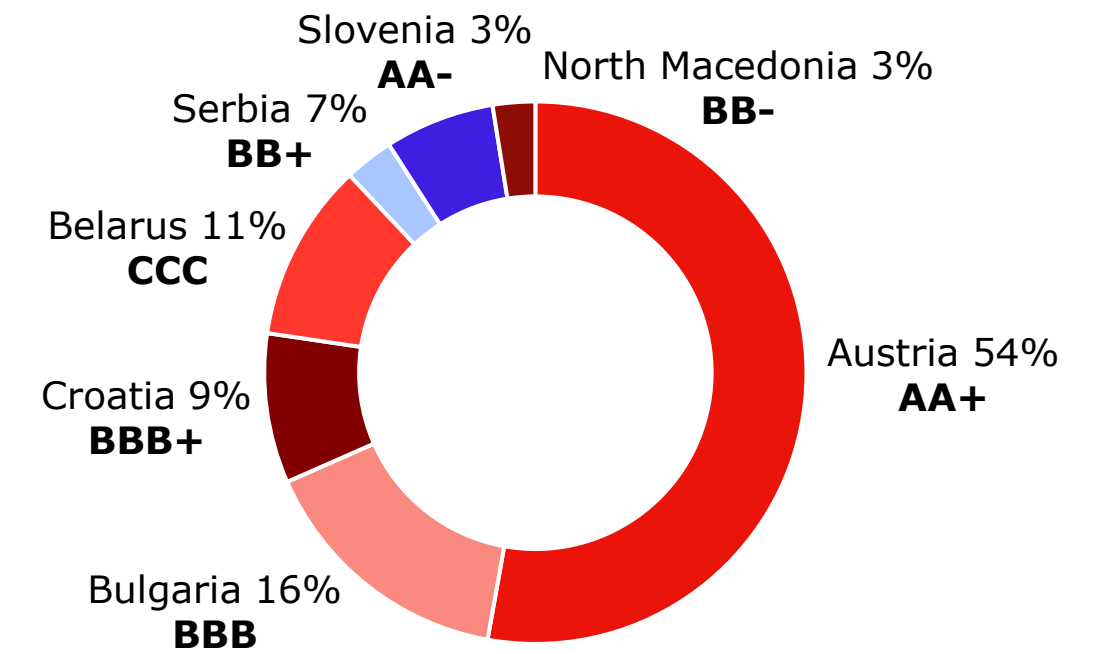
Employees (FTEs)

A1 grows in the footprint...

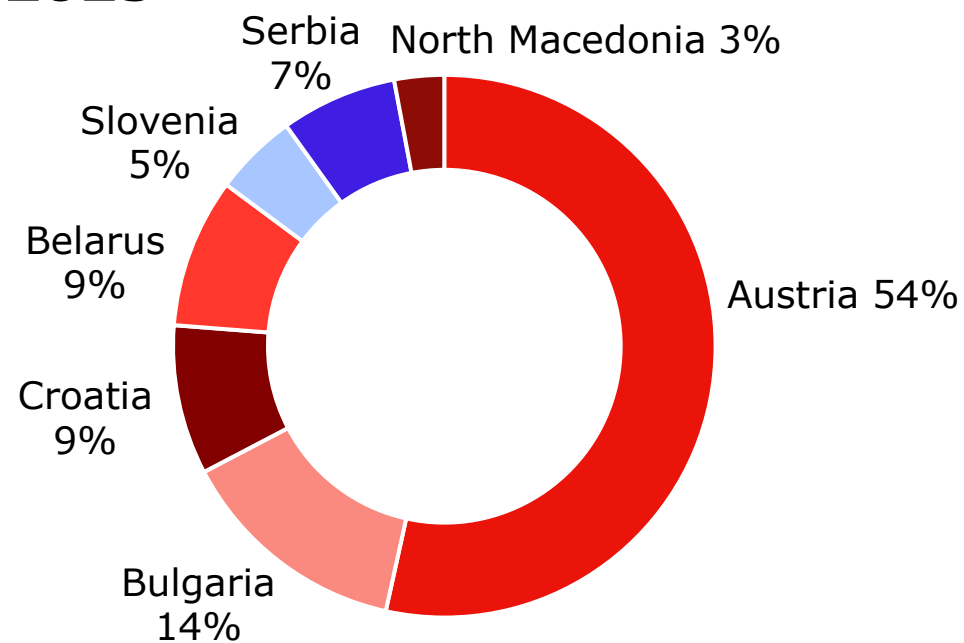
Revenue Market Shares⁽¹⁾



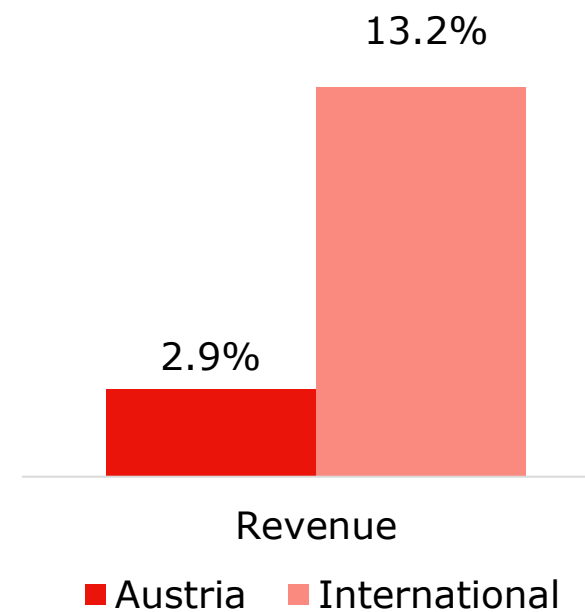
EBITDA H1 2023⁽⁴⁾



Revenue H1 2023⁽²⁾



Growth Profile⁽³⁾



80% of EBITDA in IG-rated countries

6 Source: S&P Credit Rating Reports, Economic Intelligence Unit, Company Filings. Notes: Based on TKA 2022 reported results. (1) Total Revenues excl. OOI. Source: Company internal sources based on companies' external reports. (2) Corporate & other, elimination adds up to 1%. (3) Y-o-Y growth from H1 2022 - H1 2023. (4) Corporate & other, elimination adds up to 3%.

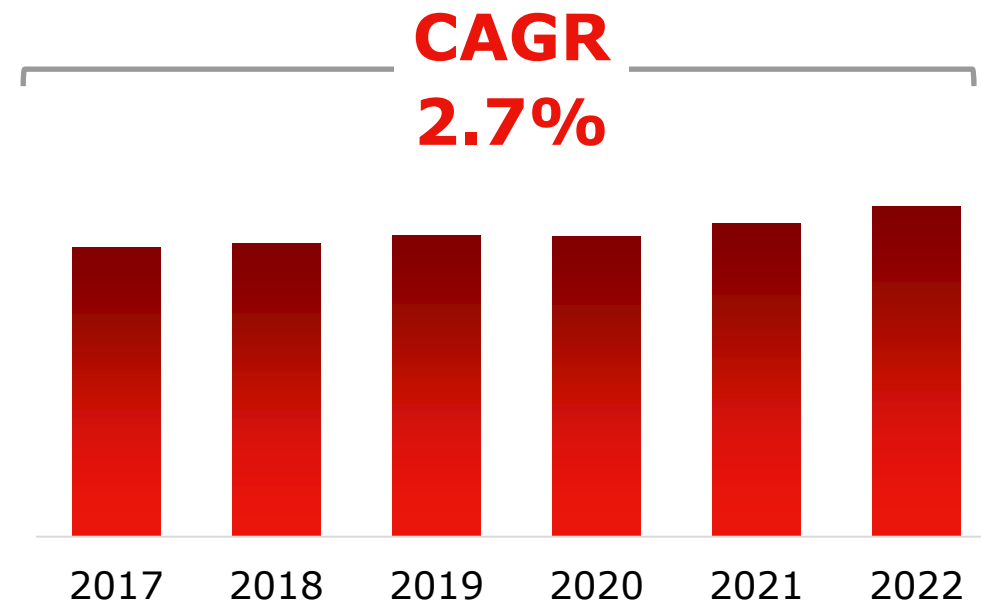


A1

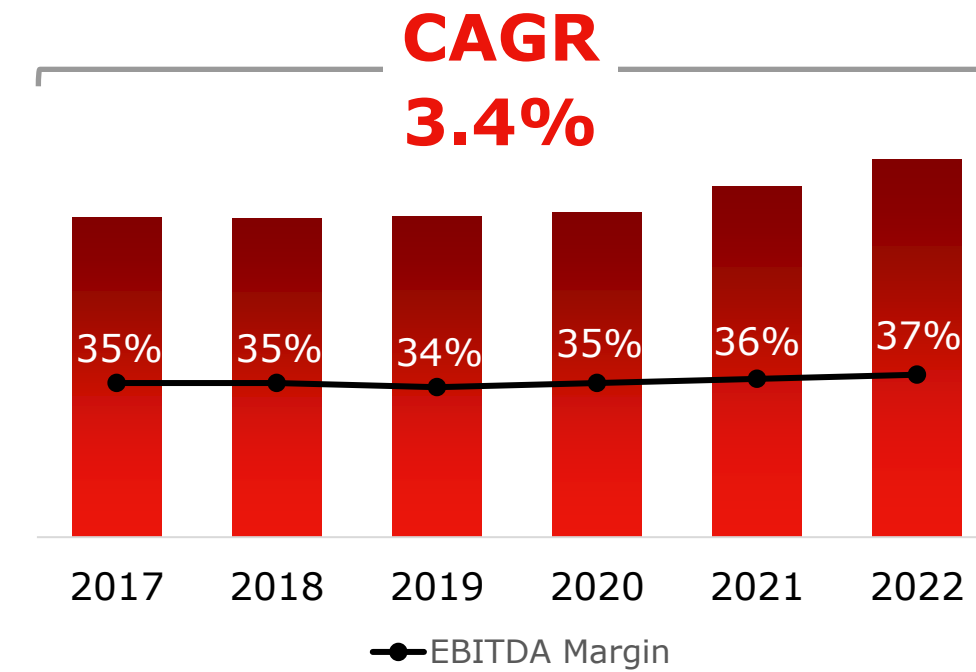
**Let's take a look
back**

...that is reflected in key financials...

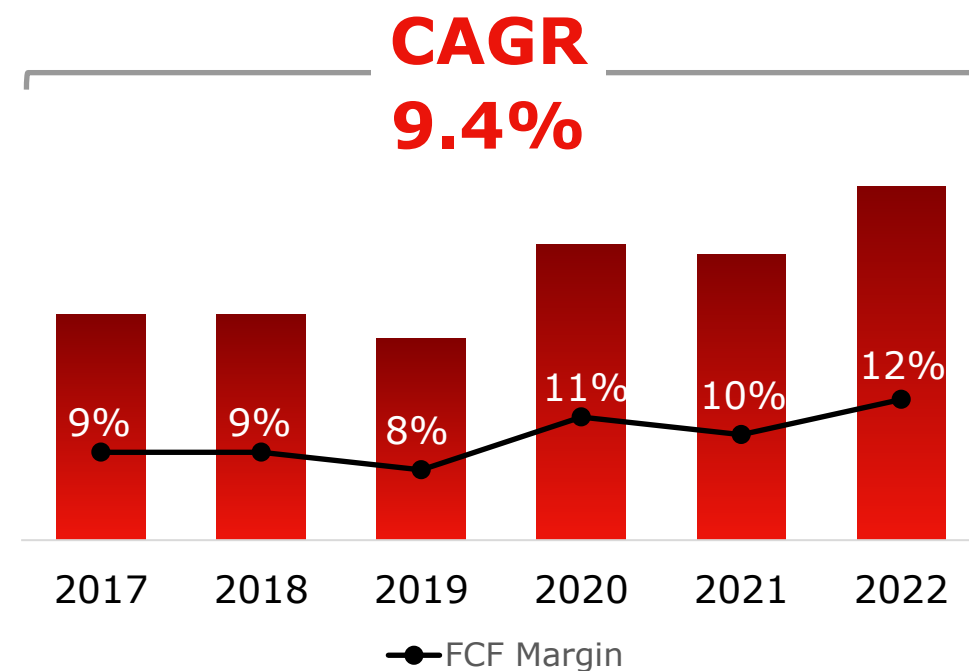
Revenue



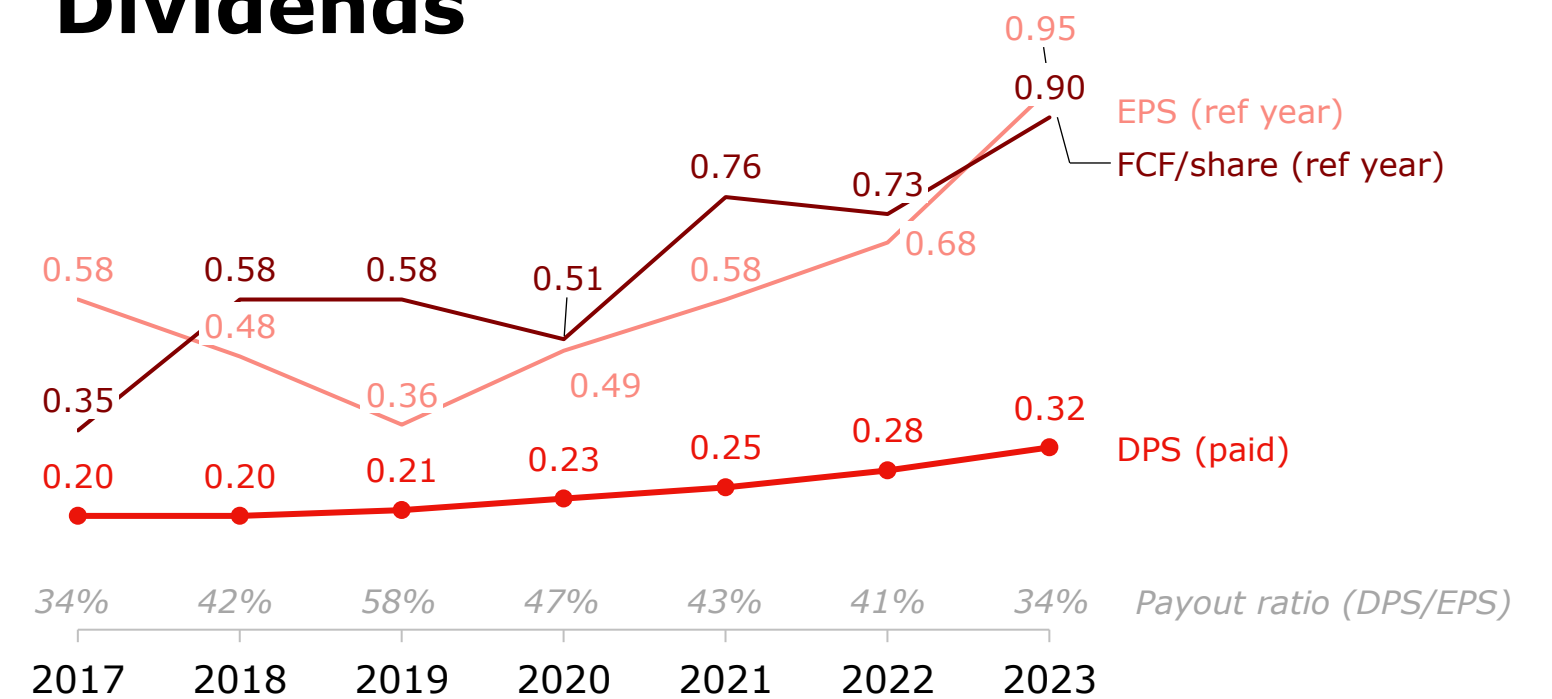
EBITDA



Free Cash Flow



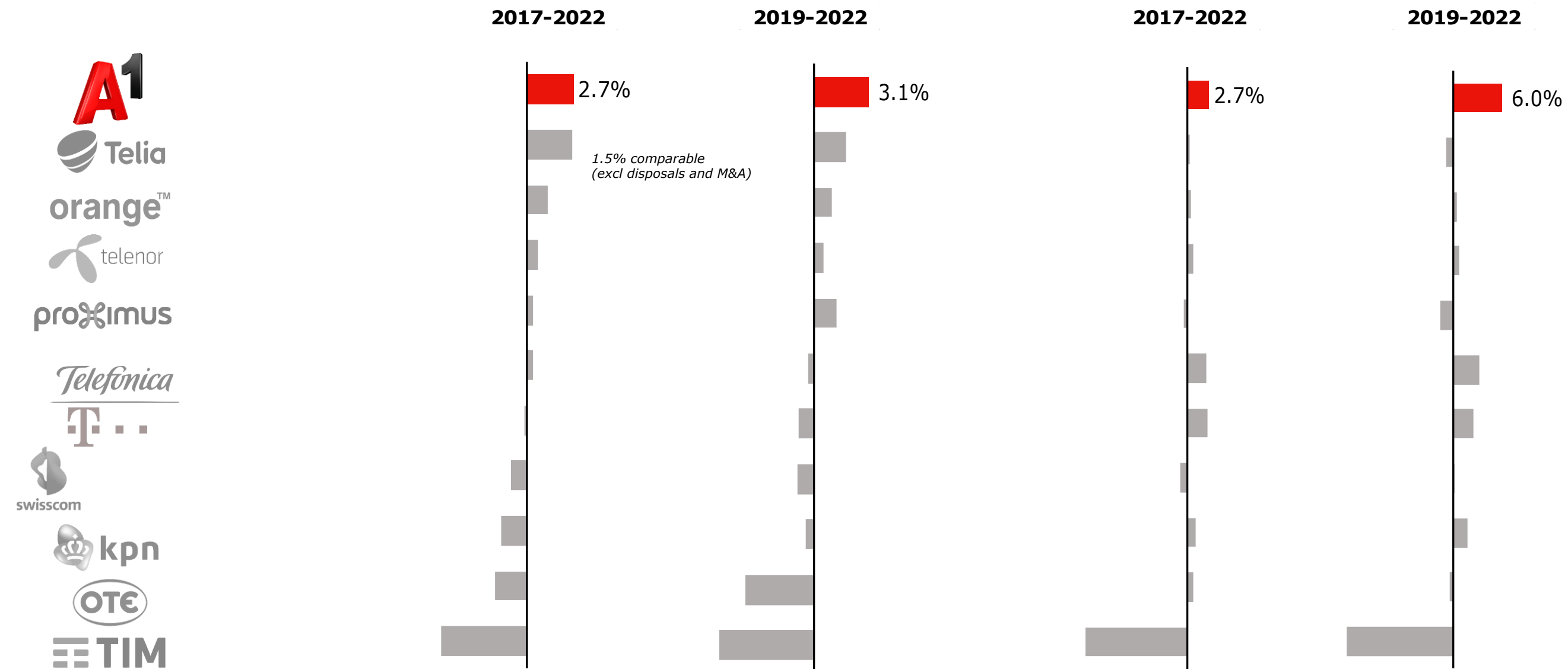
Dividends



...as well as in the benchmarking among European peers.

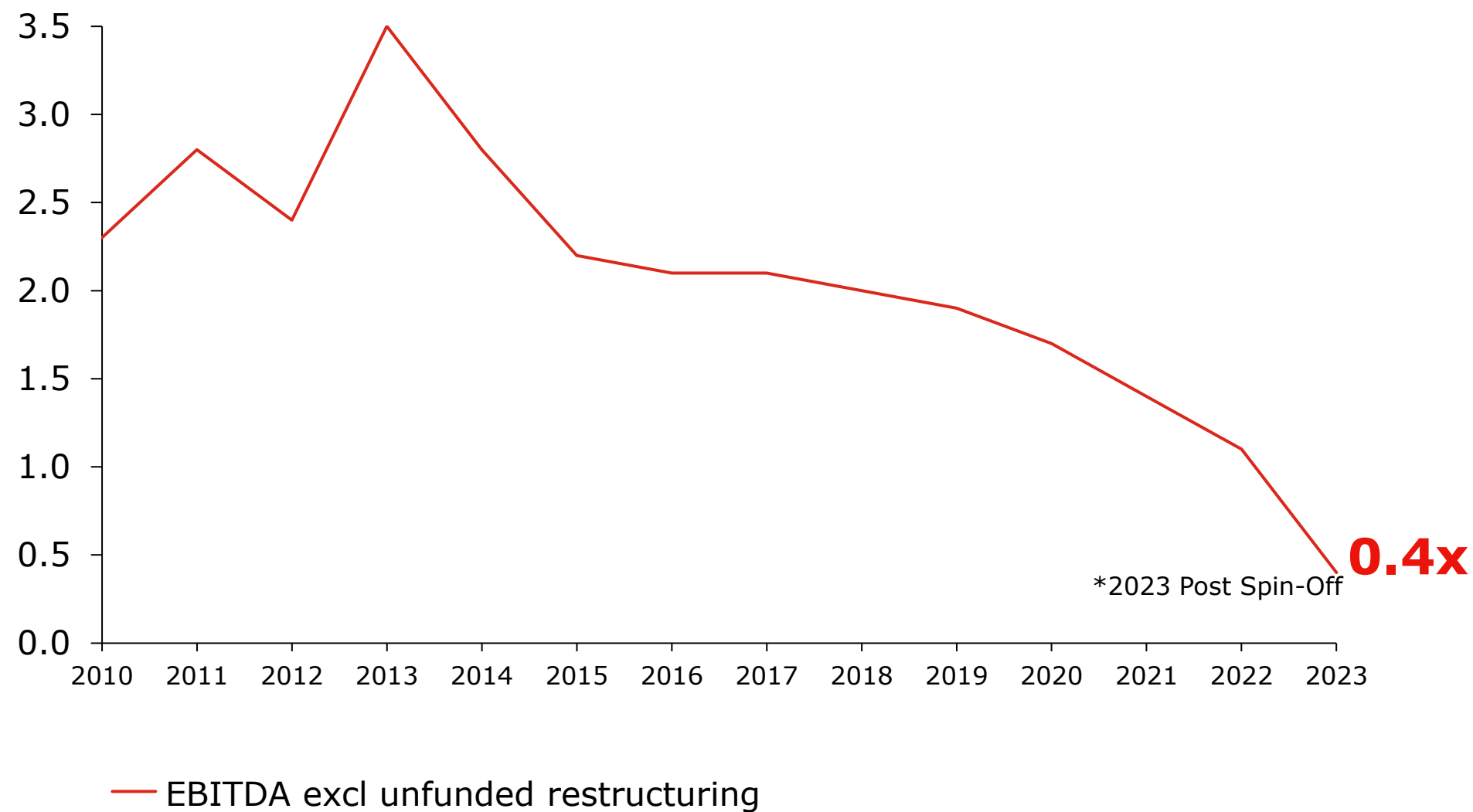
Revenues, CAGR

Adj. EBITDAaL, CAGR

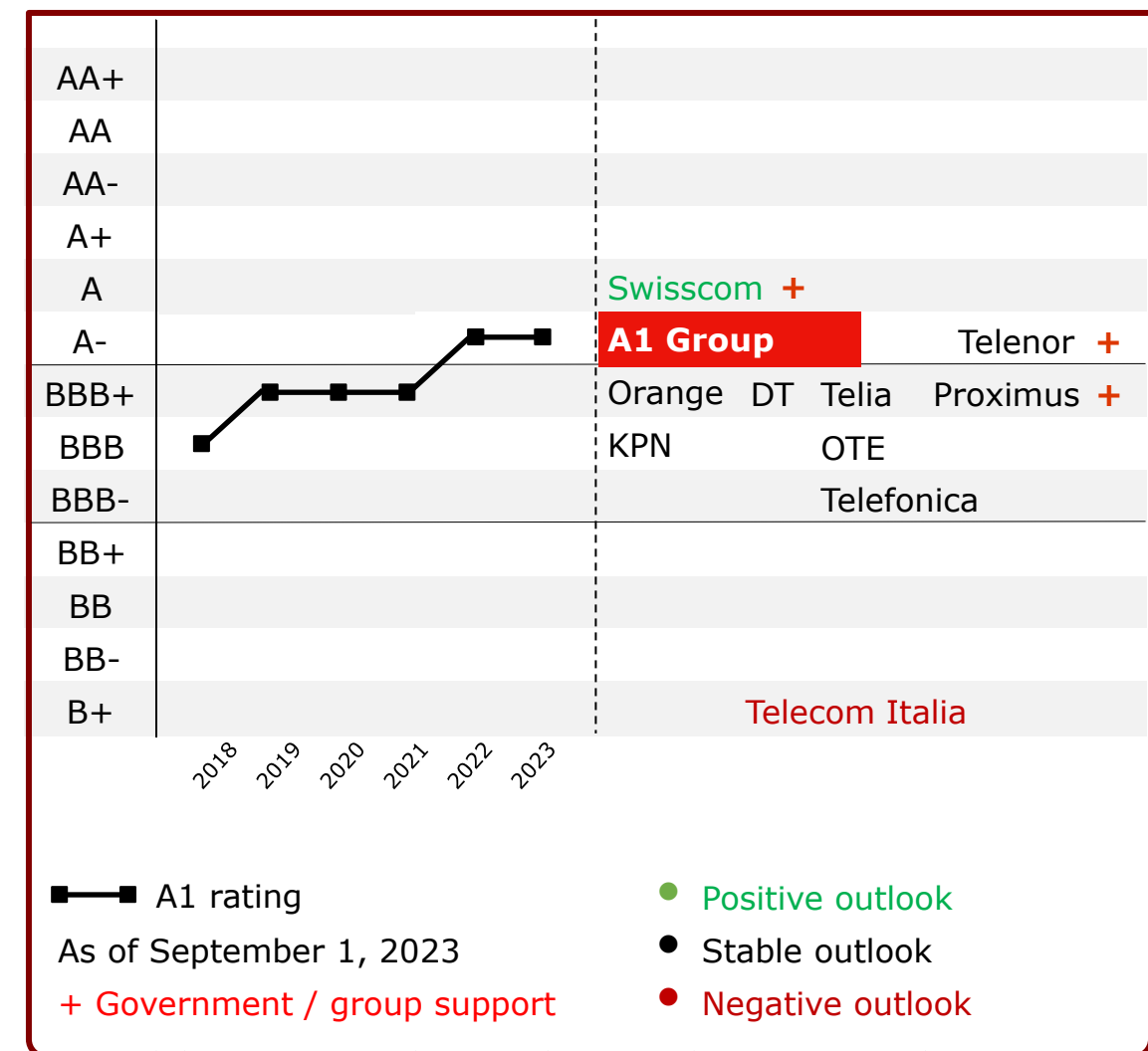


A1 has decreased debt significantly

Net Debt/EBITDA



Standard & Poor's Credit Rating



A1

Key Performance Drivers

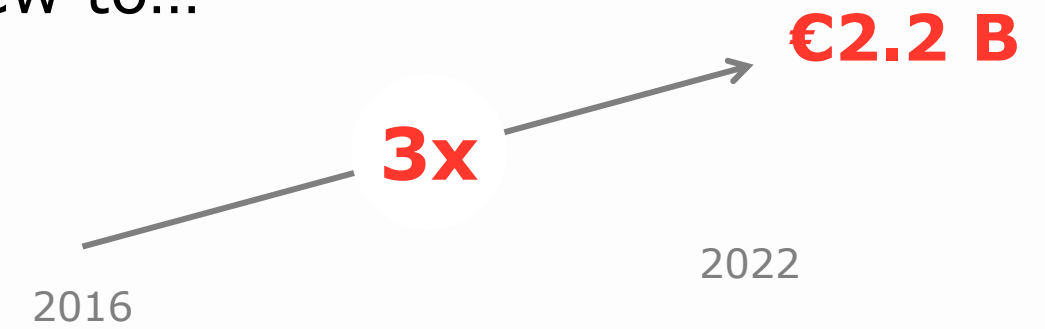
Key performance drivers



Unified Brand | Creating a stronger asset to scale up



A1 Brand Value grew to...



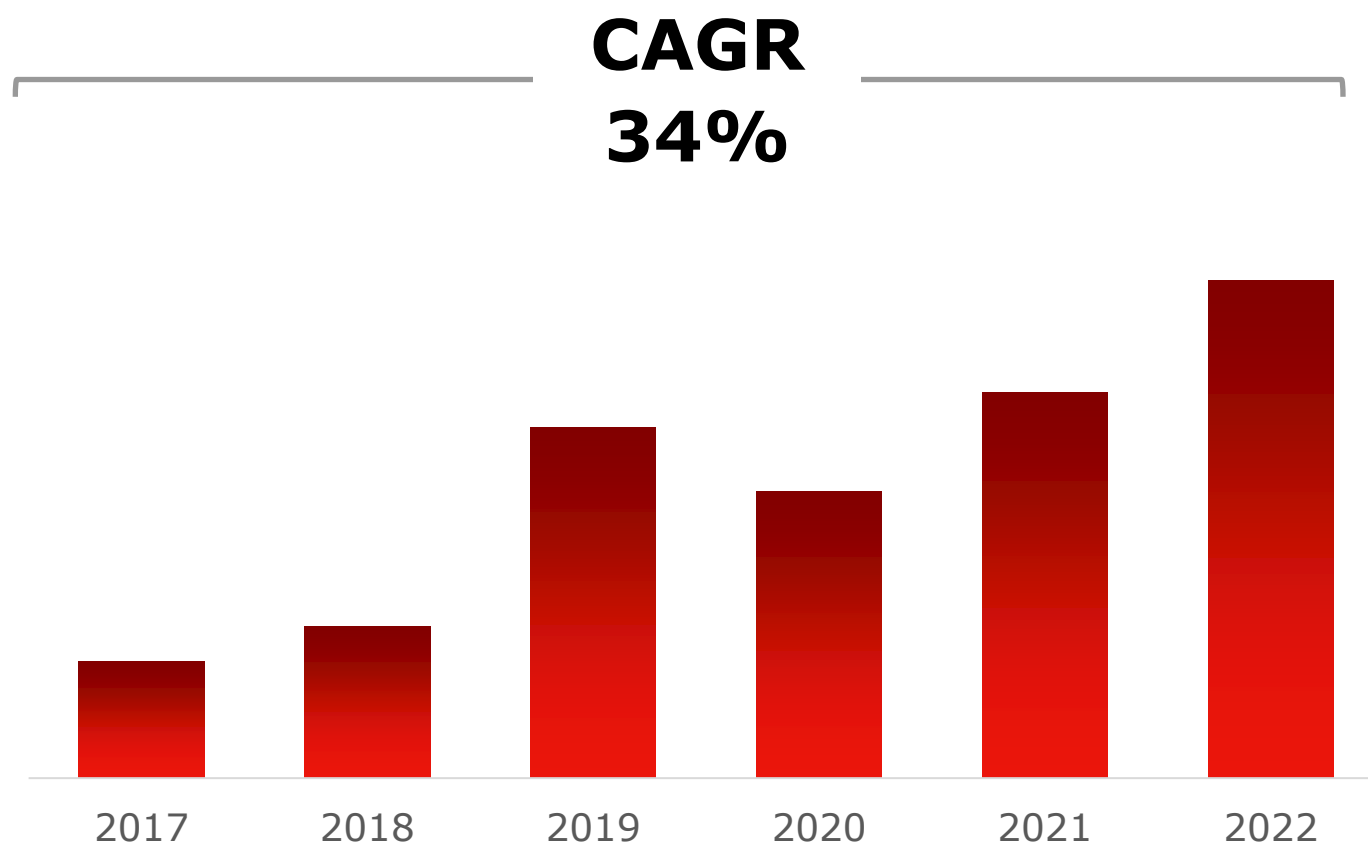
<p>#1 ↻1</p> <p>Red Bull</p> <p>€5.9 B (-14.3%)</p>	<p>#2 ↻2</p> <p>ERSTE</p> <p>€2.8 B (+27.5%)</p>	<p>#3 ↗4</p> <p>A1</p> <p>€2.2 B (+28.9%)</p>	<p>#4 ↘3</p> <p>Raiffeisen BANK</p> <p>€2 B (+13.7%)</p>	<p>#5 ↻5</p> <p>OMV</p> <p>€1.7 B (+2.7%)</p>
<p>#6 ↻6</p> <p>WIENER STÄDTISCHE VIENNA INSURANCE GROUP</p> <p>€1.3 B (+16.1%)</p>	<p>#7 ↻7</p> <p>ÖBB</p> <p>€1.1 B (+15%)</p>	<p>#8 ↻8</p> <p>STRABAG</p> <p>€1.1 B (+28.5%)</p>	<p>#9 ↻9</p> <p>ANDRITZ</p> <p>€0.9 B (+10.4%)</p>	<p>#10 new</p> <p>OSRAM</p> <p>€0.8 B (+0%)</p>

B2B Digital | Growing 34% p.a.

Overview

A1 Digital Service Revenues

Segment view



Use-case

IoT Telematic devices



Rail Cargo Carrier
Member of ÖBB

Customer: Austrian Federal Railways Freight Division

A1 Solution:

- IT platform for
 - position detection, motion sensors, and impact detection,
 - covering **16.000 wagons**.
- As a result, improved maintenance coordination.

Commercial Excellence | Staying focused

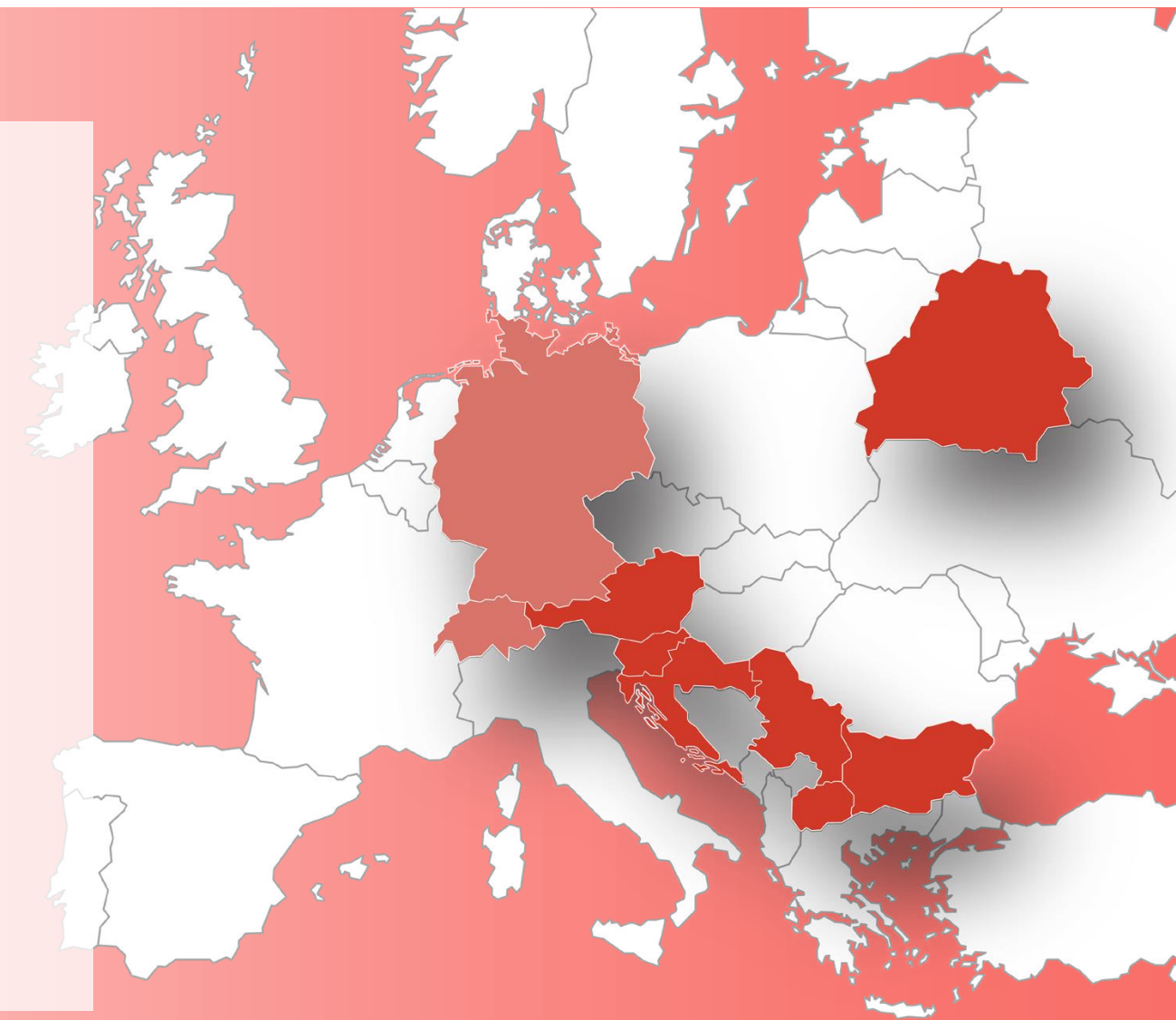
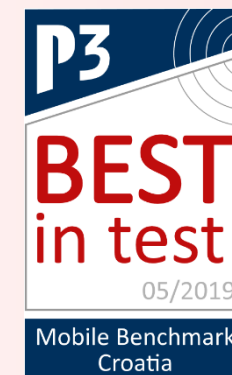
1 Upselling the Base

2 Best Mobile Network

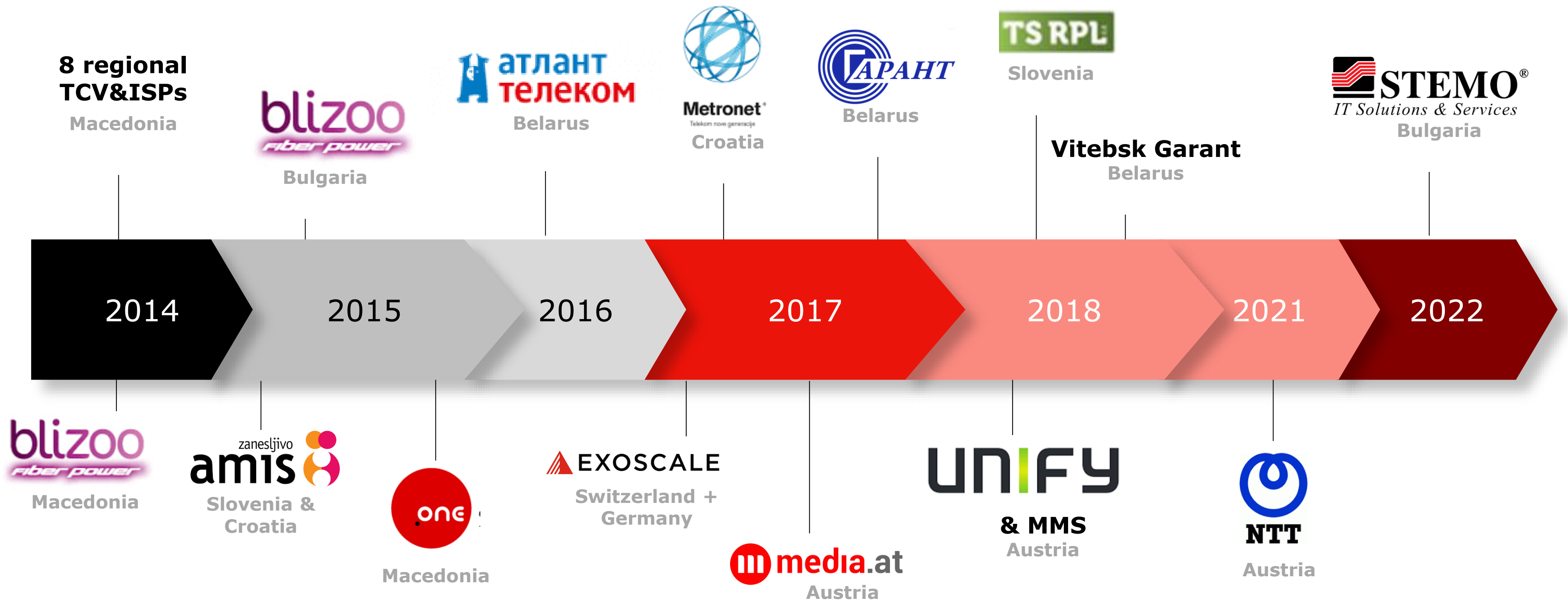
3 Internet@Home (Fiber + Cubes)

4 Targeted M&A to complement offering

Network Awards & Benchmarks



€ 500 mn in Targeted M&A



One Company | Constant transformation for performance excellence

1 One to all approach

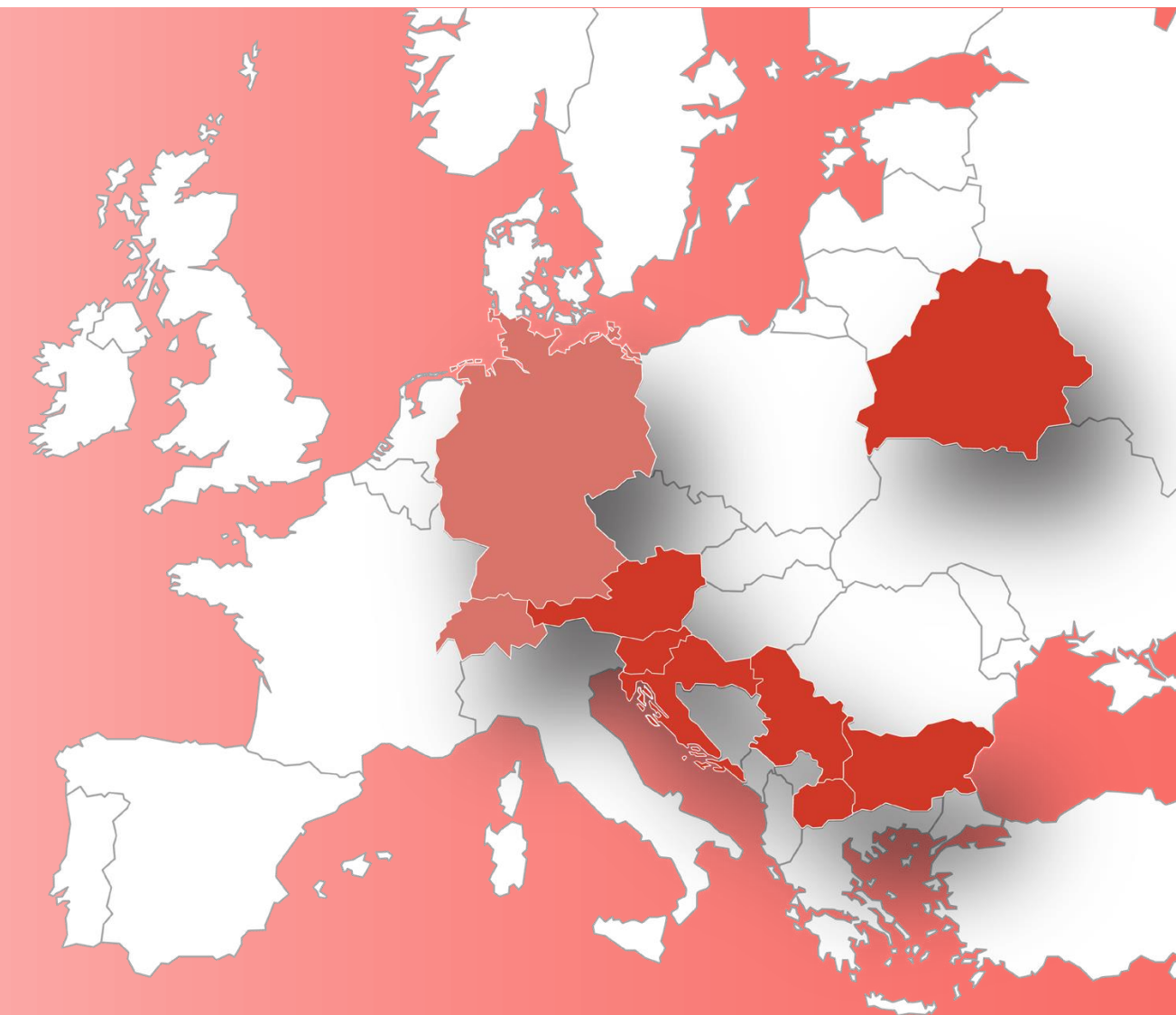
- e.g. TV platform, IoT portfolio, data2impact

2 From silos into expertise hubs

- e.g. One Security, Cloud

3 Standardized back-end for supporting systems

- e.g. OneSAP, Workday



A1

Our way forward

Empowering Digital Life

Evolve the **core**

From Network to
Connectivity Plus

From Product driven to
Customer Journey focused

Operation to the Cloud
to simplify and modernize

**... to stay relevant
for customers**



Explore the **new**

Scaling-up the Portfolio

Develop Eco-systems and
Partnerships to enrich
Capabilities

Expertise Hubs to master
Execution

**... to discover new
growth opportunities**

Brand

ESG

Security

To stay relevant for our customer

CONSUMER

Trend

Increasing demand for **data**
and customer's demand for
personalized offers

Data growth
CAGR 2017-2022
46%⁽¹⁾

BUSINESS

Trend

Increasing demand for
managed services

Managed Services
Global Market Growth
2021-2026
8%⁽²⁾

A1 Focus

From product to
Customer Journey...

From product to
Managed Everything...

Sources: (1) Statista, Ericsson Mobility Report. (2) Managed Services Market worth \$354.8 billion by 2026 - Exclusive Report by MarketsandMarkets™ (prnewswire.co.uk).

From Product to Customer-driven

FROM

PRODUCT
(Price, feature, technology)

1

Revenue/Margin Increase
(Short-term, Product-Push)

2

Different Working Models
(Waterfall & Agile)

3

Classic Marketing
(With stringent product focus)

4

Strict separation of new customers and base

5

One-fits-all Customer Communication
(Mainly above the line communication)



TO

CUSTOMER JOURNEY
(Away from comparability, more relevance for the customer)

Customer Lifetime Value
(Long-term, Value- & Usage-Push)

End2End Responsibility
(Change of working with experimentation instead of "hypotheses")

Future Marketing Approach
(With strong focus on data and customer needs)

Overall Consumer Responsibility

1:1 Customer Communication
(Stronger focus on BTL, based on customer needs and preferences)

Empowering Digital Life

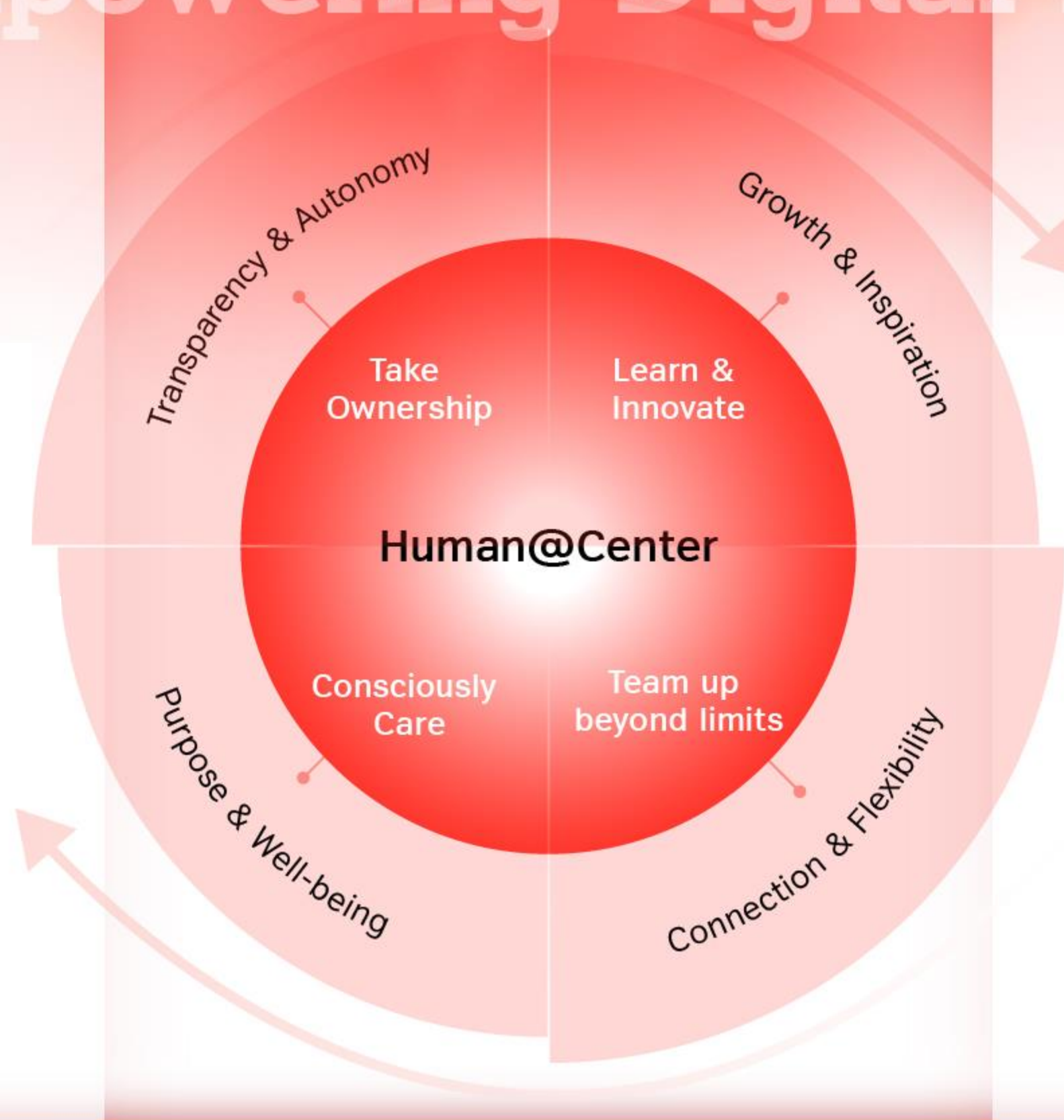
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Expertise Hubs to master
Execution

**... to discover new
growth opportunities**

Brand

ESG

Security

Connectivity+ | Improved perceived quality

A1 Customers



A1

**Resulting in our
A1 Ambition**

A1 Ambitions 2024-2026

Revenues

3-4%
increase p.a.*

EBITDA

4-5%
increase p.a.*

CAPEX

€ 2.8bn
plus frequencies

Dividend Baseline

€ 0.32

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

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Going beyond the integrated Telco market | Scale and complexity

Scale

Hyperscalers/OTTs

25% Revenue CAGR ('10-'20) **25%** OCF Margin ('20) **30x** EV/EBITA ('20)

facebook NETFLIX
 Microsoft Google

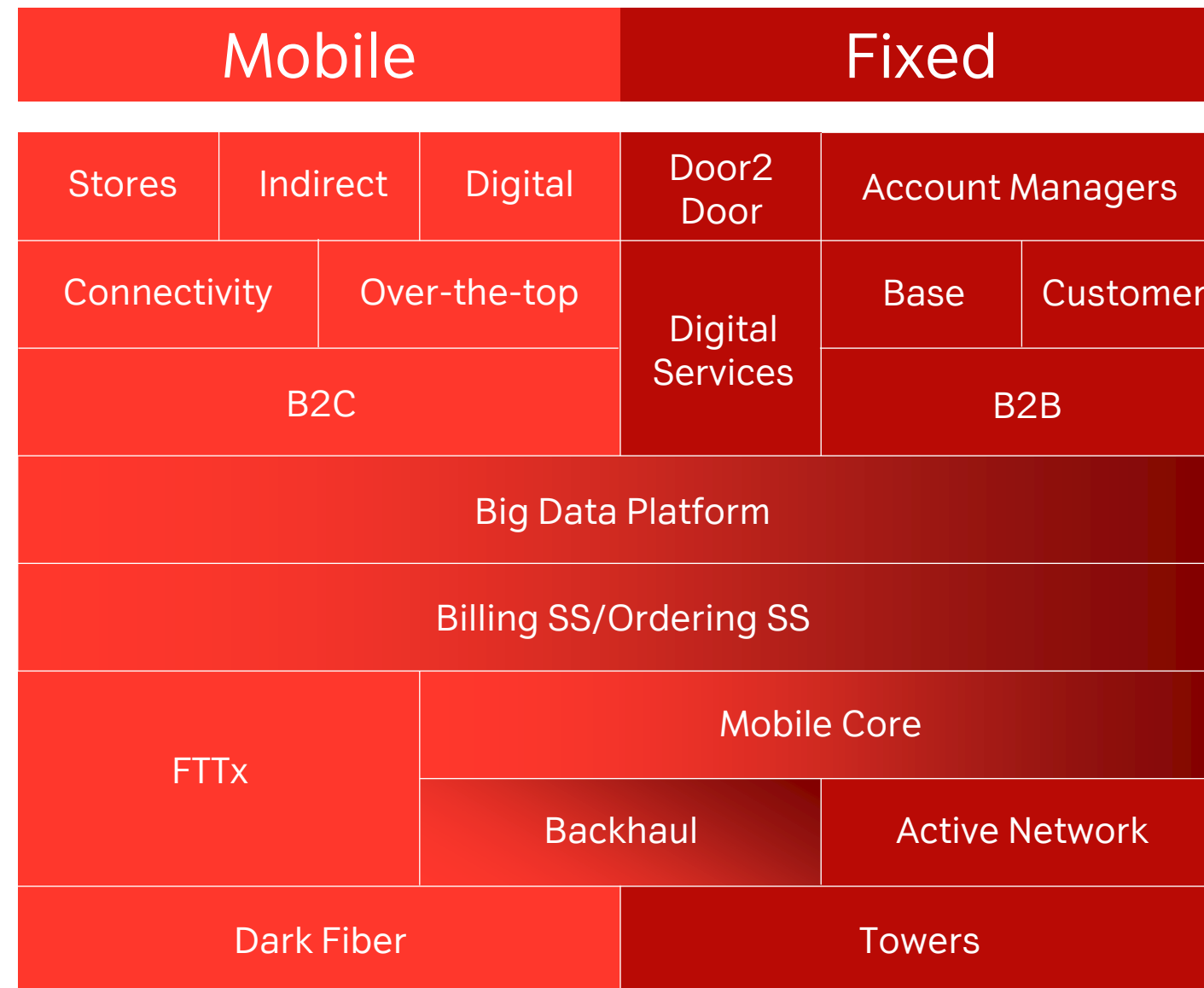
Complexity

InfraCos

14% Revenue CAGR ('10-'20) **36%** OCF Margin ('20) **27x** EV/EBITA ('20)

CROWN CASTLE AMERICAN TOWER
 CETIN cellnex

Integrated Telco



1% Revenue CAGR ('10-'20) **12%** OCF Margin ('20) **7x** EV/EBITA ('20)

Scale

ICTs

9% Revenue CAGR ('10-'20) **12%** OCF Margin ('20) **16x** EV/EBITA ('20)

Infosys Capgemini
 accenture Cognizant

Complexity

Light Attackers

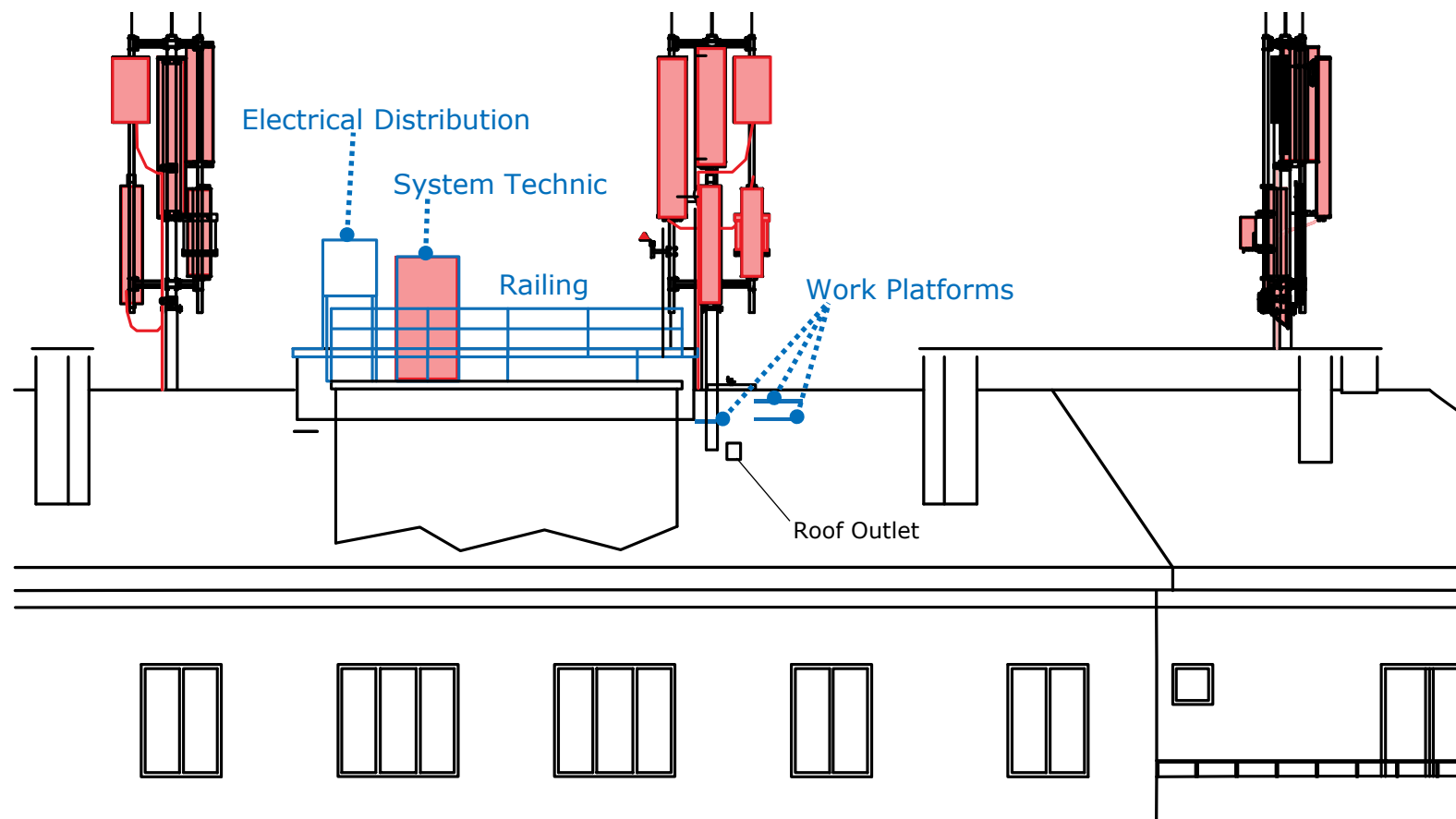
17% Revenue CAGR ('10-'20) **11%** OCF Margin ('20) **8x** EV/EBITA ('20)

CIRCLES.LIFE giffgaff TESCO mobile

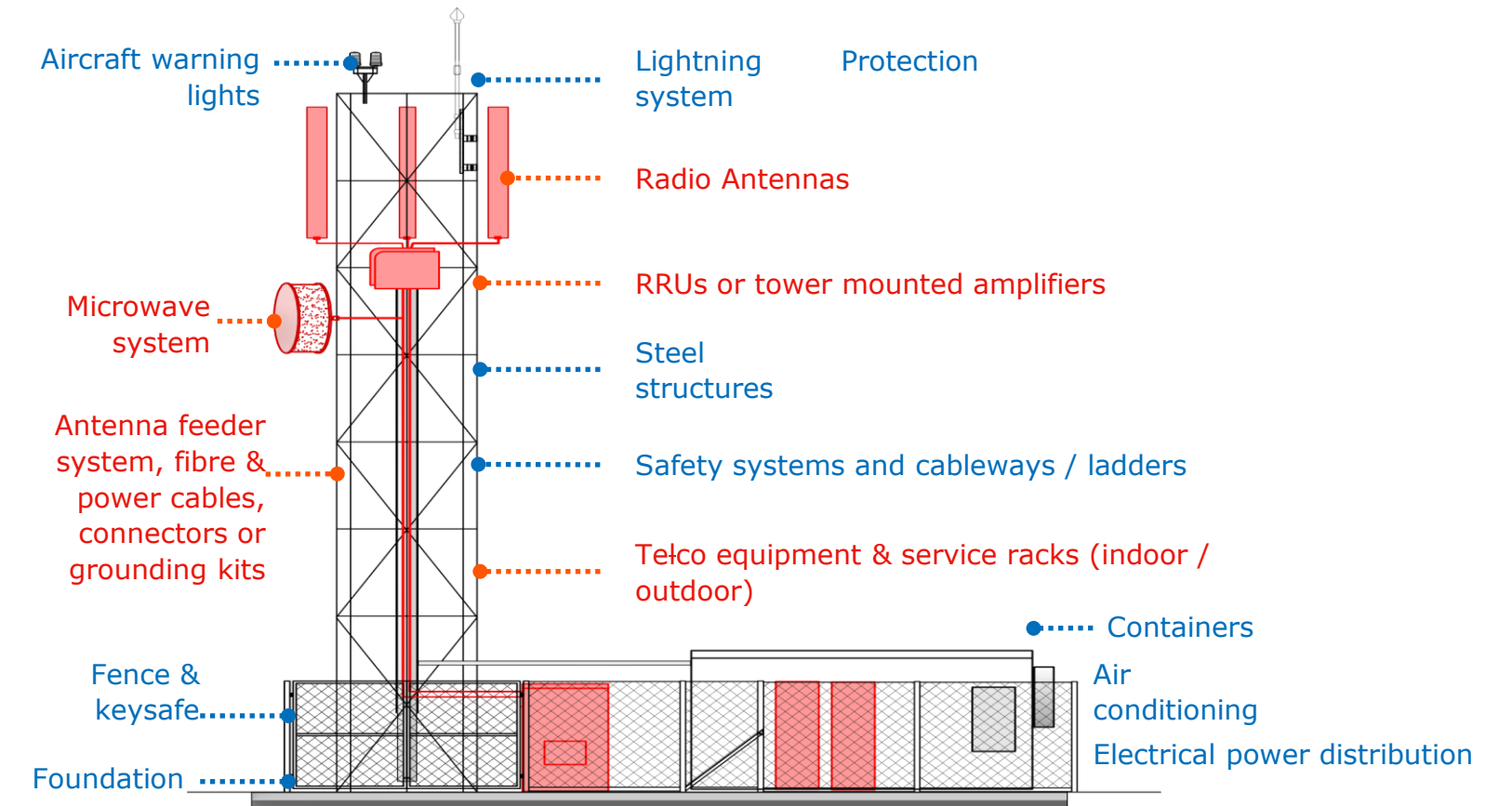
What is included in the Transaction

- Passive Infrastructure > Transferred to EuroTeleSites
- Active Infrastructure > Retained by A1







Site on rooftop



Site on the ground

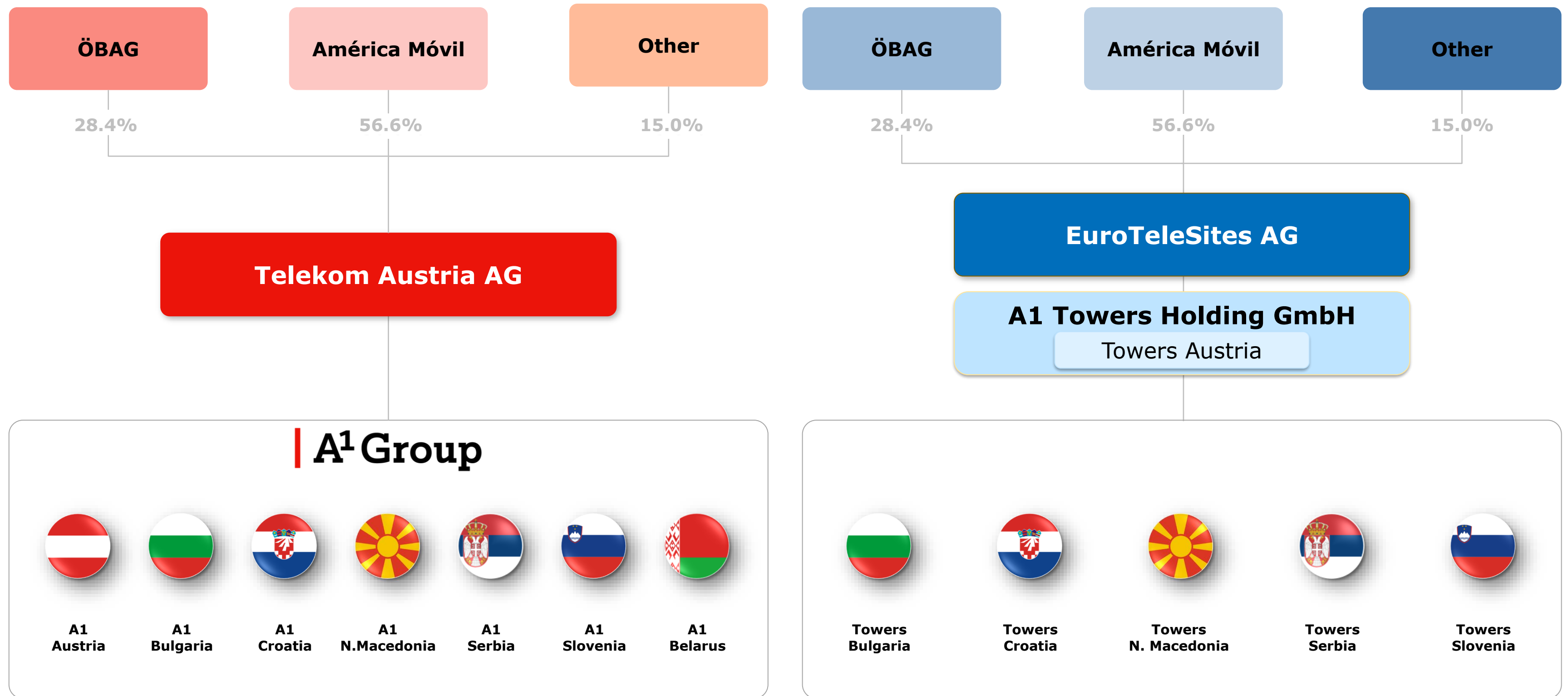


Portfolio Sites (as of June 30, 2023)

	 Austria	 Bulgaria	 Croatia	 Serbia	 Slovenia	 N. Macedonia	Total
# Macro Sites	6,098	2,729	1,540	1,620	754	484	13,225
# Micro Sites	1,418	--	54	--	--	--	1,472
Total	7,516	2,729	1,594	1,620	754	484	14,697

Situation Post Proportionate Spin-off

(simplified representation)



Transaction Rationale | Advantages for main stakeholders



- **Focus** on core telecoms business
- Efficient **budget allocation**
- **Reduction of financial liabilities** by € 1 bn



- Increased **flexibility** to drive commercialisation
- Leaner structures for **efficient management**
- **Independent** company



Shareholders

- **Higher multiples**
- A1 with **sustainable dividend policy**
- EuroTeleSites is strongly **deleveraging** A1
- A1 and EuroTeleSites with **robust free cash flows**

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Impact on A1 Group

Balance Sheet



- **Financial debt** reduction by **€ 1 bn**
- **Total assets +7%**
- **Net debt (excl. leases)/ EBITDAaL** decreases to **0.4x**
- **Net debt (incl. leases)/ EBITDA** increases to about **1.3x**

Profit & Loss



- **Revenue -0.2%** from transfer of third-party tower rentals to EuroTeleSites
- **EBITDA +1%** due to Opex into leases
- **EBITDAaL -11%** IFRS 16 (leases) impact
- **EBIT -9%** from lower D&A
- **Net result -14%** due to lower interest on financial debt, higher interest on ROU assets, slight reduction of income tax

Cash Flow



- **Free cash flow** lower by **€ 60 mn** p.a (average)

One-time negative effect on EBITDA Q3 2023

~ € 36 mn
in stamp tax for lease contract in Austria

Future Legal Relationship

A1 will remain closely associated with EuroTeleSites as its anchor tenant

- **Contract Duration:** indefinite, however, termination is possible
 - by **A1** at the end of the 8th, 16th, 24th contract years
 - by **EuroTeleSites** for the first time at the end of the 24th contract year
 - by **both parties** at the end of a calendar year following the 24th contract year (with a 36-month notice period)
- **Inflation protection**
 - Rent and other price elements to be **85%** of CPI, subject to a cap of **3%** per year
 - Prices for steel components to be adjusted according to the **steel price index**

Providers

- A1 is **free to choose** tower providers, whether EuroTeleSites or 3rd TowerCos
- However, **A1** currently plans to roll out **c.1,000 sites** with EuroTeleSites over the next **5 years**

Services

- A1 will temporarily provide certain services to EuroTeleSites at **arm's length prices** (e.g., SAP-related matters)

Buyback right

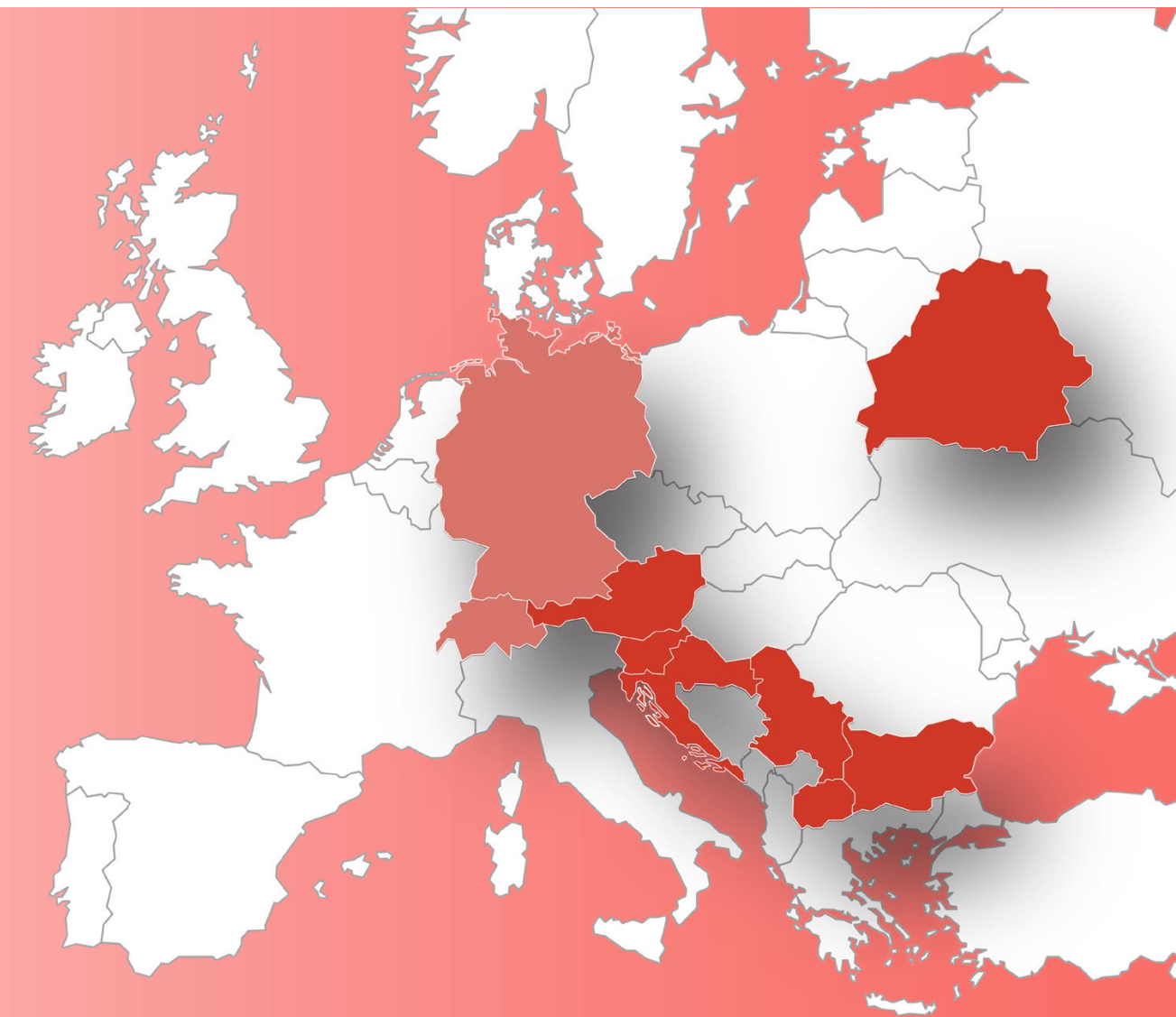
- For A1 on a country-level basis in the event of operational or financial difficulties e.g. certain difficulties threatening the existence of the company or any EuroTeleSites opco

To sum it up...

1 Best performing Telco in Europe

2 Committed growth strategy moving forward

3 Towers transaction will add flexibility in capital allocation



A1

Q&A