



Report for the third quarter and first nine months of 2024

Highlights Q3

- ✓ Revenues: +2.1% versus Q3 2023, despite decline in equipment revenues.
 - ✓ Service revenues: +3.1%, driven by value-protecting measures and strong fixed-line performance in CEE.
 - ✓ OPEX: Operational increase in core OPEX resulting mainly from higher total workforce costs; higher restructuring costs almost levels out with one-off effects.
 - ✓ EBITDA: +5.1% to EUR 548 mn with a margin improvement from 39.3% to 40.4%.
 - ✓ Net result 1-9M: 1.3% lower on a proforma basis due to higher D&A and 11.8% lower on a reported basis due to additionally higher D&A for towers.
 - ✓ CAPEX: 21.2% lower yoy in 1-9M due to lower spectrum CAPEX and CAPEX savings.
 - ✓ Free Cashflow: +28.7% in 1-9M 2024 due to lower CAPEX and better operational result.
 - ✓ ESG Rating: A1 received Gold medal and is ranked top 3% in Ecovadis sustainability rating
 - ✓ Outlook confirmed: Total revenue growth of 3-4%, CAPEX ex. spectrum of around EUR 800 mn
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In this report, rounding differences may occur in the summing of rounded amounts due to the use of automatic calculation tools.

Please note that this report, besides reported values, also contains values on a pro forma basis, due to the towers spin-off in September 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.

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Key financial data

in EUR million	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Total revenues	1,354	1,326	2.1%	3,937	3,882	1.4%
Service revenues	1,151	1,116	3.1%	3,346	3,237	3.4%
Equipment revenues	180	189	-4.4%	524	578	-9.3%
Other operating income	22	21	6.6%	66	68	-2.5%
Wireless revenues	805	787	2.2%	2,330	2,300	1.3%
Service revenues	649	631	2.8%	1,872	1,818	3.0%
Equipment revenues	156	156	0.0%	458	483	-5.1%
Wired revenues	527	518	1.8%	1,541	1,514	1.7%
Service revenues	503	485	3.6%	1,475	1,419	3.9%
Equipment revenues	25	33	-25.5%	66	95	-30.7%
EBITDA before restructuring	569	536	6.2%	1,567	1,496	4.7%
EBITDA margin before restructuring	42.0%	40.4%	1.6pp	39.8%	38.5%	1.3pp
EBITDA ¹⁾	548	521	5.1%	1,506	1,443	4.4%
EBITDA margin	40.4%	39.3%	1.2pp	38.3%	37.2%	1.1pp
EBITDAaL ²⁾	442	466	-5.1%	1,195	1,290	-7.4%
EBITDAaL margin	32.6%	35.1%	-2.5pp	30.4%	33.2%	-2.9pp
Depreciation, amortization, impairments	293	247	18.7%	856	733	16.8%
EBIT ³⁾	255	274	-7.2%	650	710	-8.4%
EBIT margin	18.8%	20.7%	-1.9pp	16.5%	18.3%	-1.8pp
Net result	178	200	-10.8%	441	501	-11.8%
Net margin	13.1%	15.0%	-1.9pp	11.2%	12.9%	-1.7pp
Capital expenditures	168	217	-22.5%	648	822	-21.2%
Tangible	138	180	-23.4%	515	601	-14.3%
Intangible	30	36	-18.1%	133	222	-40.1%
Free cash flow	173	147	17.6%	348	270	28.7%
				Sep. 30, 2024	Dec. 31, 2023	Δ
Net debt / EBITDA (12 months)				1.3	1.3	-7.2%
Net debt (excl. leases) / EBITDAaL (12 months)				0.4	0.4	-7.0%
Customer indicators (thousand)				Sep. 30, 2024	Sep. 30, 2023	Δ
Mobile subscribers				26,666	25,131	6.1%
Postpaid				22,736	21,121	7.6%
Prepaid				3,931	4,010	-2.0%
RGUs ⁴⁾				6,293	6,250	0.7%
Mobile churn	1.2%	1.2%	0.0pp	1.2%	1.3%	-0.0pp
				30. Sep. 2024	Sep. 30, 2023	Δ
Employees (full-time equivalent)				17,496	17,520	-0.1%

¹⁾ Earnings Before Interest, Tax, Depreciation and Amortization

²⁾ EBITDA after Leases: EBITDA - depreciation of lease assets according to IFRS 16 - interest expenses pursuant to IFRS 16

³⁾ Operating income according to IFRS

⁴⁾ Revenue Generating Unit

⁵⁾ Average Revenue Per User incl. M2M Subscriber

⁶⁾ Average Revenue Per Line

Q3 2024 in a nutshell

In Q3 2024, total revenues continued to rise driven by service revenues, with the main contribution from retail mobile service revenues, while in fixed-line revenues higher solutions and connectivity revenues but also the retail fixed-line service revenues rose. The decline in equipment revenues still limited total revenue growth but to a lower extent than in the first two quarters of 2024. Service revenues increased in all markets except for Slovenia.

The year-on-year development of Q3 results included several non-operating effects in EBITDA which should be considered in the analysis:

- ✓ Q3 2024: Positive one-off effects of in total EUR 1 mn in EBITDA with the following effects: In Croatia, positive EUR 3 mn in OPEX, in Austria negative EUR 2 mn in OPEX.
- ✓ Q3 2023: Negative one-off effects of in total EUR 7 mn in EBITDA: negative EUR 36 mn in OPEX for the stamp fee (positive in Q4 2023, no impact in OPEX in FY results 2023), positive EUR 29 mn in workforce costs related to the reversal of a provision.
- ✓ Restructuring charges increased by EUR 6 mn to EUR 22 mn in Q3 2024 versus EUR 15 mn in Q3 2023.
- ✓ FX effects amounted to negative EUR 2 mn in total revenues and EBITDA.

Excluding these effects, the increase in core OPEX resulted to a large extent from higher total workforce costs, amidst increases on the back of high inflation in the last reporting year. Besides that, network maintenance costs rose, while license and electricity costs declined.

Overall, EBITDA increased by 5.1% on a reported basis. Excluding one-off and FX effects, as well as restructuring, EBITDA increased by 4.9%.

CAPEX decreased in Q3 2024 amidst lower investments in Austria and Croatia, following the CAPEX savings in 2024 compared to last year and frontloaded investments in 2024.

In Q3 2024, A1 in Serbia signed a share purchase agreement for Conexio Metro d.o.o., a newly registered company, spun off by Conexio. A1 Serbia will be able to offer convergent products on its own fiber network for its customers in 2025.

In August, A1 received the new sustainability rating from Ecovadis and improved from 'bronze' to 'gold' and scores under the top 3% of all rated companies.

Mobile subscribers and fixed-line RGUs

In mobile communications, the number of subscribers rose by 6.1% to a total of around 26.7 million. As in previous quarters, the growth was driven by the strong increase in the M2M business. Excluding M2M customers, the number of subscribers remained stable (0.0%).

In the fixed-line business, the number of revenue generating units (RGUs) increased slightly by 0.7% year-on-year. While the number of voice RGUs decreased, the number of broadband RGUs and TV RGUs increased. The RGU growth in international operations, especially in Belarus and Bulgaria, more than compensated for the decline in Austria.

The internet@home customer base increased by 2.4% to 3.9 million in the Group, driven both by the increase in broadband RGUs and mobile WiFi routers. Broadband RGUs increased in all markets except for Austria and Slovenia, while the number of mobile WiFi routers rose in all markets except for Croatia.

Outlook for the financial year 2024

The management board confirms the guidance for the financial year 2024 (total revenues +3-4% year-on-year, CAPEX excluding frequencies and M&A of around EUR 800 mn).

Group results for Q3 and the first nine months of 2024

The year-on-year development of results of the first nine months 2024 included several non-operating effects that should be considered in the analysis:

- ✓ 1-9M 2024 included total negative one-off effects of EUR 20 mn in EBITDA:
 - Q3 2024: total one-off effects of positive EUR 1 mn in EBITDA (for details see above).
 - Q2 2024: total one-off effects of negative EUR 21 mn in OPEX: EUR 24 mn negative effect stemming from a provision due to a legal case in Belarus, EUR 3 mn positive net effect related to accruals in Austria.
- ✓ 1-9 M 2023: total negative one-off effects of EUR 7 mn in EBITDA in Q3 in OPEX (for details see above).
- ✓ Restructuring charges amounted to EUR 61 mn in the first nine months of 2024 versus EUR 53 mn in the comparison period.
- ✓ FX effects in 1-9M amounted to negative EUR 29 mn in total revenues and to EUR 11 mn in EBITDA.

Total revenues increased by 2.1% in Q3 and by 1.4% in the first nine months of 2024 in a year-on-year comparison, with service revenue growth of 3.1% and 3.4% respectively.

Service revenue growth was driven by value-protecting measures, fixed-line RGU growth in the international business due to solid demand for broadband and TV products and growth in the solutions and connectivity business. Altogether that compensated for lower interconnection revenues and losses in the fixed voice business. All markets contributed to service revenue growth in Q3 except for Slovenia. In the first nine months, service revenues grew in all markets except for Slovenia and Belarus, the latter also grew in local currency.

In Q3 2024, equipment revenues still declined mainly due to Austria, but at a lower rate than in the first half-year 2024.

On the OPEX side, core OPEX increased both in Q3 and in the first nine months of 2024.

Operationally, excluding the one-off effects in operating expenses, costs in Q3 and year-to-date were above all driven by the rise in total workforce costs. Network maintenance costs and costs for revenue-related items like content and commissions also rose in the first nine months. The decline in electricity costs and lower advertising costs mitigated some of those increases.

Overall, this resulted in EBITDA growth of 5.1% in Q3 2024 and 4.4% in the first nine months of 2024. Excluding restructuring, the one-off and FX effects, EBITDA increased by 4.9% in Q3 and by 6.3% in the first nine months of 2024 respectively.

In Q3 and the first nine months of 2024, EBIT decreased by 7.2% and 8.4% respectively, as D&A on the use of rights assets increased substantially after the tower spin-off and regular D&A.

The financial result worsened to a negative EUR 25 mn in Q3 2024 versus negative EUR 17 mn in Q3 2023 due to higher interest on employee benefits and other financial items despite lower interest expense on financial liabilities. In the first nine months of 2024, the financial result amounted to a negative EUR 75 mn versus EUR 65 mn in the same period of 2023. The increase in the negative financial result was offset by lower income taxes due to the lower EBT.

Consequently, the period result declined by 10.8% in Q3 and 11.8% in the first nine months of 2024. On a proforma basis, net result declined by 13.6% and 1.3% due to higher D&A.

Capital Expenditures decreased by 22.5% in Q3 and by 21.2% in the first nine months of 2024 compared to last year. In Q3 the decline was primarily due to lower CAPEX in Austria and lower CAPEX in Croatia. Year-to-date, the decline was primarily driven by lower spectrum investments compared to previous year (1-9M 2024: EUR 39 mn, 1-9M 2023: EUR 110 mn). Excluding spectrum, CAPEX declined due to lower mobile CAPEX and lower fixed investments in CEE compared to a higher level last year. Investments for the fiber roll-out in Austria are higher than last year in the first nine months of 2024.

Free Cashflow

In the first nine months of 2024, free cash flow increased by 28.7%. Besides the better operational result, the main driver was the substantially lower CAPEX due to lower spectrum payments compared to the same period last year (1-9M 2024: EUR 40 mn including interest, 1-9M 2023: EUR 112 mn) as well as CAPEX savings in 2024. Additionally, income taxes paid and net interest paid also declined as a result of the Tower spin-off. That more than offset the higher lease paid and the unfavorable changes in working capital. The latter resulted mainly from negative impacts from accounts payable, as last year they increased due to broadband subsidies granted in 2023 but also due to CAPEX paid also from previous year but lower CAPEX additions this year.

	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
EBITDA	548	521	5.1%	1,506	1,443	4.4%
Restructuring charges and cost of labor obligations	24	13	85.1%	65	53	21.3%
Lease paid (principal, interest and prepayments)	-96	-48	97.8%	-289	-156	84.7%
Income taxes paid	-72	-93	-22.2%	-126	-141	-10.6%
Net interest paid	2	-13	n.m.	9	-21	n.m.
Change working capital and other changes	-44	0	n.m.	-107	-25	319.7%
Capital expenditures	-168	-217	-22.5%	-648	-822	-21.2%
Social plans new funded ¹⁾	-20	-17	21.7%	-63	-60	4.3%
FCF after social plans new	173	147	17.6%	348	270	28.7%

¹⁾ Cost for social plans granted in the respective period

Balance sheet and net debt

As of September 30, 2024, the total assets amounted to EUR 9,667 mn, 1.2% higher than at December 31, 2023. This was primarily driven by higher cash and cash equivalents and the increase in PPE amidst the fiber roll-out.

Liabilities decreased as a consequence of lower lease obligations and lower accounts payable, related partly to CAPEX payments in early 2024 but lower investments in 2024.

The increase in stockholder's equity is a consequence of net income generation being higher than the dividend paid in July 2024.

The 'net debt/EBITDA'- ratio was 1.3x and on the same level as of December 31, 2023. Net debt (excl. leases) decreased to EUR 561 mn mainly due to the higher cash and cash equivalents. The 'net debt (excl. leases)/EBITDA after leases'-ratio was 0.4x after 0.4x as of December 31, 2023.

in EUR million	Sep 30, 2024	Dec 31, 2023	Δ
Long-term debt	749	748	0%
Lease liability long-term	1,617	1,672	-3%
Short-term debt	30	60	-49%
Lease liability short-term	311	284	10%
Cash and cash equivalents	-219	-169	30%
Net debt (incl. leases)	2,488	2,595	-4%
Net debt (incl. leases) / EBITDA	1.3x	1.3x	-
Net debt (excl. leasing)	561	639	-12%
Net debt excl leasing / EBITDAaL	0.4x	0.4x	-

Reported vs. proforma view

in EUR million	Reported			pro forma		
	Q3 2024	Q3 2023	Δ	Q3 2024	Q3 2023	Δ
Total revenues	1,354	1,326	2.1%	1,354	1,324	2.3%
EBITDA	548	521	5.1%	548	564	-2.8%
EBITDA after leases	442	466	-5.1%	442	464	-4.8%
EBIT	255	274	-7.2%	255	291	-12.6%
Net result	178	200	-10.8%	178	206	-13.6%

in EUR million	Reported			pro forma		
	Q1-Q3 2024	Q1-Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Total revenues	3,937	3,882	1.4%	3,937	3,876	1.6%
EBITDA	1,506	1,443	4.4%	1,506	1,494	0.8%
EBITDA after leases	1,195	1,290	-7.4%	1,195	1,206	-0.9%
EBIT	650	710	-8.4%	650	681	-4.4%
Net result	441	501	-11.8%	441	447	-1.3%

Underlying performance

in EUR million	Q3 2024			Q1-Q3 2024		
	Q3 2023	Δ	Q1-Q3 2023	Q1-Q3 2023	Δ	Q1-Q3 2023
Total revenues	1,326	2.1%	3,882	3,937	1.4%	3,882
FX effects	-	n.m.	-	29	n.m.	-
One-off effects	-	-	-	-	-	-
Total revenues adjusted	1,326	2.2%	3,882	3,965	2.1%	3,882
Group EBITDA	521	5.1%	1,443	1,506	4.4%	1,443
FX effects	-	n.m.	-	11	n.m.	-
One-off effects	7	n.m.	7	20	n.m.	7
Restructuring charges	15	42.6%	53	61	14.0%	53
EBITDA adjusted	543	4.9%	1,503	1,597	6.3%	1,503

Segment overview

Segment Austria

in EUR million	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Total revenues	700	704	-0.6%	2,073	2,084	-0.5%
Service revenues	627	622	0.8%	1,855	1,837	1.0%
Equipment revenues	57	69	-16.8%	174	210	-16.8%
Other operating income	16	13	19.2%	44	37	18.6%
Wireless revenues	320	323	-0.8%	956	955	0.1%
Service revenues	274	275	-0.3%	813	798	1.8%
Equipment revenues	46	48	-3.7%	143	157	-8.7%
Wireline revenues	364	368	-1.1%	1,073	1,092	-1.7%
Service revenues	354	348	1.7%	1,041	1,039	0.3%
Equipment revenues	11	20	-47.9%	31	53	-41.0%
Total revenues excl. international business*	660	664	-0.6%	1,963	1,967	-0.2%
Service revenues excl. international business*	587	582	0.8%	1,745	1,720	1.4%
EBITDA before restructuring	298	301	-1.0%	846	841	0.6%
EBITDA margin before restructuring	42.6%	42.8%	-0.2pp	40.8%	40.3%	0.5pp
EBITDA	277	286	-3.3%	785	787	-0.3%
EBITDA margin	39.5%	40.6%	-1.1pp	37.9%	37.8%	0.1pp
EBITDAaL	219	260	-15.8%	616	716	-13.9%
EBITDAaL margin	31.2%	36.9%	-5.7pp	29.7%	34.3%	-4.6pp
EBIT	111	148	-25.0%	302	375	-19.4%
EBIT margin	15.8%	21.0%	-5.2pp	14.6%	18.0%	-3.4pp
Customer indicators (thousand)				Sep 30, 2024	Sep 30, 2023	Δ
Mobile subscribers				5,121	5,142	-0.4%
RGUs				2,754	2,872	-4.1%
	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
ARPU (in EUR)	17.9	17.8	0.1%	18	17	2.5%
Mobile churn	1.3	1.2	-0.1pp	1.3%	1.2%	-0.1pp

* International business revenues (mainly comprising transit and connectivity revenues) as reported in Austria, shown separately as it is not reflecting Austrian business performance

Value-protecting measures were implemented in 2024 effective as of April 1st and are linked to the 7.8% CPI increase after 8.6% increase on April 1st, 2023. On one hand that continued to benefit results in the first nine months 2024. On the other hand, a certain price sensitivity continued amidst the inflationary environment in the previous reporting year. Inflation slowed to 1.8%¹⁾ in September, the first time to fall below the ECB's 2% target since April 2021. In Austria, the competitive intensity remained high also in the third quarter. The mobile market saw new, low pricing points, putting additional pressure especially on the lower end of the market. The shift towards SIM-only offers halted versus previous quarters, also amidst promotional activities for mobile hardware tariffs. In the fixed-line segment, competition remained high with ongoing promotional offers.

In this environment, A1 continues to tackle these challenges with a granular customer segmentation and its multi-brand strategy with a focus on its high-value customers with the premium brand A1 and its no frills brands bob and YESSS! for the lower end of the market. In the premium segment A1 focuses on safeguarding its base, promoting household propositions, its focus on the customer journey, loyalty programmes, but also higher subsidies. In Q3 2024, subsidies both for acquisition and retention were increased. On the internet@home market, A1 shifted to a technology-agnostic approach in 2024, best serving customer needs with the respective available speeds. Also, A1 in Austria continues with its accelerated fiber roll-out, increasing the potential for further upselling opportunities. Entertainment qualifies as a key focus in the A1's value proposition, as well as security, which plays an increasing role as well. In the third quarter the acquisition of IT service provider NTT Austria GmbH was closed and the company is now operating under A1 ICT Services GmbH.

¹⁾ Flash Estimate Statistik Austria October 1, 2024 <https://www.statistik.at/fileadmin/announcement/2024/09/20241001VPIFlashEstimateSeptember2024EN.pdf>

Overall, the mobile subscriber base in Austria declined slightly compared to last year. In Q3 2024, net additions were positive both due to increases in the mobile core and the mobile WIFI-router. Both gross additions and churn increased. On the fixed-line market, total RGUs declined by 4.1%, mainly driven by the losses in voice RGUs. The number of broadband RGUs also declined as the increase in high-bandwidth RGUs could not fully compensate for the decline in low-bandwidth RGUs. In Q3 2024, Internet@home subscribers, comprising pure fixed-line internet, mobile WIFI routers and hybrid modems were lower than last year. Respective net additions were negative, while gross additions were positive due to a higher number of mobile WIFI routers.

The year-on-year decrease in total revenues in Austria in Q3 2024 and the first nine months was entirely attributable to lower equipment revenues while service revenues increased slightly. Equipment revenues declined primarily due to large ICT customer projects in Q3 last year. Mobile equipment revenues also declined but at a lower rate than in the previous two quarters.

The service revenue increase was mainly driven by higher solutions & connectivity revenues. Retail mobile revenues also rose slightly as the subscriber decline and customer optimization lowered positive effects from value-securing measures. The same holds true for retail-fixed-line service revenues which however declined. Regulatory driven declines in interconnection revenues also burdened service revenues.

As mentioned above, the OPEX development in a year-on-year comparison is impacted by several one-off effects and higher restructuring. Overall, the effects however almost level out. In Q3 2023, a total of negative EUR 7 mn was booked in OPEX as mentioned above versus negative EUR 2 mn in Q3 2024. Additionally restructuring charges increased to EUR 22 mn in Q3 2024 from EUR 15 mn in Q3 2023.

The operational increase in core OPEX remained to be driven by higher total workforce costs following the collective bargaining agreement. Besides that, maintenance costs and revenue-related cost items like content and commissions rose, partly offset by lower electricity costs. Also equipment margin was substantially lower in Q3.

Overall, this resulted in EBITDA decline of 3.3%. Excluding one-off and restructuring, EBITDA declined by 2.7%. On top of that, EBITDA included several positive non-operative effects last year in Q3. Additionally adjusted for those, EBITDA was around 1% down.

There have not been any significant new developments regarding the lawsuits of the Austrian Federal Chamber of Labor (Bundesarbeitskammer) received in January 2024, which was reported in the Q4 2023 results report. The Chamber of Labor demands that service fees shall no longer be charged in future and that payments already collected shall be refunded.

The Chamber of Labor has initiated two separate collective claims as model cases against A1 Austria, namely with regard to the A1 and Bob brands. A1 Group is confident to be able to convince the courts of the legality of the service fee, especially as the Supreme Court recently ruled that service fees are also permissible for ticket providers. Since 2011, the Telecommunications Regulatory Authority has regularly reviewed and accepted the regulations on service fees. In addition, there are special legal provisions in the telecommunications industry, also based on European law, which allow different fees to be charged. Therefore, as of September 30, 2024, no provisions were booked for these lawsuits. To avoid risk, service fees have no longer been agreed with customers since February 2024.

International segments

International segments comprise the segments Bulgaria, Croatia, Belarus, Slovenia, Serbia and North Macedonia. In Q3 and the first nine months 2024, total revenues grew driven by higher service revenues. While equipment revenues declined in the first nine months of 2024, they rose in the third quarter.

Service revenues continued to profit from value-protecting measures taken earlier in 2024, successful upselling, high demand for high-bandwidth broadband solutions. While the solutions and connectivity business served as a growth driver in the first nine months, in Q3 they declined due to sizeable projects in Bulgaria in the comparison period.

Overall, that translated into EBITDA growth of 11.9% in Q3 and 6.9% in the first nine months 2024.

Excluding negative FX and one-off effects, total revenues, service revenues and EBITDA from the international business rose by 5.0%, 5.7% and 11.5% year-on-year, respectively in Q3, and by 4.7%, 7.7% and 11.5% in the first nine months.

in EUR million	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Total revenues	663	633	4.7%	1,882	1,824	3.2%
Service revenues	532	505	5.5%	1,509	1,422	6.1%
Equipment revenues	123	120	2.7%	349	368	-5.0%
Other operating income	7	9	-13.0%	23	34	-31.8%
Wireless revenues	488	468	4.2%	1,382	1,353	2.2%
Service revenues	379	361	4.9%	1,067	1,026	3.9%
Equipment revenues	109	107	1.7%	315	326	-3.4%
Wireline revenues	168	156	7.2%	477	437	9.0%
Service revenues	154	144	6.9%	443	396	11.8%
Equipment revenues	14	12	11.0%	34	41	-17.4%
EBITDA	278	248	11.9%	744	696	6.9%
EBITDA margin	41.9%	39.2%	2.7pp	39.5%	38.2%	1.4pp
EBITDAaL	231	220	5.0%	603	616	-2.2%
EBITDAaL margin	34.8%	34.7%	0.1pp	32.0%	33.8%	-1.8pp
EBIT	152	141	7.5%	375	379	-1.1%
EBIT margin	22.9%	22.3%	0.6pp	19.9%	20.8%	-0.9pp
Customer indicators (thousand)				Sep 30, 2024	Sep 30, 2023	Δ
Mobile subscribers				15,347	15,214	0.9%
RGUs				3,538	3,378	4.7%
	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
ARPU (in EUR)	8.3	7.9	4.3%	7.9	7.6	3.3%
Mobile churn	1.6%	1.6%	0.0pp	1.6%	1.6%	0.0pp

Bulgaria

in EUR million	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Total revenues	196	189	4.0%	564	536	5.2%
Service Revenues	158	156	1.1%	458	426	7.5%
EBITDA	85	83	3.0%	250	231	8.5%
EBITDA margin	43.4%	43.8%	-0.4pp	44.3%	43.0%	1.4pp

In Bulgaria, the competitive environment remained stable in the first nine months of 2024. Value-protecting measures related to inflation (9.5% in March) were implemented in 2024.

In the mobile business, the number of subscribers remained stable, while in the fixed-line business TV and broadband RGUs increased.

Total revenues continued to increase in Q3 2024 driven by higher equipment revenues as well growth in service revenues. The slowdown in service revenue growth compared to the prior two quarters resulted from the decline in solutions and connectivity revenues as last year's results included positive effects from major ICT projects. Mobile service revenues grew by 3.7% in Q3 on the back of value-protecting measures and successful upselling. Fixed-line & other service revenues registered a decline of 2.5% as the positive trends in TV and broadband as well as value-protecting measures in the fixed retail business could not compensate for the decline in solutions and connectivity as mentioned above.

The revenue increase in the first nine months was entirely driven by service revenues, both in the mobile and fixed-line business. The increase in core OPEX for the first nine months was driven by revenue-related cost positions such as content cost as well as the rise in employee cost, besides others amidst the ongoing progress of the establishment of the Group-wide competence delivery center (CDC). Overall, strong service revenue growth translated into EBITDA growth in the first nine months, while in Q3 the growth slowed down mostly due to the high EBITDA comparable last year.

Croatia

in EUR million	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Total revenues	151	142	6.2%	418	388	7.9%
Service Revenues	128	120	7.0%	349	318	10.0%
EBITDA	69	61	12.9%	177	146	21.5%
EBITDA margin	45.5%	42.8%	2.7pp	42.3%	37.6%	4.7pp

In Croatia, results in the first nine months profited from the value-protecting measures taken in June 2024 (effective June 1 st, 6.9%) and July 2023, the monetization of its fiber and 5G network roll-out and subscriber growth. In the mobile market, the postpaid subscriber numbers increased in the mobile core segment, RGUs in the fixed-line business were stable as high-speed broadband connections offset losses in voice and TV.

The increase in total revenues both in Q3 and the first nine months 2024 was entirely driven by service revenues. In Q3, both retail mobile and retail fixed-line services revenues benefitted the service revenue growth. Solutions and connectivity revenues also rose. In the first nine months retail mobile service revenues were the main driver, with the other positions also rising.

In Q3 2024, equipment revenues rose and were stable in the first nine months of 2024.

Total OPEX rose. In Q3 and the first nine months, core OPEX was driven by higher workforce costs. In Q3 2024, bad debt included a positive one-off effect in the amount of EUR 3 mn. That compensated for other revenue-related cost increases.

In total, EBITDA grew strongly both in Q3 and the first nine months of 2024.

Belarus

in EUR million	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Total revenues	115	107	7.4%	322	332	-2.9%
Service Revenues	86	78	9.7%	245	248	-1.4%
EBITDA	54	47	14.9%	122	148	-17.2%
EBITDA margin	46.7%	43.6%	3.0pp	38.0%	44.6%	-6.6pp
in BYN million	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Total revenues	402	369	8.8%	1,122	1,060	5.9%
Service Revenues	299	270	10.8%	852	793	7.5%
EBITDA	187	162	16.1%	426	472	-9.8%
EBITDA margin	46.6%	43.7%	2.9pp	38.0%	44.6%	-6.6pp

A1 Belarus continued to face numerous challenges in the first nine months of the year.

As in the previous reporting year, the sanction framework still exhibits disrupting effects on the supply chain, even though there are exemptions for telcos. Additionally, a strict price policy on regulated tariffs is in place to address inflation, restricting A1's ability to adjust prices. A1 Belarus was able to implement an inflation-linked price adjustment in Q2 for the albeit smaller unregulated portion of fixed-line customers. Also, in this challenging environment, A1 Belarus leverages its market position as the only convergent player on the market with attractive bundles and more-for-more offers, resulting in higher broadband and TV RGUs as well as mobile subscribers.

The Belarusian ruble depreciated only slightly against the euro by 1.7% on period average in Q3 2024 and 8.3% in the first nine months 2024 compared to the same period last year. In general, the currency remains more or less stable since the end of the year 2023.

In the context of the State Control Audit in Belarus, an administrative violation triggered a penalty of BYN 83,7 mn, or EUR 24 mn which was booked in operating expenses in Q2 2024. A1 is of the opinion that no damage occurred neither to the state, nor to customers out of this administrative violation. No payment has been done so far in accordance with respective courts ruling. We expect final decision to be made during Q4.

Also, in Q2 2024 and still valid in the reporting period, the Belarusian government has imposed temporary restrictions on payment of dividends to foreign investors residing in European Union and other countries considered 'unfriendly'.

Overall, results included negative FX effects of EUR 2 mn in revenues and EUR 2 mn in EBITDA in Q3 2024, while they amounted to EUR 29 mn and EUR 11 mn in the first nine months 2024. Additionally, the negative one-off effect mentioned above amounted to EUR 24 mn in EBITDA in the first nine months 2024.

In Q3 2024, results both in Euro and local currency terms exhibited solid growth attributable to subscriber growth, inflation-linked price adjustments and benefits from our convergent position. In Q3, service revenues rose both in the mobile and the fixed-line business. The growth in the fixed-line business was partly attributable to the solid solutions and connectivity business. In Q3, in local currency, service revenues rose by 10.8%. That was translated in strong EBITDA growth of 16.1% as core OPEX increased by 1.8% only. Increases in customer and usage driven costs (corporate network, frequency fee and electricity) were mitigated by cost savings in content, advertising and lower bad debt.

In the first nine months, results were heavily impacted by the depreciation of the currency in the first half of the year as well as by the one-off effect. Total revenues, service revenues and EBITDA declined in Euro terms but would have risen operationally in local currency terms due to service revenue growth in mobile, fixed and ICT solutions. In local currency, total operating expenses increased. Besides the provision mentioned above as well as higher employee costs, cost drivers were the same as in Q3.

Slovenia

in EUR million	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Total revenues	58	60	-2.3%	172	181	-5.3%
Service Revenues	45	46	-0.8%	133	135	-1.9%
EBITDA	13	13	7.5%	41	40	0.5%
EBITDA margin	23.1%	21.0%	2.1pp	23.6%	22.2%	1.4pp

In Slovenia, the market environment remained highly competitive. Competitors are pushing for market share and product offers center around promotions with unlimited data for low pricing points. In this environment, A1 Slovenia tackles these challenges by leveraging both the high value brand A1 and the no-frills brand bob and focuses on convergent propositions.

In Q3 2024, total revenues decreased, mainly driven by decrease in service revenues. In the first nine months revenues declined both due to the declining service and equipment revenues. Service revenues declined due to the lower RGU base and customers' optimization. Core OPEX improved both in Q3 and the first nine months. The latter benefitted from lower costs for advertising and electricity. Overall, this resulted in a higher EBITDA in both periods.

Serbia

in EUR million	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Total revenues	102	99	2.7%	292	283	3.2%
Service Revenues	83	75	10.7%	230	208	10.3%
EBITDA	41	33	24.5%	111	95	16.5%
EBITDA margin	40.4%	33.3%	7.1pp	38.1%	33.7%	4.4pp

In Serbia, we signed a share purchase agreement for Conexio Metro d.o.o., a newly registered company, spun off by Conexio. With that acquisition we added 42,000 fiber homes passed. The acquisition is still subject to merger control clearance. Total revenues increased in Q3 and the first nine months of 2024. Service revenues increased on the back of pricing measures related to inflation effective as of April, 1st 2024 with an increase of 10% for certain customer segments. Equipment revenues declined driven by the launch of new customer renewal regulations. The increase in Core OPEX is mainly due to higher total workforce costs. In total, that resulted in double-digit EBITDA growth both in Q3 and the first nine months 2024.

North Macedonia

in EUR million	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Total revenues	43	39	11.2%	120	111	8.8%
Service Revenues	35	33	7.9%	101	92	9.6%
EBITDA	16	12	25.8%	43	36	18.3%
EBITDA margin	36.4%	32.1%	4.2pp	35.8%	32.9%	2.9pp

In North Macedonia, the increase in both, in Q3 and the first nine months of 2024, was primarily driven by the strong development of mobile service revenues on the back of postpaid subscriber growth. Fixed-line service revenues also grew, supported by the higher broadband RGUs base and the increase in ARPL. In Q3 2024, equipment revenues rose for the first time this year, and also increased in the first nine months of 2024.

Core OPEX in Q3 increased mostly due to the increase in total workforce costs.

The equipment margin improved versus last year due to increased sales of devices and lower subsidy.

Overall, this resulted in double-digit EBITDA growth in Q3 and in the first nine months of 2024.

Condensed Consolidated Statement of Comprehensive Income

in EUR million, except per share information	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Service revenues	1,151	1,116	3.1%	3,346	3,237	3.4%
Equipment revenues	180	189	-4.4%	524	578	-9.3%
Other operating income	22	21	6.6%	66	68	-2.5%
Total revenues (incl. other operating income)	1,354	1,326	2.1%	3,937	3,882	1.4%
Cost of service	-374	-406	-7.9%	-1,100	-1,124	-2.2%
Cost of equipment	-178	-183	-2.7%	-516	-563	-8.5%
Selling, general & administrative expenses	-250	-213	17.6%	-784	-744	5.4%
Other expenses	-4	-3	24.2%	-31	-8	266.4%
Total cost and expenses	-806	-805	0.2%	-2,431	-2,440	-0.4%
Earnings before interest, tax, depreciation and amortization (EBITDA)	548	521	5.1%	1,506	1,443	4.4%
Depreciation and amortization	-207	-199	4.1%	-605	-596	1.5%
Depreciation of right-of-use assets	-86	-48	79.8%	-250	-134	86.8%
Impairment	0	0	-100.0%	0	-3	-100.0%
Operating income (EBIT)	255	274	-7.2%	650	710	-8.4%
Interest income	6	10	-43.3%	14	16	-13.9%
Interest expense	-26	-32	-17.9%	-75	-73	3.5%
Interest on employee benefits and restructuring and other financial items, net	-6	5	-214.0%	-14	-5	162.4%
Foreign currency exchange differences, net	0	-1	-129.5%	-0	-4	-90.5%
Equity interest in net income of associated companies	1	1	63.1%	2	1	99.8%
Financial result	-25	-17	45.7%	-75	-65	14.2%
Earnings before income tax (EBT)	229	257	-10.7%	576	644	-10.7%
Income tax	-51	-57	-10.4%	-134	-144	-6.6%
Net result	178	200	-10.8%	441	501	-11.8%
thereof, attributable to the equity holders of the parent	178	199	-10.8%	441	500	-11.9%
thereof, non-controlling interests	0	0	13.5%	1	1	6.1%
Earnings per share attributable to equity holders of the parent in euro*	0.27	0.30	-10.8%	0.66	0.75	-11.9%
Other comprehensive income items						
Effect of translation of foreign entities	-11	-8	33%	-3	-37	-92%
Realized result on hedging activities, net of tax	0	0	-100%	0	2	-100%
Unrealized result on debt instruments at fair value, net of tax	0	-0	n.m.	1	1	13%
Items that may be reclassified to the net result	-11	-9	29%	-3	-34	-92%
Remeasurement of defined benefit obligations, net of tax	-2	-2	-18%	-2	-4	-50%
Items that will not be reclassified to the net result	-2	-2	-18%	-2	-4	-50%
Total other comprehensive income (loss)	-13	-11	20%	-5	-38	-88%
Total comprehensive income (loss)	165	189	-13%	437	463	-6%
thereof, attributable to the equity holders of the parent	165	189	-13%	436	462	-6%
thereof, non-controlling interests	0	0	14%	1	1	6%

* Basic and diluted, weighted-average number of ordinary shares outstanding was constantly 664,084,841

Condensed Consolidated Statement of Financial Position

in EUR million	Sep 30, 2024	Dec 31, 2023	Δ
ASSETS			
Cash and cash equivalents	219	169	29.9%
Short-term investments	34	85	-60.3%
Accounts receivable: Subscribers, distributors and other, net	885	843	4.9%
Receivables due from related parties	15	22	-30.1%
Inventories, net	119	105	14.3%
Income tax receivable	1	11	-87.6%
Other current assets, net	247	223	10.6%
Contract assets	74	88	-16.1%
Current assets	1,594	1,545	3.2%
Property, plant and equipment, net	3,132	3,029	3.4%
Right-of-use assets, net	1,915	1,961	-2.4%
Intangibles, net	1,590	1,655	-3.9%
Goodwill	1,093	1,089	0.3%
Investments in associated companies	3	1	192.4%
Long-term investments	266	207	28.3%
Deferred income tax assets	51	47	7.6%
Other non-current assets, net	24	22	8.6%
Non-current assets	8,073	8,012	0.8%
TOTAL ASSETS	9,667	9,557	1.2%
LIABILITIES			
Short-term debt	30	60	-49.4%
Lease liabilities short-term	311	284	9.7%
Accounts payable	903	927	-2.6%
Accrued liabilities and current provisions	233	253	-7.9%
Income tax payable	80	81	-1.2%
Payables due to related parties	29	24	20.4%
Contract liabilities	239	216	10.4%
Current liabilities	1,826	1,845	-1.0%
Long-term debt	749	748	0.2%
Lease liabilities long-term	1,617	1,672	-3.3%
Deferred income tax liabilities	63	59	6.3%
Other non-current liabilities	17	22	-22.5%
Asset retirement obligation and restructuring	406	423	-3.9%
Employee benefits	192	187	2.4%
Non-current liabilities	3,044	3,111	-2.2%
STOCKHOLDERS' EQUITY			
Common stock	1,449	1,449	0.0%
Treasury shares	-8	-8	0.0%
Additional paid-in capital	1,100	1,100	0.0%
Retained earnings	3,023	2,821	7.1%
Other comprehensive income (loss) items	-769	-764	0.6%
Equity attributable to equity holders of the parent	4,795	4,598	4.3%
Non-controlling interests	2	2	10.3%
TOTAL STOCKHOLDERS' EQUITY	4,798	4,601	4.3%
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	9,667	9,557	1.2%

Condensed Consolidated Statement of Cash Flows

in EUR million	Q3 2024	Q3 2023	Δ	Q1-Q3 2024	Q1-Q3 2023	Δ
Earnings before income tax	229	257	-10.7%	576	644	-10.7%
Depreciation	139	137	1.5%	403	406	-0.7%
Amortization of intangible assets	68	62	9.7%	202	190	6.4%
Depreciation of right-of-use assets	86	48	79.8%	250	134	86.8%
Impairment/Reversal of impairment PPE	0	-0	-100.0%	0	3	-100.0%
Equity interest in net income of associated companies	-1	-1	63.1%	-2	-1	99.8%
Result on sale/measurement of investments	1	-0	n.m.	1	-1	-176.9%
Result on sale of property, plant and equipment	1	0	208.5%	3	1	139.0%
Net period cost of labor obligations and restructuring	27	9	195.5%	77	60	29.1%
Foreign currency exchange differences, net	-0	1	-129.5%	0	4	-90.5%
Interest income	-6	-10	n.m.	-14	-16	-13.9%
Interest expense	27	30	n.m.	77	74	4.0%
Other adjustments	-1	-0	289.2%	-1	-2	-26.3%
Non-cash and other reconciliation items	343	277	23.6%	998	852	17.1%
Accounts receivable: Subscribers, distributors and other, net	-11	-9	23.4%	-32	-36	-11.0%
Prepaid expenses	3	-1	n.m.	-22	-21	8.5%
Due from related parties	1	1	-32.2%	2	1	83.1%
Inventories	-3	15	-121.6%	-12	-12	-1.1%
Other assets	2	0	n.m.	-1	-19	-93.0%
Contract assets	9	7	24.6%	14	14	5.1%
Accounts payable and accrued liabilities	-14	18	-179.0%	-21	33	-164.9%
Due to related parties	2	4	-50.9%	5	4	24.5%
Contract liabilities	2	-7	-125.1%	15	16	-9.6%
Working capital changes	-11	28	-137.3%	-53	-20	160.2%
Employee benefits and restructuring paid	-32	-29	7.7%	-89	-84	5.3%
Interest received	5	12	-56.8%	13	19	-31.4%
Income taxes paid	-72	-93	-22.2%	-126	-141	-10.6%
Net cash flow from operating activities	463	452	2%	1,319	1,270	4%
Capital expenditures paid	-196	-243	-19.5%	-700	-830	-15.7%
Proceeds from sale of plant, property and equipment	1	1	-20.5%	3	7	-48.4%
Purchase of investments	-178	-11	n.m.	-224	-92	143.4%
Proceeds from sale of investments	173	5	n.m.	218	80	173.5%
Investments in associated companies	0	0	n.m.	0	0	n.m.
Net cash flow from investing activities	-203	-249	-18.2%	-707	-837	-15.5%
Repayments of long-term debt	0	-600	-100.0%	0	-600	-100.0%
Interest paid	-23	-31	-26.2%	-67	-56	19.8%
Repayments of short-term debt	-170	-2,161	-92.1%	-270	-5,050	-94.7%
Issuance of short-term debt	200	2,172	-90.8%	240	5,159	-95.3%
Dividends paid	-239	0	n.m.	-239	-213	12.4%
Acquisition of non-controlling interests	0	0	n.m.	0	0	n.m.
Deferred consideration paid for business combinations	-2	-2	-10.0%	-2	-2	-10.0%
Lease principal paid	-77	-40	90.4%	-224	-137	63.4%
Net cash flow from financing activities	-310	839	-136.9%	-561	603	-193.1%
Cash and cash equivalents beginning of period	271	143	90.0%	169	150	12.5%
Cash transferred spin-off	0	-1,033	-100.0%	0	-1,033	-100.0%
Net change in cash and cash equivalents	-52	10	n.m.	50	3	n.m.
Adjustment to cash flows due to exchange rate fluctuations, net	-1	-0	168.1%	-1	-0	205.9%
Cash and cash equivalents end of period	219	152	43.7%	219	152	43.7%

Financial calendar

Feb 11, 2025 Results Q4 / Full Year 2024

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