Report for the fourth quarter and full year 2024

Highlights Q4 and FY 2024

- FY 2024:
    - 3.1% total revenue growth, driven by service revenue growth of 4.0%
    - 5.1% EBITDA growth, excluding one-offs, growth in all markets except Slovenia
    - Net result amounted to EUR 627mn (3% lower due to spin-off, +12.5% proforma)
    - Net debt ex. leases reduced by EUR 283 mn; Net debt ex. leases/EBITDAaL reduced to 0.2x at year-end 2024, net debt/EBITDA reduced to 1.1x
    - CAPEX decreased by 21% to EUR 865 mn due to savings and lower spectrum spend
    - Free Cash Flow of EUR 575 mn in FY 2024 (EUR 354 mn in 2023) despite higher lease payments following to tower spin-off
    - Mobile subscriber growth of 7.4% y-o-y, RGU increase of 1.3% y-o-y
- Q4 2024: Total revenues +7.8%, EBITDA +7.1% (+9.6% excl. one-offs)
- Convergence in all seven core markets: Serbia started to offer fixed-line products in 2025
- TOP ESG ratings: Sustainalytics' 2025 ESG Top-Rated Industry List
- Dividend proposal for FY 2024: Increase of 11% to EUR 0.40 per share (2023: EUR 0.36)
- Outlook 2025: Total revenue growth of 2-3%, CAPEX ex. spectrum of around EUR 850 mn

In this Earnings Update, rounding differences may occur in the summing of rounded amounts due to the use of automatic calculation tools.

This report contains audited results for the 2024 financial year that have not yet been approved by the Supervisory Board.

Content

Key financial data

in EUR million	Q4 2024	Q4 2023	Δ	2024	2023	Δ
Total revenues	1,476	1,369	7.8%	5,413	5,251	3.1%
Service revenues	1,155	1,111	4.0%	4,502	4,348	3.5%
Equipment revenues	289	234	23.8%	813	811	0.2%
Other operating income	32	24	29.0%	98	92	5.9%
Wireless revenues	841	799	5.4%	3,172	3,099	2.3%
Service revenues	628	612	2.7%	2,500	2,429	2.9%
Equipment revenues	214	187	14.2%	672	670	0.3%
Wireline revenues	603	546	10.4%	2,143	2,060	4.0%
Service revenues	527	500	5.6%	2,002	1,919	4.3%
Equipment revenues	76	46	62.5%	141	142	-0.2%
EBITDA [1]	515	481	7.1%	2,021	1,924	5.1%
EBITDA margin	34.9%	35.2%	-0.2pp	37.3%	36.6%	0.7pp
EBITDAaL [2]	408	380	7.4%	1,603	1,671	-4.0%
EBITDAaL margin	27.7%	27.8%	-0.1pp	29.6%	31.8%	-2.2pp
Depreciation, amortization, impairments	304	280	8.5%	1,160	1,013	14.5%
EBIT [3]	211	201	5.0%	861	911	-5.4%
EBIT margin	14.3%	14.7%	-0.4pp	15.9%	17.3%	-1.4pp
Net result	185	145	27.5%	627	646	-3.0%
Net margin	12.6%	10.6%	1.9pp	11.6%	12.3%	-0.7pp
Capital expenditures	217	270	-19.8%	865	1,093	-20.9%
Tangible	138	187	-26.0%	653	787	-17.0%
Intangible	79	84	-6.0%	211	305	-30.7%
Free cash flow	227	83	171.7%	575	354	62.5%

	Dec. 31, 2024	Dec. 31, 2023	Δ
Net debt / EBITDA (12 months)	1.1	1.3	-0.23x
Net debt (excl. leases) / EBITDAaL (12 months)	0.2	0.4	-0.16x

Customer indicators (thousand)				Dec. 31, 2024	Dec. 31, 2023	Δ
Mobile subscribers				27,122	25,245	7.4%
Postpaid				23,447	21,512	9,0%
Prepaid				3,676	3,733	-1,5%
RGUs [4]				6,352	6,271	1.3%
Mobile churn	1.5%	1.6%	-0.1pp	1.3%	1.4%	-0.0pp

	31. Dez. 2024	Dec. 31, 2023	Δ
Employees (full-time equivalent)	17,298	17,508	-1.2%

[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

The spin-off of the towers in September 2023 still impacts the year-on-year comparison of results in 2024, full year results when it comes to the profit and loss analysis of the financial year 2024, therefore pro forma values1) are also provided.

[1] Pro forma means, data of the comparison period has been adjusted, as if the towers have already been spun-off in the respective period.

Q4 2024 in a nutshell

Our results in the fourth quarter exhibited accelerated top-line and EBITDA growth rates. That was the result of ongoing solid Group results as well as the particularly high contribution in Bulgaria because of big ICT projects won in Q4 2024. The latter benefited both equipment and service revenues. Service revenues grew in all markets.
The higher revenue growth rate versus the previous quarters is attributable to the increased contribution from equipment revenues and solutions and connectivity revenues.

Retail mobile and retail fixed-line service revenues exhibited similar growth rates as in the last quarters benefitting from value-protecting measures, solid demand for high-speed internet products in CEE and successful upselling. Those drivers could more than offset the regulatory driven decline in interconnection revenues.

The highest contributions to service revenue growth came from Bulgaria, Croatia and Serbia.
Equipment revenues posted strong growth (+23% y-o-y) on Group-level, driven by Bulgaria and Belarus but also by growth in Austria for the first time this year. Other operating income benefitted results on the back of several one-off effects (more details see below).

On the cost side, reported core OPEX increased and was heavily impacted by one-off effects compared to last year. Excluding the one-off effects, core OPEX declined slightly. That was the result of declining total workforce costs (excluding one-off effects), lower electricity and advertising costs. Altogether that compensated for increased customer-related costs like licenses and software for resale, commissions and corporate network costs.

The equipment margin was lower impacted by substantially higher subsidies especially in Austria but positive impacts from the ICT deals in Bulgaria and Austria.

Overall, the service revenue growth together with a high focus on cost optimization, resulted in EBITDA increase of 7.1% in Q4 2024 and by 9.6% excluding one-off effects.

In the fourth quarter, we achieved a significant milestone in our climate action commitment: the Science Based Targets initiative (SBTi) has officially validated our ambitious Net Zero targets. We set another major milestone in executing our strategy: With Serbia becoming convergent, we now offer fixed-line products across all our seven markets since beginning of January 2025. Besides that, in November 2024, Moody’s confirmed in their latest periodic review the solid financial position and reiterated the credit rating of A1 Group A3 with a stable outlook . The net debt excluding leases/EBITDAaL ratio declined to 0.2x at the year-end 2024. Net debt/EBITDA was 1.1x as of December 31, 2024 and hence declined as well.

Mobile subscribers and fixed-line RGUs

In the mobile business, the number of subscribers increased by 7.4% to a total of 27.1 mn in the reporting year. The main driver of growth was almost exclusively the robust increase in the M2M business. Excluding M2M customers, the number of subscribers increased slightly (0.3%) thanks to the postpaid subscriber business, while the number of prepaid subscribers continued to decline. The rise in both mobile WiFi routers and subscribers in the mobile core business contributed growth in the number of subscribers. Overall, the number of mobile subscribers increased in every country except Serbia. The number of postpaid customers increased in all the international markets, except Serbia, while it remained stable at the previous year's level in Austria.

In the fixed-line business, the number of revenue generating units (RGUs) increased by 1.3% year-on-year. Growth in international
markets, especially in Bulgaria and Belarus, more than compensated for the decline in Austria. RGUs in the other international markets also increased, while remaining stable in Croatia. In Austria, the continued strong demand for higher-bandwidth broadband was unable to offset the losses in broadband RGUs with lower bandwidths and voice RGUs.

Outlook for the financial year 2025

The A1 Group expects to achieve revenue growth of 2-3 % in the 2025 financial year. As in previous years, A1 Group anticipate that the majority of this growth will come from higher service revenues, both from Austria and international markets. Key growth drivers include upselling in the mobile consumer business, high demand for connectivity and ICT solutions in the business segment, and growth in the fixed-line business in international markets. In contrast, we expect declining voice revenues and lower interconnection revenues. Overall, A1 Group anticipates growth primarily in the mobile consumer business and in the Solutions & Connectivity business.
The Belarusian ruble depreciated by an average of 7% in 2024, exerting pressure on revenue and EBITDA growth, particularly in the first half of the year. The currency is expected to continue losing value against the euro in 2025.

On the cost side, we expect an increase in total workforce costs, partly due to higher restructuring charges, as well as revenue-related costs. To counteract rising costs, the A1 Group will advance efficiency projects and transformation initiatives, i.e. with the establishment of additional units in the competence delivery centers.

Management expects capital expenditures (CAPEX) excluding spectrum investments of around EUR 850 million for the 2025 financial year. The A1 Group will continue to focus on expanding its fiber and 5G networks both in Austria and internationally. Investments in the fiber roll-out in Austria will remain at a high level, although they are expected to be lower than in the previous year.

In terms of frequencies, in 2025 tenders are expected in Bulgaria (refarming of spectrum: 900 MHz, renewal of spectrum: 2100 MHz) and Serbia (5G spectrum: 700 MHz, 2.6 GHz and 3.5 GHz, renewal of spectrum: 900 MHz, 1800 MHz and 2100 MHz, expansion of spectrum: 800 MHz and 1800 MHz). This list of tenders is neither exhaustive nor does it imply specific plans for these auctions or A1 Group's intention to participate in them.
The Management Board plans, subject to the approval of the Supervisory Board, to propose a dividend of EUR 0.40 (2023: EUR 0.36) per share to the Annual General Meeting 2025 for the financial year 2024.

Group results for Q4 and the full year 2024

As reported results in Q4 and the full year 2024 were impacted by non-operating effects, the following factors should be considered in the analysis of A1 Group's operating results:

Effects impacting Q4 results:

- Q4 2024: Positive one-off effects of EUR 33 mn in EBITDA, of which positive EUR 9 mn in other operating income and EUR 24 mn in total OPEX:
  - positive EUR 24 mn in Belarus stemming from the release of a provision due to a legal case in Belarus in total OPEX.
  - positive EUR 5 mn in Austria, whereof positive EUR 5 mn are booked in other operating income and negative EUR 1 mn in total OPEX
  - positive EUR 4 mn in Croatia in other operating income
- Q4 2023: positive one-off effects of EUR 41 mn in EBITDA in Austria, all in total OPEX
- Negative FX effects amounted to EUR 6 mn in total revenues, EUR 4 mn in service revenues, and EUR 2 mn in EBITDA.
- Q4 2024: Restructuring charges in Austria amounted to EUR 28 mn (2023: EUR 32 mn).

Effects impacting full year 2024 results:

- FY 2024: Positive one-off effects of EUR 13 mn in EBITDA, of which positive EUR 9 mn in other operating income, in Austria (EUR 5 mn) and Croatia (EUR 4 mn) and EUR 4 mn in total OPEX, thereof EUR 1 mn in Austria (net EUR 5 mn mainly due to the reversal of legal provisions overcompensating a negative effect related to the former tower business) and Croatia (EUR 3 mn mainly due to positive effect in bad debts).
- FY 2023: Positive one-off effects of EUR 34 mn in EBITDA in Austria in total OPEX (thereof positive EUR 39 mn in workforce costs and negative EUR 5 mn for legal cases).
- FY 2024: Negative FX effects of EUR 35 mn in total revenues, EUR 25 mn in service revenues and EUR 15 mn in EBITDA.
- Restructuring charges in Austria amounted to EUR 89 mn (2023: EUR 85 mn).

  The two biggest one-off effects in EBITDA and core OPEX had no effects on full year results but were affecting the quarterly comparisons only: a provision due to a legal case in Belarus related to the state audit of EUR 24 mn was booked in Q2 2024 and released in Q4 2024. The other one was related to the stamp fee in the amount of EUR 35.5 mn in Austria in 2023 (provision in Q3 2023 and reversal of provision in Q4 2023).

In Q4 2024, we accelerated the growth rates versus previous quarters. Large ICT deals in Bulgaria supported both service and equipment revenues. Total revenues increased by 7.8% with service revenue growth in all markets. The increase in the retail mobile business was the main driver here. The retail fixed line as well as the solutions and connectivity business also supported that growth in service revenues. Equipment revenues posted strong growth of 23.8% on Group-level, driven by Bulgaria and Belarus. Moreover, other operating income rose and included the above-mentioned one-off effects.

In the financial year 2024, service revenues increased thanks to growth in retail mobile service revenues, revenues in the solutions and connectivity business, and increased revenues from retail fixed-line services. Overall, the results benefited largely from value-protecting measures, solid performance of mobile WiFi routers, and successful up-and cross-selling. In the fixed-line business, we saw solid demand for broadband and TV products in the international market, while growth in the solutions and connectivity business was driven by strong demand for ICT solutions, particularly in Austria and Bulgaria. This development more than offset losses from the regulation-driven decline in interconnection revenues and the decrease in fixed-line voice business.

Core OPEX increased in Q4 and was heavily impacted by one-off effects in a year-on-year comparison. Excluding the one-off effects, core OPEX declined slightly. That was the result of declining total workforce costs (excluding one-off effects), lower electricity and advertising costs. Altogether that compensated for increased customer-related costs like licenses and software for resale, commissions and corporate network costs.

The cost increase in the full year was mainly due to higher workforce costs. In the comparison year the workforce costs included positive one-off effects of approximately EUR 39 million in Austria, as mentioned above, but were also the largest operational cost driver. The rest of the increase in core OPEX is attributable to higher costs for network maintenance, product-related costs such as licenses and software for sale, and content costs. On the other hand, there were savings in energy costs and advertising expenses. Restructuring charges increased by EUR 3 million, as explained above.

The equipment margin was lower both in Q4 and the full year, especially in the second half of the year and was impacted by substantially higher subsidies especially in Austria, partly mitigated by positive impacts from the ICT deals in Bulgaria and Austria in the fourth quarter.

EBITDA on group level increased by 7.1% in Q4 2024. Exluding one-off effects, EBITDA grew by 9.6% on the back of all markets except Slovenia. The growth was driven by the international segements, above all Bulgaria and Belarus.

In the financial year 2024, EBITDA increased by 5% and, excluding the mentioned one-off effects, it grew by 6.3%. In the full year, the largest contributions to EBITDA growth came from Bulgaria, Croatia, and Serbia. Excluding one-off effects, all countries except Slovenia registered an EBITDA increase.

Depreciation increased in Q4 and the full year 2024. In the full year, this is largely attributable to the spin-off of the mobile tower business in the previous year. This also led to a lower operating income (-5.4%), on a pro forma basis, the operating income was 1.8% higher in the full year. In Q4, operating income (EBIT) increased by 5.0%.

In Q4, the financial result remained unchanged at negative EUR 24 mn (previous year: EUR -24.3 mn).

In 2024, A1 Group reported a financial result of EUR -98 mn (previous year: EUR -90 mn).

In Q4, income taxes declined by 29 mn versus the last year as a result of the recognition of deferred taxes.

This was also the main reason for the lower income tax expenses of EUR 137 mn in financial year 2024 (previous year: EUR 175 mn).

In Q4, overall this led to a higher net result, which amounted to EUR 185 mn (Q4 2023: EUR 145 mn).

The net result fell slightly in the financial year 2024 to EUR 627 mn (2023: EUR 646 mn), but rose by 12.5% on a pro forma basis.

Capital expenditures ("CAPEX")

In Q4 2024, capital expenditures (“CAPEX”) decreased by 19.8% to EUR 217 mn.

In the financial year 2024, CAPEX decreased by 20.9% to EUR 864.6 million. Investments in frequencies amounted to a total of EUR 39 million, of which EUR 31 million were registered in Bulgaria and EUR 7 million in Austria (compared to a total of EUR 133 million in the previous year). A1 Group focused on expanding its fiber roll-out and 5G networks both in Austria and internationally. In 2024, the lower CAPEX excluding spectrum compared to the financial year 2023 is attributable to savings both in Austria and internationally.
The main drivers of the lower investments compared to the financial year 2023 are the spin-off of the tower business and lower investments into the mobile network. Investments in the fiber roll-out in Austria increased compared to last year. Excluding frequency spectrum, CAPEX decreased by 14.0% to EUR 825.4 million, with declines in all segments except Belarus.

Free Cashflow

In Q4, free cash flow increased by 171.7% to EUR 227 mn (Q4 2023: EUR 83 mn).

In the financial year, free cash flow amounted to EUR 575 million during the reporting period, increasing compared to the previous year (EUR 354 million). In addition to the better operating result, the main reason for this was the significantly lower capital expenditures, as mentioned above, were due to both lower PPE additions and reduced payments for frequency spectrum.
Net interest paid decreased, among other things, due to the spin-off of the tower business. The latter also led to higher lease payments. The unfavorable changes in working capital were mainly due to the negative impact of accounts receivable. Accounts payable benefited in the previous year from broadband subsidies granted until 2023 and thus contributed negatively to the changes in working capital year-over-year.

	Q4 2024	Q4 2023	Δ	2024	2023	Δ
EBITDA	515	481	7.1%	2,021	1,924	5.1%
Restructuring charges and cost of labor obligations	26	39	-32.9%	91	92	-1.4%
Lease paid (principal, interest and prepayments)	-100	-100	0.2%	-389	-256	51.8%
Income taxes paid	-30	-39	-22.1%	-156	-180	-13.1%
Net interest paid	-6	-11	-45.4%	2	-32	n.m.
Change working capital and other changes	39	12	234.2%	-67	-14	393.0%
Capital expenditures	-217	-270	-19.8%	-865	-1,093	-20.9%
Social plans new funded [1]	0	-28	-100.0%	-63	-88	-28.5%
FCF after social plans new	**227**	**83**	**171.7%**	**575**	**354**	**62.5%**

[1] Cost for social plans granted in the respective period

Balance sheet and net debt

As of December 31, 2024, the balance sheet total increased by 3% from EUR 9,557 million to EUR 9,854 million. Current assets increased mainly due to higher cash and cash equivalents and higher accounts receivable. Non-current assets remained stable as additions to property, plant and equipment were offset by a decline in right-of-use assets.
Current liabilities increased due to the rise in lease liabilities short-term related to the shift from lease liabilities long-term. This development also impacted the decline in total non-current liabilities. The increase in equity is due to the period result being higher than the dividend payments in July.

In 2024, the net debt decreased compared to the previous year. The net debt excluding leases/EBITDAaL ratio decreased from 0.4x at the end of 2023 to 0.2x in the reporting year 2024. The net debt/EBITDA ratio was 1.1x as of December 31, 2024, and thus declined compared to the previous year.
This reduction was due to the higher cash and cash equivalents and lower lease liabilities.

in EUR million	Dec 31, 2024	Dec 31, 2023	Δ
Long-term debt	749	748	0.1%
Lease liability long-term	1,585	1,672	-5.2%
Short-term debt	0	60	-99.9%
Lease liability short-term	316	284	11.3%
Cash and cash equivalents	-367	-169	117.7%
Short term investments marketable	-25	0	n.a.
Net debt (incl. leases)	2,257	2,595	-13.0%
Net debt (incl. leases) / EBITDA	1.1x	1.3x	-0.23x
Net debt (excl. leasing)	357	639	-44.2%
Net debt excl leasing / EBITDAaL	0.2x	0.4x	-0.16x

Net debt definition changed in Q4 2024 and now includes short term investments marketable

Reported vs. proforma view

in EUR million	Reported Q4 2024	Reported Q4 2023	Δ	pro forma Q4 2024	pro forma Q4 2023	Δ
Total revenues	1,476	1,369	7.8%	1,476	1,369	7.8%
EBITDA	515	481	7.1%	515	446	15.6%
EBITDA after leases	408	380	7.4%	408	345	18.5%
EBIT	211	201	5.0%	211	166	27.5%
Net result	185	145	27.5%	185	110	68.7%

in EUR million	Reported 2024	Reported 2023	Δ	pro forma 2024	pro forma 2023	Δ
Total revenues	5,413	5,251	3.1%	5,413	5,245	3.2%
EBITDA	2,021	1,924	5.1%	2,021	1,939	4.2%
EBITDA after leases	1,603	1,671	-4.0%	1,603	1,551	3.4%
EBIT	861	911	-5.4%	861	846	1.8%
Net result	627	646	-3.0%	627	557	12.5%

Underlying peformance

in EUR million	Q4 2024	Q4 2023	Δ	2024	2023	Δ
Total revenues	**1,476**	1,369	**7.8%**	**5,413**	5,251	**3.1%**
One-off effects	-9.1	0.0	-	-9.1	0.0	-
Total revenues adjusted for one-off effects	**1,467**	1,369	**7.1%**	**5,404**	5,251	**2.9%**
Group EBITDA	**515**	481	**7.1%**	**2,021**	1,924	**5.1%**
One-off effects	-33	-41	-20.4%	-13	-34	-61.8%
EBITDA adjusted for one-off effects	**483**	440	**9.6%**	**2,008**	1,890	**6.3%**

Segment overview

Segment Austria

in EUR million	Q4 2024	Q4 2023	Δ	2024	2023	Δ
Total revenues	734	714	2.9%	2,807	2,798	0.3%
Service revenues	632	626	1.0%	2,487	2,463	1.0%
Equipment revenues	81	75	8.1%	255	285	-10.3%
Other operating income	21	13	63.9%	65	50	30.2%
Wireless revenues	337	332	1.6%	1,293	1,287	0.5%
Service revenues	270	272	-0.5%	1,083	1,070	1.2%
Equipment revenues	67	60	11.1%	210	217	-3.2%
Wireline revenues	377	370	1.9%	1,449	1,461	-0.8%
Service revenues	362	355	2.2%	1,404	1,393	0.8%
Equipment revenues	14	15	-4.0%	46	68	-32.8%
Total revenues excl. international business*	693	675	2.7%	2,656	2,642	0.6%
Service revenues excl. international business*	591	587	0.7%	2,336	2,307	1.2%
EBITDA	254	276	-8.1%	1,039	1,064	-2.3%
EBITDA margin	34.6%	38.7%	-4.1pp	37.0%	38.0%	-1.0pp
EBITDAaL	196	220	-11.2%	811	936	-13.3%
EBITDAaL margin	26.6%	30.8%	-4.2pp	28.9%	33.4%	-4.5pp
EBIT	85	118	-28.0%	387	493	-21.5%
EBIT margin	11.6%	16.5%	-5.0pp	13.8%	17.6%	-3.8pp

Customer indicators (thousand)				Dec 31, 2024	Dec 31, 2023	Δ
Mobile subscribers				5,131	5,127	0.1%
RGUs				2,727	2,847	-4.2%

	Q4 2024	Q4 2023	Δ	2024	2023	Δ
ARPU (in EUR)	17,6	17,6	-0,3%	17,7	17,3	1,8%
Mobile churn	1.3%	1.3%	-0.0pp	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

In the financial year 2024 and in Q4, the Austrian market remained to be challenging. In the Austrian mobile market, the competitive intensity halted in the fourth quarter in comparison to previous quarters in 2024 in certain segments while it remained high for the low value segment.
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 Q4 2024, subsidies both for acquisition and retention were increased.

In the fixed-line segment, we decreased previous promotional offers for fixed broadband internet. On the internet@home market, A1 shifted to a technology-agnostic approach in 2024, best serving customer needs with the respective available speeds. Also, we continued with our 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. That profited service und equipment revenues in the full year 2024 with an impact of in total approximately EUR 15 mn (EBITDA: EUR -1 mn).

Value-protecting measures were implemented in 2024 effective as of April 1st and are linked to the 7.8% CPI increase after an 8.6% increase on April 1st, 2023. On one hand that continued to benefit results in the full year 2024. On the other hand, a certain price sensitivity continued amidst the inflationary environment in the previous reporting year. Inflation slightly increased from 1.8% in September to 2.0%[1)] in December. In 2024, inflation stood at 2.9% after 7.8% in 2023.

[1)] Source: Austria Inflation Rate

Overall, the mobile customer base in Austria remained stable compared to the previous year. The additions in the second half of the year were able to offset the losses in the first half. Both gross additions and churn increased in the full year. In the fixed-line segment, total RGUs decreased by 4.2%, mainly due to losses in voice RGUs. The number of broadband RGUs also declined as the increase in high-bandwidth RGUs could not fully compensate for the decrease in low-bandwidth RGUs. In the reporting year 2024, the Internet@Home customer base, which includes both fixed-line and mobile internet products, was overall lower than the previous year despite the higher number of mobile WIFI routers.

Total revenues increased in Austria in Q4 2024 and in the full year 2024. In Q4, the revenue increase was driven by higher other operating income, higher service and equipment revenues. The latter increased for the first quarter this year on the back of higher ICT equipment sold but also and more devices sold amdist higher subsidies. Overall, in the full year, lower equipment revenues weighed heavily on the total revenue development.

Service revenues rose both in Q4 and the full year by 1% on the back of higher solutions & connectivity revenues and retail mobile service revenues. The development of the former was supported by the acquisition of NTT as mentioned above. Retail mobile service revenues also rose, benefitting from the above-mentioned value-protection measures. That also supported retail fixed-line service revenues, which however declined in both periods as those effects and upselling to higher speeds could not fully compensate for the voice revenue and subscriber losses. Regulatory driven declines in interconnection revenues burdened service revenues both in the quarter and in the full year.

In Q4 and the full year 2024, the other operating income (OOI) includes positive one-off effects of in total EUR 5 mn.

In Q4, the OPEX development in a year-on-year comparison is impacted by several one-off effects and higher restructuring. The negative one-off effects in OPEX totaled EUR 1 mn in Q4 2024, versus 41 mn in the comparison period. Restructuring charges amounted to EUR 28 mn in Q4 2024 compared to EUR 32 mn in Q4 2023. In Q4, core OPEX excluding one-off effects decreased slightly on the back of lower total workforce costs and savings in electricity and advertising, more than offsetting higher product-related costs such as licenses and software for sale, commissions, and higher network maintenance costs.

In the full year, restructuring amounts to EUR 89 mn while it had been EUR 85 mn in 2023. Positive one-off effects in costs and expenses amounted to a total of EUR 1 mn in 2024 compared to a total of positive EUR 34 million in 2023. In the full year, operationally, the main driver were higher workforce costs, as the increases following inter alia the collective bargaining agreement were only partly mitigated by the lower number of FTEs. Besides that, as in Q4 the increase resulted from higher product-related costs but also higher network maintenance, partly mitigated by lower electricity costs.

As mentioned above, in Q4 2024 subsidies both for acquisition and retention were increased, putting pressure on the equipment margin which deteriorated in the quarter as well as in the full year on a year-over-year comparison.

Overall, EBITDA declined by 8.1% in Q4 and 2.3% in the full year 2024. In Q4 2024, positive one-off effects in Austria in EBITDA totaled EUR 5 mn while the one-offs amounted to positive EUR 41 mn in the comparison period. Excluding one-off effects, EBITDA increased by 5.8% in Q4 and by 0.3% in the full year 2024.

Update on legal claims

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; whereas the claim against the Bob-Claim was suspended in November 2024. 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 December 31, 2024, no provisions were booked for these lawsuits. Should the Supreme Court accept all claims of the Bundesarbeitskammer, which the company does not expect, a significant impact on the results would occur. To avoid any risk, service fees have no longer been agreed with customers since February 2024.

Moreover, the Association for Consumer Information (VKI) filed a lawsuit on July 4, 2024, against the indexation clause used by A1 Austria, arguing that the use of the previous year's index prior to the contract conclusion is impermissible. The VKI demands that A1Austria no longer uses this clause and does not rely on it. The case is pending in the first instance, and there is no verdict yet. In 2012, the VKI already challenged a nearly identical clause with the argument that an index increase triggers an extraordinary right of termination for consumers. Following a preliminary ruling procedure at the ECJ, the Austrian Supreme Court (OGH) decided (8 Ob 132/15t) that the clause is not objectionable materially. Similar decisions were made in favor of two market competitors. A1 Austria assumes that this is a resolved legal matter and that the lawsuit should be dismissed. A1 Austria also believes that there are good material reasons for the admissibility of the annual index. Therefore, no provisions were made for this lawsuit as of December 31, 2024. Should the OGH unexpectedly side with the VKI, a significant impact on results could occur. To avoid any risk, service fees have no longer been agreed with customers since February 2024.

Additionally, the Association for Consumer Information (VKI) and the Federal Chamber of Labour have legally challenged numerous clauses in consumer contracts. Settlements were reached with both institutions, covering all contested clauses with VKI and all but two clauses with the Federal Chamber of Labour. The Federal Chamber of Labour continued the legal proceedings regarding the non-settled clauses, primarily concerning the activation fee. Therefore, no provisions were made for this lawsuit as of December 31, 2024. The court of first instance dismissed the Federal Chamber of Labour's lawsuit in January 2025, thus deeming the charging of an activation fee permissible. The decision is not yet legally binding.

International segments

International segments comprise the segments Bulgaria, Croatia, Belarus, Slovenia, Serbia and North Macedonia. In Q4, total revenues grew mainly on the back of higher equipment revenues thanks to the ICT business in Bulgaria, while service revenues also increased. In the full year the largest contribution came from service revenues. Equipment revenues also rose.
Service revenues continued to profit from value-protecting measures taken earlier in 2024, successful upselling and high demand for high-bandwidth broadband solutions.
Overall, that translated into double-digit EBITDA growth in Q4 and in the full year 2024.
Excluding negative one-off effects, total revenues, service revenues and EBITDA from the international business rose by 11.7%, 6.7% and 11.2% year-on-year, respectively in Q4, and by 5.4%, 6.3% and 10.2% in the full year.

in EUR million	**Q4 2024**	Q4 2023	Δ	**2024**	2023	Δ
Total revenues	742	661	12.3%	2,623	2,485	5.6%
Service revenues	522	489	6.7%	2,031	1,911	6.3%
Equipment revenues	208	159	31.1%	557	526	5.9%
Other operating income	12	13	-9.0%	35	47	-25.5%
Wireless revenues	505	469	7.8%	1,887	1,821	3.6%
Service revenues	358	342	5.0%	1,425	1,368	4.2%
Equipment revenues	147	127	15.6%	462	453	1.9%
Wireline revenues	224	179	25.3%	701	616	13.8%
Service revenues	163	147	10.8%	606	543	11.5%
Equipment revenues	61	31	93.6%	95	73	30.5%
EBITDA	271	219	23.8%	1,016	915	11.0%
EBITDA margin	36.6%	33.2%	3.4pp	38.7%	36.8%	1.9pp
EBITDAaL	223	174	28.0%	826	791	4.5%
EBITDAaL margin	30.1%	26.4%	3.7pp	31.5%	31.8%	-0.3pp
EBIT	138	99	39.4%	513	478	7.3%
EBIT margin	18.7%	15.0%	3.6pp	19.6%	19.3%	0.3pp

Customer indicators (thousand)	**Dec 31, 2024**	Dec 31, 2023	Δ
Mobile subscribers	15,159	15,011	1.0%
RGUs	3,625	3,423	5.9%

	Q4 2024	Q4 2023	Δ	**2024**	2023	Δ
ARPU (in EUR)	7,8	7,5	4,0%	7,9	7,6	3,4%
Mobile churn	2.2%	2.2%	0.0pp	1.8%	1.7%	0.0pp

Bulgaria

in EUR million	Q4 2024	Q4 2023	Δ	2024	2023	Δ
Total revenues	257	213	20.4%	821	750	9.5%
Service Revenues	166	156	6.4%	625	583	7.2%
EBITDA	90	73	23.6%	341	304	12.2%
EBITDA margin	35.2%	34.3%	0.9pp	41.5%	40.5%	1.0pp

In 2024, A1 Bulgaria achieved strong financial results. The competitive environment in Bulgaria remained stable in Q4 2024. In this environment, we continued to focus on and leverage our attractive entertainment solutions, successful upselling initiatives, and the monetization of our broadband expansion. Additionally, value-protecting measures were implemented in March 2024 across both the mobile and fixed-line businesses, which also profited results in Q4. Operational expenses were influenced by revenue-related costs and an increase in employee expenses, driven by the establishment of the Group-wide Competence Delivery Center (CDC).

On the customer side, A1 Bulgaria increased the number of postpaid mobile subscribers as well as TV and Internet@home subscribers, capitalizing on increased sales of premium tariffs and its expanded 5G network, while voice RGUs remained flat. In Q4 we posted positive net additions both in the mobile and fixed-line segment.

Bulgaria showed an exceptional performance in Q4 2024, with double-digit growth in total revenues and equipment revenues. The result benefitted largely from the ICT business, boosting equipment and contributing to service revenues growth. Besides that, retail mobile and retail fixed-line service revenues continued to grow on the back of value-protecting measures, successful upselling and strong demand for TV and broadband services.

In Q4 and the full year 2024, the increase in core OPEX was mainly driven by revenue-related cost positions such as content costs and licenses and software for resale along with the rise in employee costs, amidst the ongoing progress of establishing the Group-wide Competence Delivery Center (CDC).

The Equipment margin also positively benefitted the result, especially in Q4 but also in the full year, supported by the ICT business. Overall, that resulted into double-digit EBITDA growth in both periods.

Croatia

in EUR million	Q4 2024	Q4 2023	Δ	2024	2023	Δ
Total revenues	152	137	10.5%	570	525	8.6%
Service Revenues	117	108	8.1%	466	425	9.5%
EBITDA	47	43	9.4%	224	189	18.7%
EBITDA margin	31.2%	31.5%	-0.3pp	39.3%	36.0%	3.4pp

In the financial year 2024, A1 Croatia achieved solid results despite a challenging competitive environment. Results benefited from the value-protecting measures implemented in June 2024 (effective June 1 , 6.9%) and July 2023, as well as from the monetization of its fiber and 5G network roll-out of the previous year, along with growth in the contract subscriber base and fixed broadband subscriber base.

The increase in total revenues both in Q4 and the full year 2024 was mainly driven by service revenues, while equipment revenues also rose. Within service revenues, growth is visible in retail mobile and fixed-line revenues, as well as in ICT. On top, a positive one-off effect in the amount EUR 4 mn was registered in other operating income.

Core OPEX rose in both periods, with workforce costs being the main driver. Besides that, in Q4 costs were higher for advertising as well as licenses and software for resale (ICT growth driven).

Overall, EBITDA in Q4 increased slightly on operational basis but continued to grow strongly in in the full year 2024.

Belarus

in EUR million	Q4 2024	Q4 2023	Δ	2024	2023	Δ
Total revenues	127	110	15.1%	449	442	1.6%
Service Revenues	82	78	4.4%	327	327	-0.0%
EBITDA	73	44	67.2%	196	192	2.1%
EBITDA margin	57.8%	39.8%	18.0pp	43.6%	43.4%	0.2pp

in BYN million	Q4 2024	Q4 2023	Δ	2024	2023	Δ
Total revenues	456	379	20,2%	1,578	1,439	9,7%
Service Revenues	295	270	9,2%	1,147	1,063	7,9%
EBITDA	262	152	72,1%	688	624	10,2%
EBITDA margin	57,4%	40,1%	17.3pp	43,6%	43,4%	0.2pp

In Q4 2024, A1 Belarus navigated a geopolitical and economic environment marked by sanctions and restrictions. These conditions necessitated adaptations in supply chain management and operational strategies. Moreover, the Belarusian government implemented temporary restrictions on dividend payments to foreign investors from the European Union and other countries deemed "unfriendly".

The Belarusian ruble depreciated by 7.4% against the euro on an average basis over the year. Inflation in Belarus decreased to 5.2% from 5.8% in the previous year, providing some relief in an otherwise tough economic climate.

A1 Belarus faced financial penalties as well, with a fine of BYN 83.7 mn (EUR 24 mn) imposed during a State Control Audit for administrative violations. This fine was recorded as an expense in Q2 of 2024 and was later converted into an obligation to expand the mobile network by adding 300 base stations according to the list agreed with the State. The above mentioned provision in the amount of EUR 24 mn was therefore released in the fourth quarter of 2024.

In Q4 2024, despite these challenges, the company achieved strong revenue growth in euros and in BYN, primarily driven by its focus on non-regulated services, which experienced double-digit growth in the fixed-business and ICT. Despite a price moratorium in mobile business, revenue growth was achieved mainly by the upselling strategy across all segments. The company leveraged attractive offers, such as unlimited data plans in the mobile sector, and implemented targeted upselling strategies based on the "more for more" principle. The demand for high-speed internet and convergent offerings that included TV content remained robust in the fixed-line segment.

In Q4 and the full year, service revenues in local currency grew by 9.2% and 7.9% respectively in a year-on-year comparsion, while core OPEX remained flat excluding the one-off impact in Q4 and was contained to a growth of 3.3% in the full year. Decreasing costs in content and marketing offset higher traffic-related expenses for corporate networks and 4G infrastructure. The equipment margin also benefitted results in both periods.

EBITDA excluding one-off effects increased in Q4 2024 and the full year in both in local currency and euros, despite negative FX effects.
Overall, the company demonstrated resilience and adaptability in a complex operating environment, achieving growth through strategic initiatives and a focus on customer retention and acquisition.

Slovenia

in EUR million	Q4 2024	Q4 2023	Δ	2024	2023	Δ
Total revenues	58	61	-4.1%	230	242	-5.0%
Service Revenues	45	44	1.5%	177	179	-1.1%
EBITDA	11	16	-27.4%	52	56	-7.3%
EBITDA margin	19.4%	25.7%	-6.2pp	22.5%	23.1%	-0.6pp

The market environment in Slovenia remained highly competitive in Q4 2024 and throughout the year 2024. Competitors pushed for market share, with product offerings focusing on low-cost plans with unlimited data. In this context, A1 Slovenia responded to these challenges by introducing attractive offers with a strong focus on retaining the existing customer base but also acquiring new customers. In Q4 2024, the postpaid customer base registered positive net additions.

Total revenues decreased in both in Q4 and FY 2024. In both periods the decline was driven by lower equipment revenues and a lower other operating income. Service revenues rose in Q4 thanks to national roaming as well as solutions and connectivity revenues. Mobile service revenues declined in both periods due to high competition and aggressive offers. In the full year, service revenues declined.

Core OPEX increased in the fourth quarter driven by higher workforce and corporate network costs, but were stable in the full year year-on-year. Together with a negative equipment margin in both periods, this resulted in EBITDA decline in Q4 and the full year 2024.

Serbia

in EUR million	Q4 2024	Q4 2023	Δ	2024	2023	Δ
Total revenues	106	100	6.2%	398	382	4.0%
Service Revenues	79	71	11.3%	309	280	10.6%
EBITDA	35	32	11.3%	146	127	15.2%
EBITDA margin	33.1%	31.6%	1.5pp	36.8%	33.2%	3.6pp

We took an important step in our corporate strategy in Serbia in the 2024 financial year. After acquiring Conexio Metro d.o.o we are now active as a convergent player in Serbia -and thus in all seven of our markets. We signed a share purchase agreement in Q3 2024. The completion of the transaction is still open. With this acquisition, 42,000 households with fiber connections were added. Additionally, we are expanding our fixed-line infrastructure with our own development. Since the beginning of 2025, we have also been offering fixed-line products in Serbia.

In the mobile segment, competitive dynamics remained largely unchanged. In the second half of 2024, A1 Serbia introduced a new tariff portfolio with unsubsidized tariffs. Another focus during this reporting year was upselling the existing customer base to migrate them to higher-value tariffs. In the mobile core business both postpaid and prepaid subscribers declined.

Total revenues increased in both in Q4 and the full year 2024, entirely driven by a rise in retail mobile service revenues, supported also by pricing measures related to inflation that took effect on April 1, 2024, with a 10% increase for certain customer segments. That offset losses in interconnection revenues as well as – in the full year – also lower equipment revenues.

The increase in core OPEX in Q4 is mainly due to higher product-related costs like costs for licenses and software for resale, content or commissions as well as total workforce costs. The equipment margin declined.
Overall, the strong service revenue increase translated in double digit EBITDA growth both in Q4 and the full year 2024.

North Macedonia

in EUR million	Q4 2024	Q4 2023	Δ	2024	2023	Δ
Total revenues	43	41	6.4%	164	152	8.2%
Service Revenues	34	32	6.5%	135	124	8.8%
EBITDA	14	12	18.4%	57	48	18.3%
EBITDA margin	31.5%	28.3%	3.2pp	34.7%	31.7%	3.0pp

In North Macedonia, positive market trends prevailed in 2024. Both in Q4 and the full year 2024, the growth in total revenues was driven largely by retail mobile service revenues. Equipment revenues also rose in both periods.

Results in the mobile business profited from the growth in the postpaid subscriber base and the monetization of 5G tariffs with unlimited data in the high-value segment. Retail fixed-line service revenues also rose on the back of a higher RGU base.

On the cost side, core OPEX in Q4 increased only slightly driven by product-related items. Additionally, in a full year comparison, total workforce costs also rose. Together with a positive EBITDA margin, altogether that resulted in double digit EBITDA growth in both periods.

Condensed Consolidated Statement of Comprehensive Income

in EUR million, except per share information	Q4 2024	Q4 2023	Δ	2024	2023	Δ
Service revenues	1,155	1,111	4.0%	4,502	4,348	3.5%
Equipment revenues	289	234	23.8%	813	811	0.2%
Other operating income	32	24	29.0%	98	92	5.9%
Total revenues (incl. other operating income)	**1,476**	**1,369**	**7.8%**	**5,413**	**5,251**	**3.1%**
Cost of service	-387	-350	10.8%	-1,487	-1,474	0.9%
Cost of equipment	-291	-226	28.6%	-807	-790	2.2%
Selling, general & administrative expenses	-304	-302	0.6%	-1,088	-1,046	4.0%
Other expenses	22	-10	-324.4%	-9	-18	-47.8%
Total cost and expenses	**-961**	**-888**	**8.2%**	**-3,391**	**-3,327**	**1.9%**
Earnings before interest, tax, depreciation and amortization (EBITDA)	**515**	**481**	**7.1%**	**2,021**	**1,924**	**5.1%**
Depreciation and amortization	-220	-199	10.2%	-825	-796	3.7%
Depreciation of right-of-use assets	-87	-81	7.9%	-338	-215	57.1%
Impairment and reversal of impairment	3	0	n.m.	3	-3	n.m.
Operating income (EBIT)	**211**	**201**	**5.0%**	**861**	**911**	**-5.4%**
Interest income	7	4	51.8%	20	20	0.2%
Interest expense	-25	-26	-3.4%	-100	-99	1.7%
Interest on employee benefits and restructuring and other financial items, net	-3	-3	3.4%	-18	-9	105.0%
Foreign currency exchange differences, net	-1	0	-471.0%	-2	-3	-47.0%
Equity interest in net income of associated companies	-1	-0	911.8%	1	1	35.8%
Financial result	**-24**	**-24**	**-2.3%**	**-98**	**-90**	**9.7%**
Earnings before income tax (EBT)	**187**	**177**	**6.0%**	**763**	**821**	**-7.1%**
Income tax	-2	-32	-93.0%	-137	-175	-22.1%
Net result	**185**	**145**	**27.5%**	**627**	**646**	**-3.0%**
thereof, attributable to the equity holders of the parent	185	145	27.5%	626	645	-3.0%
thereof, non-controlling interests	0	0	-5.9%	1	1	4.0%
Earnings per share attributable to equity holders of the parent in euro*	**0.28**	**0.22**	**27.5%**	**0.94**	**0.97**	**-3.0%**
Other comprehensive income items						
Effect of translation of foreign entities	-3	-4	-17.6%	-6	-41	-84.2%
Realized result on hedging activities, net of tax	0	0	n.m.	0	2	-100.0%
Unrealized result on debt instruments at fair value, net of tax	0	1	-89.6%	1	1	-52.8%
Items that may be reclassified to the net result	**-3**	**-3**	**3.6%**	**-6**	**-37**	**-83.9%**
Remeasurement of defined benefit obligations, net of tax	9	-9	-204.5%	7	-13	-155.7%
Items that will not be reclassified to the net result	**9**	**-9**	**-204.5%**	**7**	**-13**	**-155.7%**
Total other comprehensive income (loss)	**6**	**-12**	**-148.7%**	**1**	**-50**	**-102.0%**
Total comprehensive income (loss)	**191**	**134**	**43.0%**	**628**	**596**	**5.3%**
thereof, attributable to the equity holders of the parent	191	133	43.0%	627	596	5.3%
thereof, non-controlling interests	0	0	-5.9%	1	1	4.0%

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

Condensed Consolidated Statement of Financial Position

in EUR million	Dec. 31, 2024	Dec 31, 2023	Δ
ASSETS			
Cash and cash equivalents	367	169	117.7%
Short-term investments	63	85	-26.1%
Accounts receivable: Subscribers, distributors and other, net	950	843	12.6%
Receivables due from related parties	16	22	-23.9%
Inventories, net	102	105	-2.6%
Income tax receivable	0	11	-98.1%
Other current assets, net	247	223	10.8%
Contract assets	83	88	-5.9%
Current assets	**1,828**	**1,545**	**18.4%**
Property, plant and equipment, net	3,116	3,029	2.9%
Right-of-use assets, net	1,880	1,961	-4.1%
Intangibles, net	1,604	1,655	-3.0%
Goodwill	1,089	1,089	-0.0%
Investments in associated companies	2	1	121.2%
Long-term investments	254	207	22.4%
Deferred income tax assets	53	47	13.3%
Other non-current assets, net	27	22	21.4%
Non-current assets	**8,026**	**8,012**	**0.2%**
TOTAL ASSETS	**9,854**	**9,557**	**3.1%**
LIABILITIES			
Short-term debt	0	60	-99.9%
Lease liabilities short-term	316	284	11.3%
Accounts payable	967	927	4.3%
Accrued liabilities and current provisions	245	253	-3.0%
Income tax payable	84	81	3.3%
Payables due to related parties	37	24	50.5%
Contract liabilities	241	216	11.3%
Current liabilities	**1,889**	**1,845**	**2.4%**
Long-term debt	749	748	0.1%
Lease liabilities long-term	1,585	1,672	-5.2%
Deferred income tax liabilities	34	59	-42.4%
Other non-current liabilities	44	22	104.8%
Asset retirement obligation and restructuring	398	423	-5.8%
Employee benefits	166	187	-11.2%
Non-current liabilities	**2,976**	**3,111**	**-4.3%**
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	3,208	2,821	13.7%
Other comprehensive income (loss) items	-763	-764	-0.1%
Equity attributable to equity holders of the parent	**4,986**	**4,598**	**8.4%**
Non-controlling interests	2	2	6.7%
TOTAL STOCKHOLDERS' EQUITY	**4,989**	**4,601**	**8.4%**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**9,854**	**9,557**	**3.1%**

Condensed Consolidated Statement of Cash Flows

in EUR million	Q4 2024	Q4 2023	Δ	2024	2023	Δ
Earnings before income tax	**187**	**177**	**6.0%**	**763**	**821**	**-7.1%**
Depreciation	150	135	11.0%	553	541	2.2%
Amortization of intangible assets	70	65	8.5%	272	254	6.9%
Depreciation of right-of-use assets	87	81	7.9%	338	215	57.1%
Impairment/Reversal of impairment PPE	-3	-0	n.m.	-3	3	-203.2%
Equity interest in net income of associated companies	1	0	n.m.	-1	-1	35.8%
Result on sale/measurement of investments	-1	-2	n.m.	1	-3	-118.7%
Result on sale of property, plant and equipment	-3	1	n.m.	1	2	-70.8%
Net period cost of labor obligations and restructuring	29	43	-31.5%	106	102	3.8%
Foreign currency exchange differences, net	1	-0	n.m.	2	3	-47.0%
Interest income	-7	-4	n.m.	-20	-20	0.2%
Interest expense	25	26	n.m.	102	100	1.9%
Other adjustments	-4	-3	16.2%	-5	-5	2.6%
Non-cash and other reconciliation items	**347**	**340**	**2.0%**	**1,345**	**1,192**	**12.8%**
Accounts receivable: Subscribers, distributors and other, net	-73	13	n.m.	-105	-23	n.m.
Prepaid expenses	31	11	192.6%	9	-10	-189.0%
Due from related parties	-1	2	-144.3%	1	3	-59.7%
Inventories	18	10	86.2%	6	-2	n.m.
Other assets	-38	-30	27.8%	-40	-49	-19.7%
Contract assets	-9	-5	96.1%	5	9	-41.0%
Accounts payable and accrued liabilities	94	14	n.m.	73	47	55.5%
Due to related parties	7	3	145.1%	12	7	76.2%
Contract liabilities	2	-18	-110.6%	17	-2	n.m.
Working capital changes	**32**	**0**	**n.m.**	**-21**	**-20**	**4.9%**
Employee benefits and restructuring paid	-47	-33	41.7%	-136	-118	15.6%
Interest received	6	1	n.m.	19	20	-2.6%
Income taxes paid	-30	-39	-22.1%	-156	-180	-13.1%
Net cash flow from operating activities	**495**	**446**	**11.0%**	**1,814**	**1,716**	**5.7%**
Capital expenditures paid	-191	-263	-27.7%	-890	-1,094	-18.6%
Proceeds from sale of plant, property and equipment	6	4	61.2%	10	10	-7.7%
Purchase of investments	-27	-15	76.3%	-251	-107	133.9%
Proceeds from sale of investments	10	8	28.9%	228	87	160.5%
Investments in associated companies	0	0	n.m.	0	0	n.m.
Net cash flow from investing activities	**-202**	**773**	**-126%**	**-909**	**-64**	**1,322.3%**
Repayments of long-term debt	0	0	n.m.	0	-600	-100.0%
Interest paid	-32	-33	-1.8%	-99	-88	11.8%
Repayments of short-term debt	-31	-305	-89.8%	-301	-5,355	-94.4%
Issuance of short-term debt	0	-265	-100.1%	241	4,894	-95.1%
Dividends paid	-0	-0	11.6%	-240	-213	12.4%
Acquisition of non-controlling interests	0	0	n.m.	0	0	n.m.
Deferred consideration paid for business combinations	-5	0	n.m.	-7	-2	249.3%
Lease principal paid	-78	-68	13.7%	-301	-205	46.8%
Net cash flow from financing activities	**-146**	**-1,203**	**-88%**	**-707**	**-600**	**17.8%**
Cash and cash equivalents beginning of period	219	152	43.7%	169	150	12.5%
Cash transferred spin-off	0	0	n.m.	0	-1,033	-100.0%
Net change in cash and cash equivalents	148	16	n.m.	198	19	n.m.
Adjustment to cash flows due to exchange rate fluctuations, net	1	-0	n.m.	-0	-0	6.9%
Cash and cash equivalents end of period	**367**	**169**	**117.7%**	**367**	**169**	**117.7%**

Financial calendar

April 29, 2025	Results Q1 2025
May 24, 2025	Record date: Annual General Meeting
June 3, 2025	Annual General Meeting
June 5, 2025	Dividend ex-date
June 6, 2025	Dividend record date
June 11, 2025	Dividend payment date
July 15, 2025	Results Q2 / H1 2025
Oct 14, 2025	Results Q3 / Q1-Q3 2025

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Disclaimer

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