

# Results for Q4 and the full year 2024

**February, 11 2025**



# Cautionary statement

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

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

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

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

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

# Summary Q4

## Financial Performance

- **Service revenues +4.0%** driven by CEE; growth in all markets
- **EBITDA +7.1%**
- **FCF EUR 575 mn in FY 2024 (+62%)**

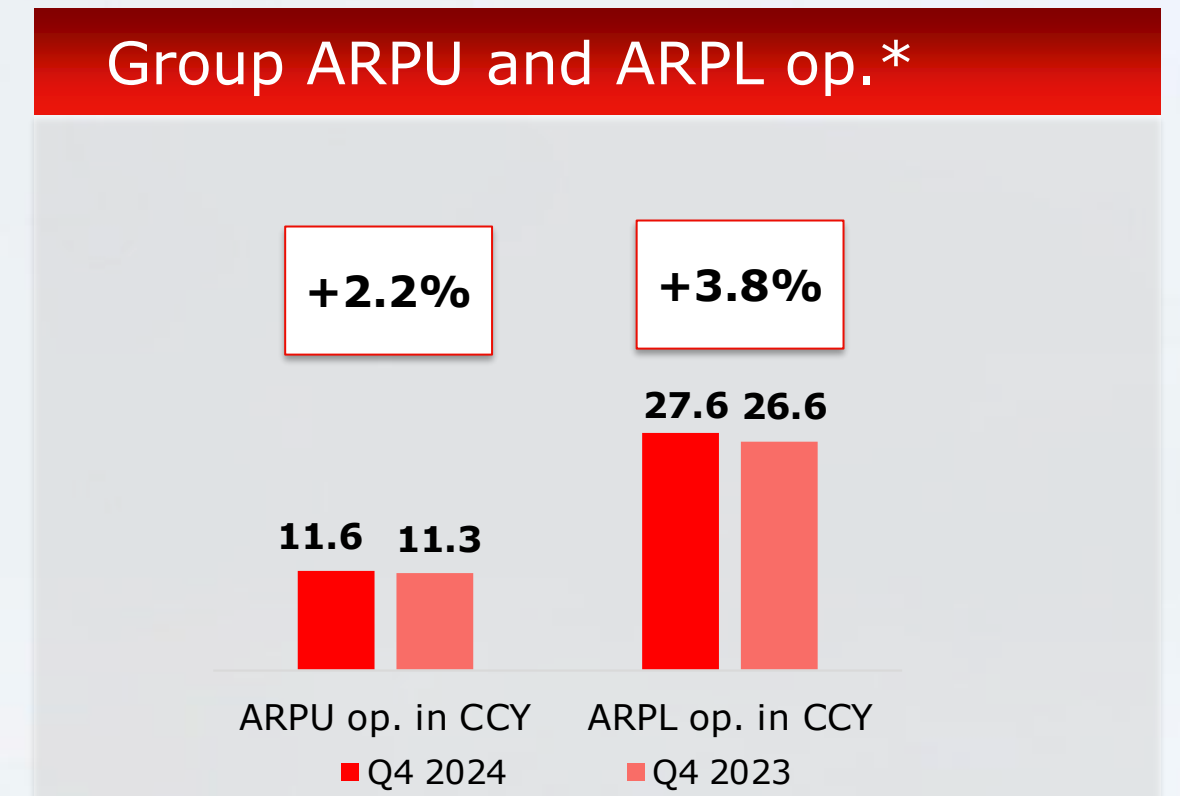
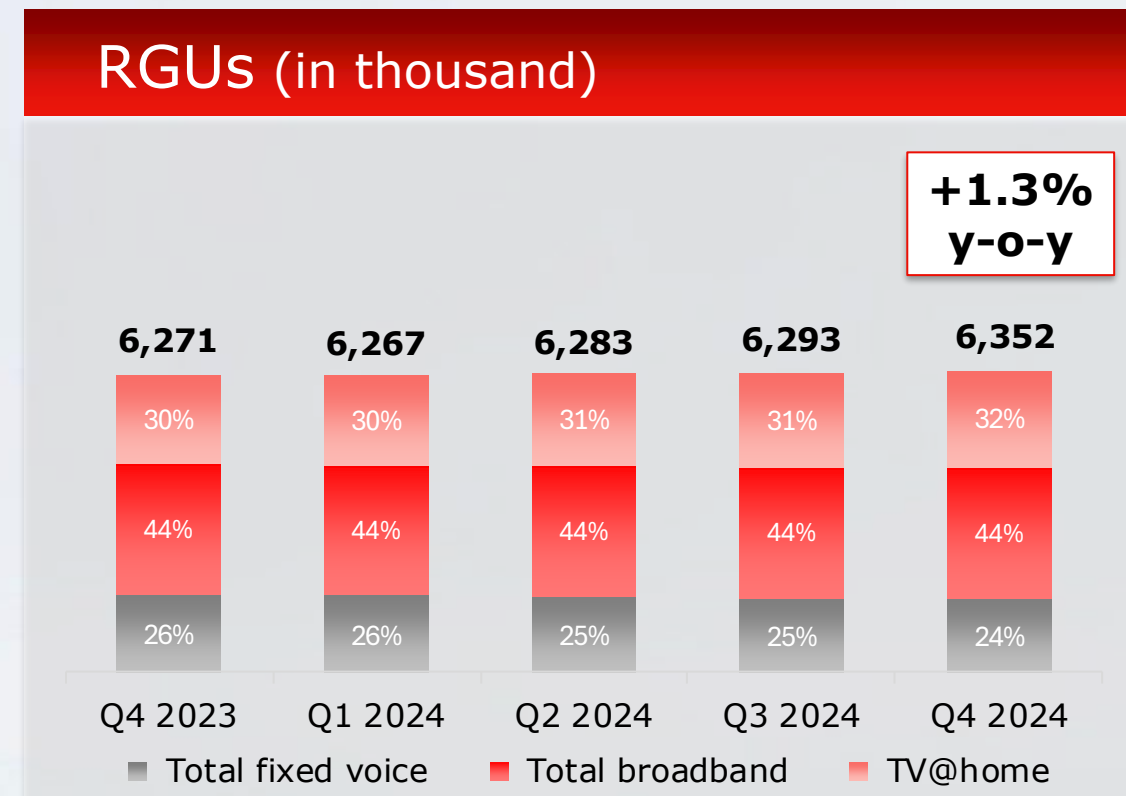
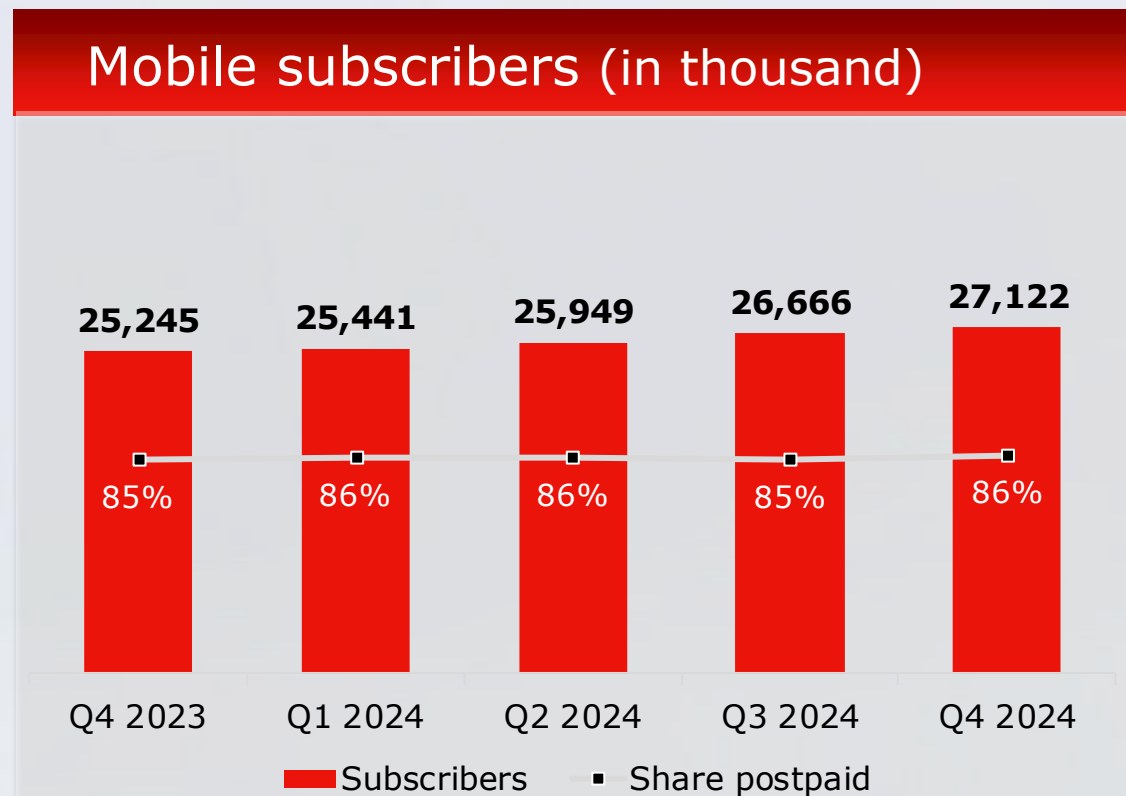
## Market Environment

- Strong **equipment sales** in Bulgaria, Belarus and Austria.
- Belarus: **Administrative penalty** converted into investments
- **Convergent** in all 7 core markets | A1 Serbia started roll-out of fixed services
- **TOP ESG ratings:** Sustainalytics' 2025 ESG Top-Rated Industry List

## Outlook

- **Guidance 2025:** Total revenues: +2-3%, CAPEX ex spectrum: ~ EUR 850 mn
- **Dividend proposal\***: EURc 40 (previous year: EURc 36)

# Customer development



**+7.4%**  
**Mobile subscribers**

**+2.1% Broadband (BB)**  
**+13.2% advanced BB**  
**+6.8% TV**

**+2.2%**  
**ARPU operative**  
**+3.8%**  
**ARPL operative**

\*operative = excl. M2M in CCY

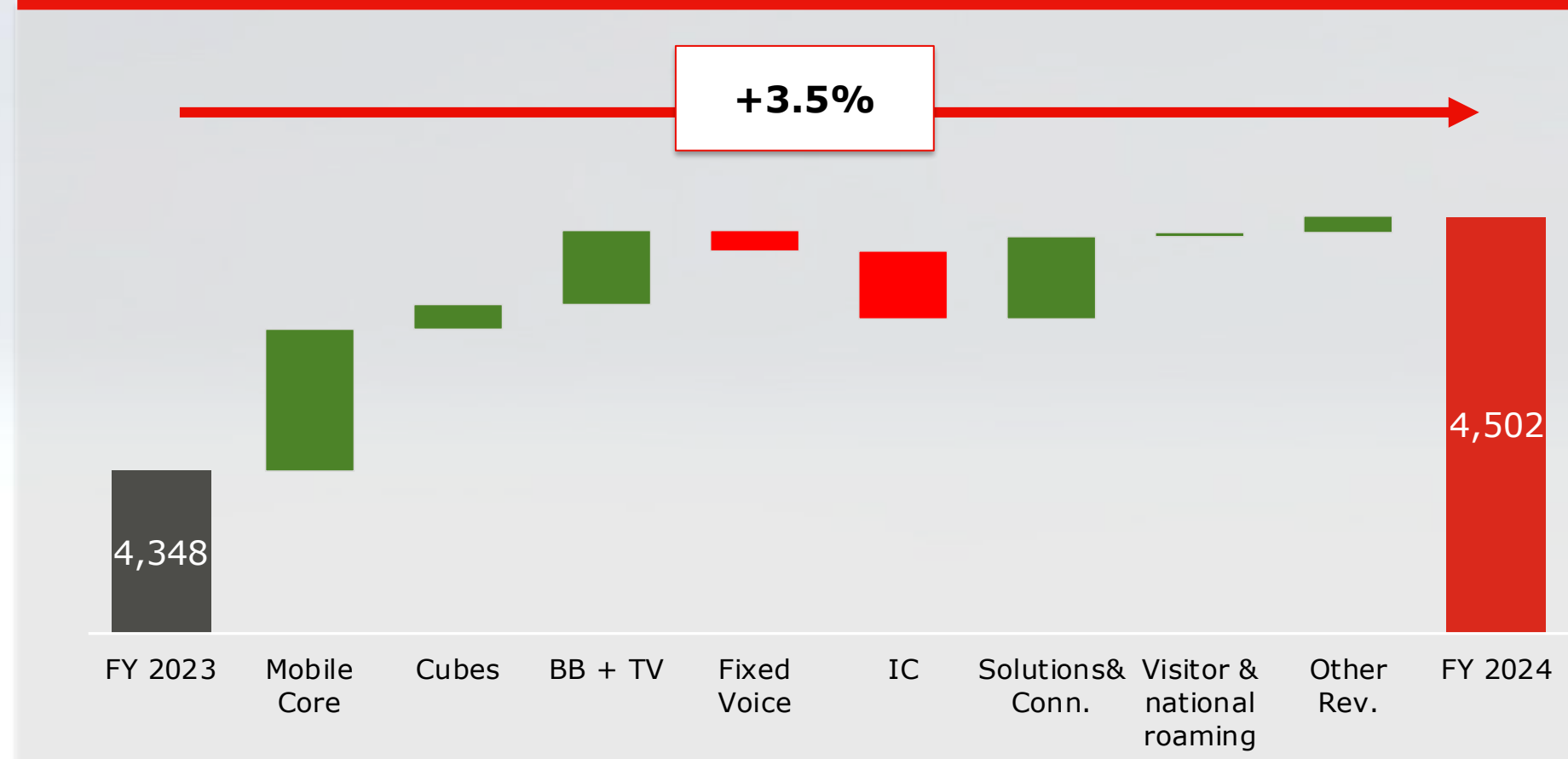
# Group Revenue development

Unless otherwise stated, all amounts in EUR mn

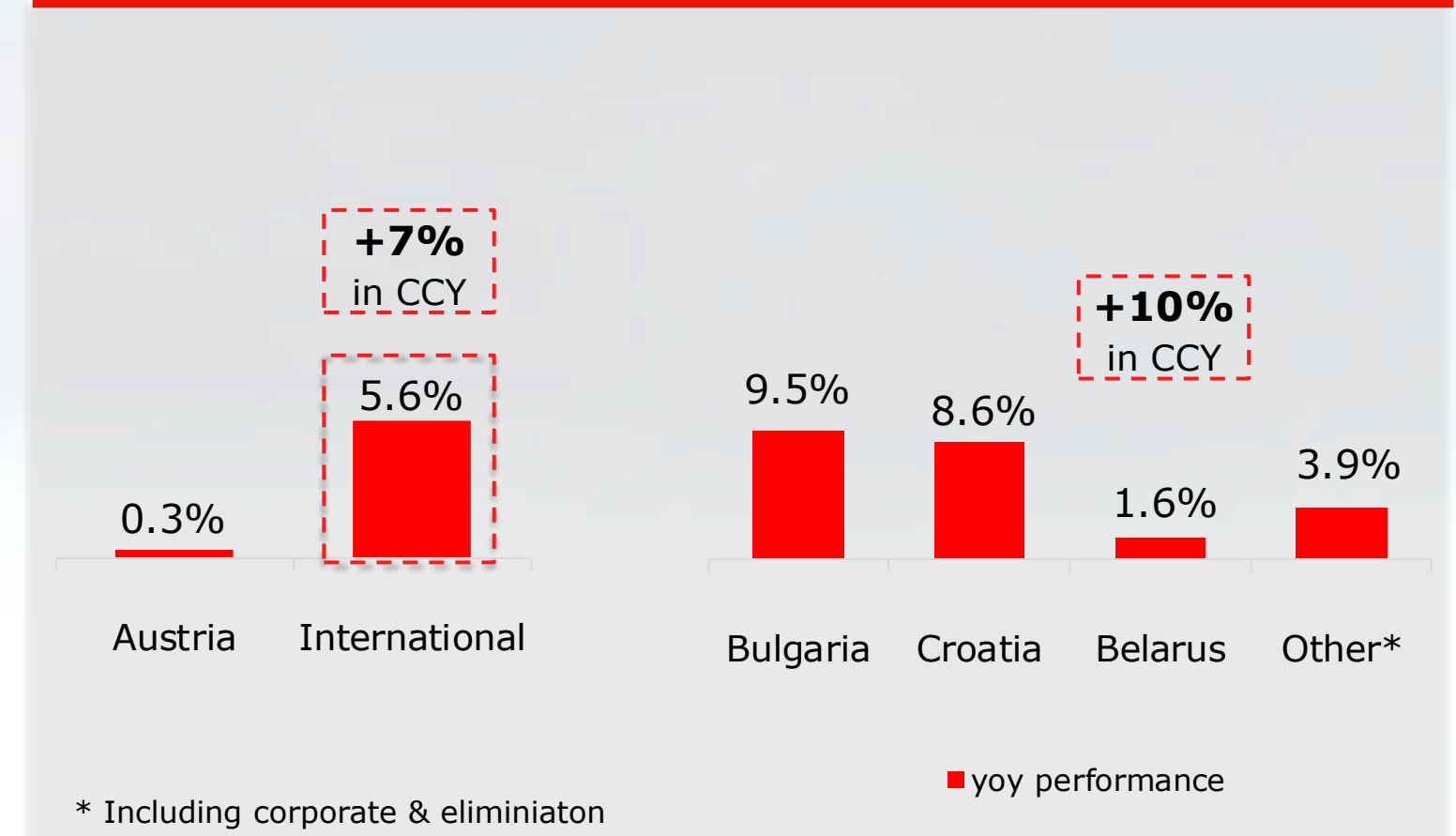
	Q4 2024	Q4 2023	
Service revenues	1,155	1,111	+4.0%
Equipment revenues	289	234	+23.8%
Other operating income	32	24	+29.0%
<b>Total revenues</b>	<b>1,476</b>	<b>1,369</b>	<b>+7.8%</b>

	FY 2024	FY 2023	
Service revenues	4,502	4,348	+3.5%
Equipment revenues	813	811	+0.2%
Other operating income	98	92	+5.9%
<b>Total revenues</b>	<b>5,413</b>	<b>5,251</b>	<b>+3.1%</b>

## Service revenue growth drivers, YTD



## Total revenue growth – Group and International, YTD



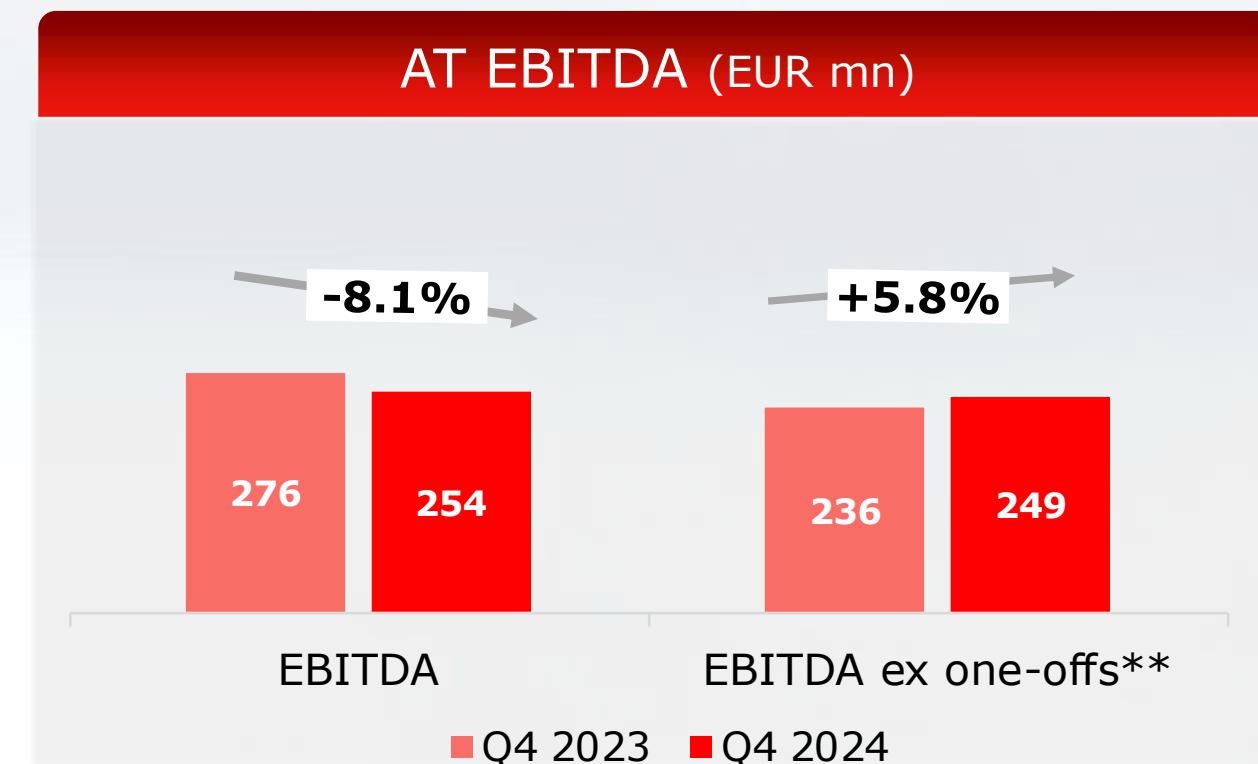
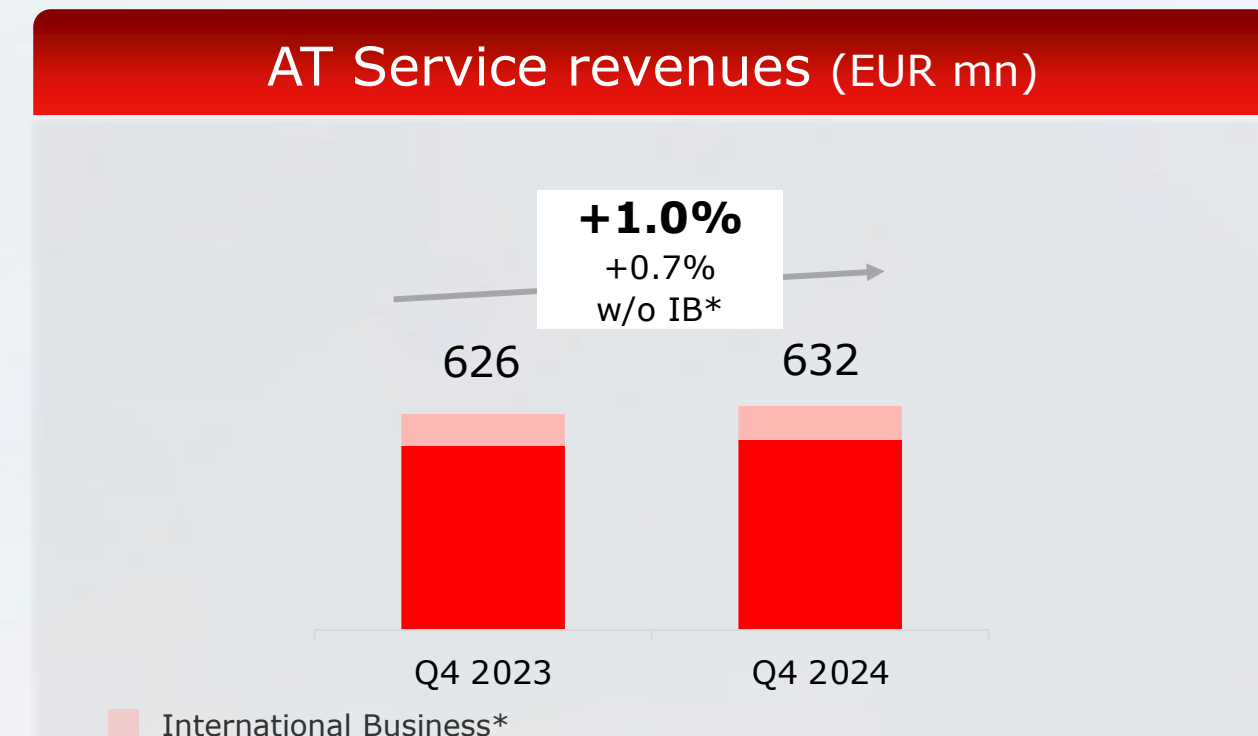
# Segment Austria in Q4 2024

## Operations

- **Mobile** net adds 10k
- **High-bandwidth** BB and **TV** RGU growth
- **Investments in the market** | Increased subsidies for retention and acquisition

## Financials

- **Service revenue growth** driven by retail mobile & ICT solutions and NTT closing
- More ICT **equipment** and handsets sold
- **Core OPEX** (excl. one-offs) lower due to workforce & electricity costs
- Negative equipment margin

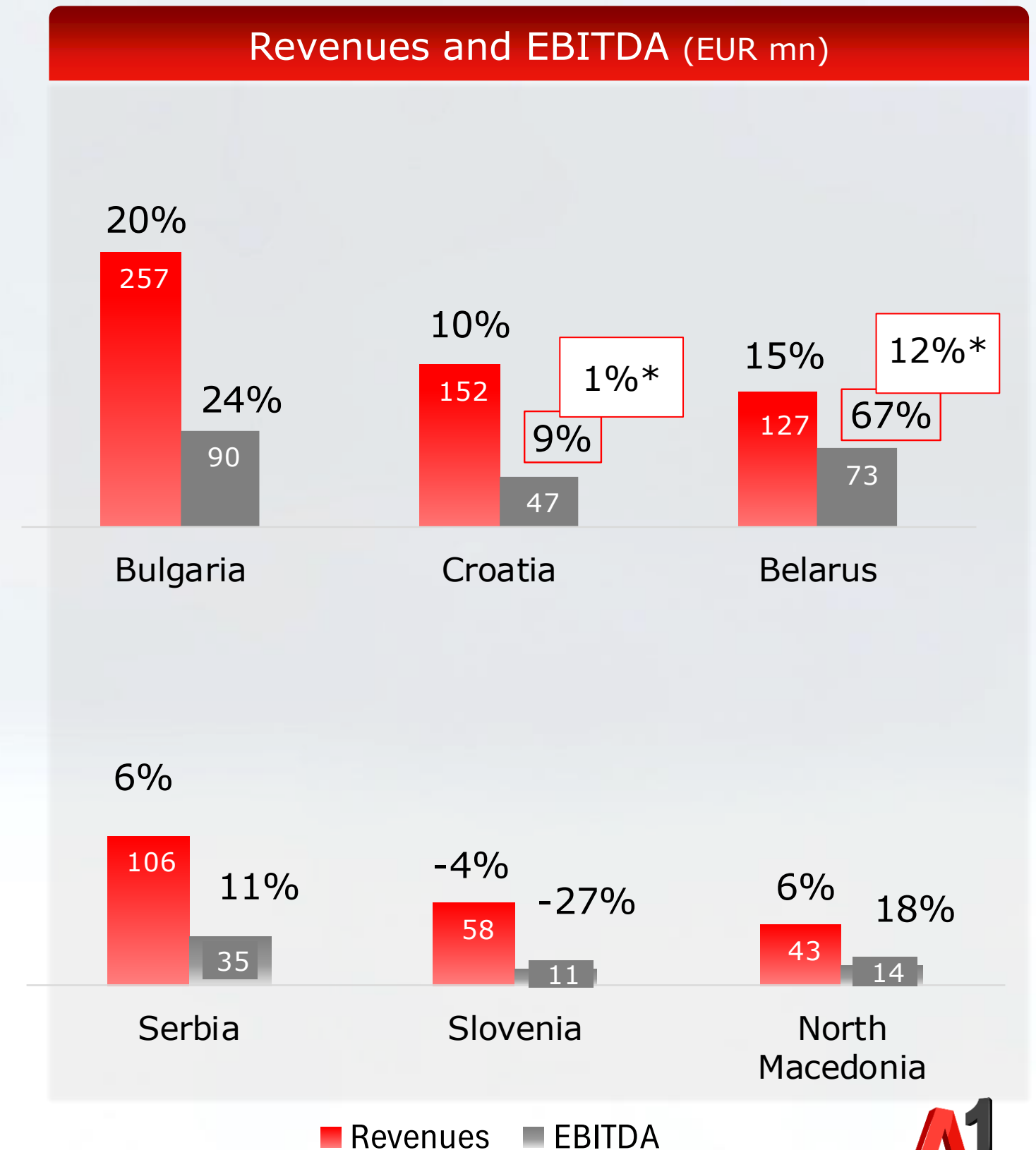


\*comprising transit and other interconnection, solutions & connectivity; reported in Austria, shown separately as it is not reflecting Austrian business performance

# International Segments in Q4 2024

## Total international revenues growth 12%

- Belarus & Bulgaria: Strong **fixed BB** and **TV** subs **growth**
- Bulgaria: **Large ICT deals**
- Croatia: **Growth** in **retail mobile & fixed / ICT** despite **investments in the market** (higher subsidies) & **workforce cost**
- Belarus: **Subscriber growth** and fixed price increase; state audit provision reversed and converted into **investment obligation**
- Serbia: **Rollout of fixed services**
- Slovenia: Challenging market environment impacting results





# P&L

Unless otherwise stated, all amounts in EUR mn

	Q4 2024	Q4 2023	Δ	FY 2024	FY 2023	Δ
<b>Revenues</b>	<b>1,476</b>	<b>1,369</b>	<b>+7.8%</b>	<b>5,413</b>	<b>5,251</b>	<b>+3.1%</b>
OPEX	(961)	(888)	+8.2%	(3,391)	(3,327)	+1.9%
<b>EBITDA</b>	<b>515</b>	<b>481</b>	<b>+7.1%</b>	<b>2,021</b>	<b>1,924</b>	<b>+5.1%</b>
Margin	34.9%	35.2%	-0.2pp	37.3%	36.6%	+0.7pp
one-off effects	- 33	- 41	n.m.	- 13	- 34	n.m.
<b>EBITDA excl. one offs</b>	<b>483</b>	<b>440</b>	<b>+9.6%</b>	<b>2,008</b>	<b>1,890</b>	<b>+6.3%</b>
Margin	32.9%	32.2%	+0.7pp	37.2%	36.0%	+1.2pp
<b>EBITDAaL</b>	<b>408</b>	<b>380</b>	<b>+7.4%</b>	<b>1,603</b>	<b>1,671</b>	<b>-4.0%</b>
Margin	27.7%	27.8%	-0.1pp	29.6%	31.8%	-2.2pp
<b>EBIT</b>	<b>211</b>	<b>201</b>	<b>5.0%</b>	<b>861</b>	<b>911</b>	<b>-5.4%</b>
EBIT margin	14.3%	14.7%	-0.4pp	15.9%	17.3%	-1.4pp
Financial result	(24)	(24)	-2.3%	(98)	(90)	9.7%
Income taxes	(2)	(32)	-93.0%	(137)	(175)	-22.1%
<b>Net result</b>	<b>185</b>	<b>145</b>	<b>27.5%</b>	<b>627</b>	<b>646</b>	<b>-3.0%</b>
Net margin	12.6%	10.6%	+1.9pp	11.6%	12.3%	-0.7pp
<b>Net result (pro forma)</b>	<b>n.m.</b>	<b>n.m.</b>	<b>n.m.</b>	<b>627</b>	<b>557</b>	<b>12.5%</b>

## Q4 and full year 2024

### OPEX increase in Q4:

- higher equipment costs (Δ EUR 63 mn) and one-offs (Δ EUR 17 mn)

### EBIT increase in Q4

- despite higher D&A

### Income taxes decline in Q4 and FY

- 30 mn deferred tax income on activation of loss carry forward

### Net result in Q4 higher

- FY'24 net result impacted by tower spin-off, pro forma increase of 12.5%

\*Proforma= as if tower business has already been spun-off in comparison period



# Free Cash Flow

Unless otherwise stated, all amounts in EUR mn

	Q4 2024	Q4 2023	Δ	FY 2024	FY 2023	Δ
EBITDA	515	481	7.1%	2,021	1,924	5.1%
Restructuring charges, cost of labor obligations	26	39	-32.9%	91	92	-1.4%
Lease paid (principal, interest, 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%
CAPEX	(217)	(270)	-19.8%	(865)	(1,093)	-20.9%
<b>FCF before soc. plans</b>	<b>227</b>	<b>111</b>	<b>104.2%</b>	<b>638</b>	<b>441</b>	<b>44.4%</b>
Social plans new funded	0	(28)	-100.0%	(63)	(88)	-28.5%
<b>Free cash flow</b>	<b>227</b>	<b>83</b>	<b>171.7%</b>	<b>575</b>	<b>354</b>	<b>62.5%</b>
FCF/revenues	16.8%	6.3%	+10.5pp	14.6%	9.1%	+5.5pp

## Q4 and full year 2024

### Free Cash Flow in FY 2024 higher due to

- Despite increase of lease payments due to Towers' spin off
- higher operational result
- lower CAPEX & frequencies paid
- lower interest & income taxes paid

### Working capital changes

- increase in receivables
- negative impact in accounts payables (broadband subsidy received in 2023)

# Focus Points Q4

# Focus topics Q4/2024

... to stay relevant for our customers

**Austria  
Infrastructure invest**

**Austria  
Restructuring**



# A1 Austria | Multi-technology strategy and diligent CAPEX spend

**01 Fragmented market**

**02 High rollout costs**

**03 Mobile substitution**

**Reinforced partnering**

Targeted partnering with selective networks

**Reprioritized rollout**

Lower rollout costs and increase take-rates

**Fixed wireless access**

Provide 'fixed-like' mobile substitute for customers

# A1 Austria | Prioritizing sustainable growth over rapid deployment

## Fibre

850k

FOTP Homes passed YE24

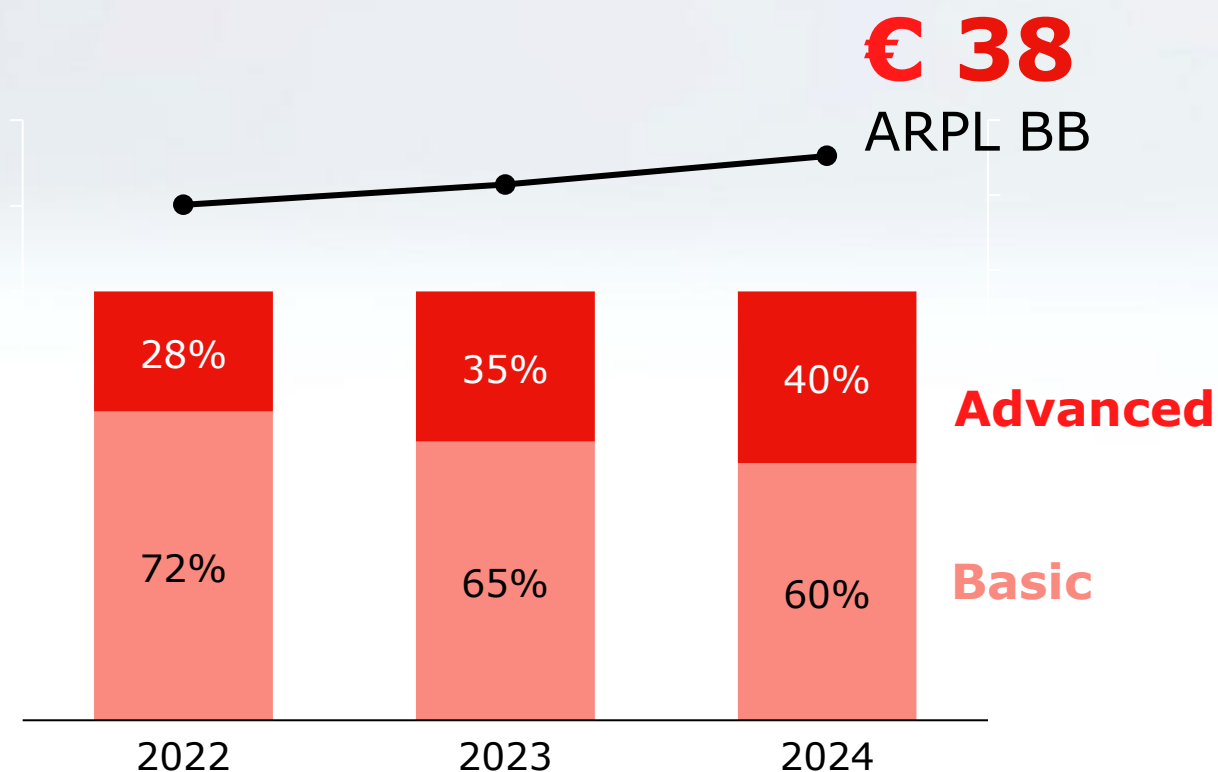
## 5G

86%

Pop. Coverage YE24

- Fixed | Monetizing investments by improving connect/pass ratio
- Mobile | 5G | From pop coverage to capacity increase

## Growth in advanced BB RGUs & ARPL



+3.5%  
CAGR 2022-2024  
I@H revenues

## X- & Up-selling beyond the CORE

137k

Speed  
Upsells

€ 11m

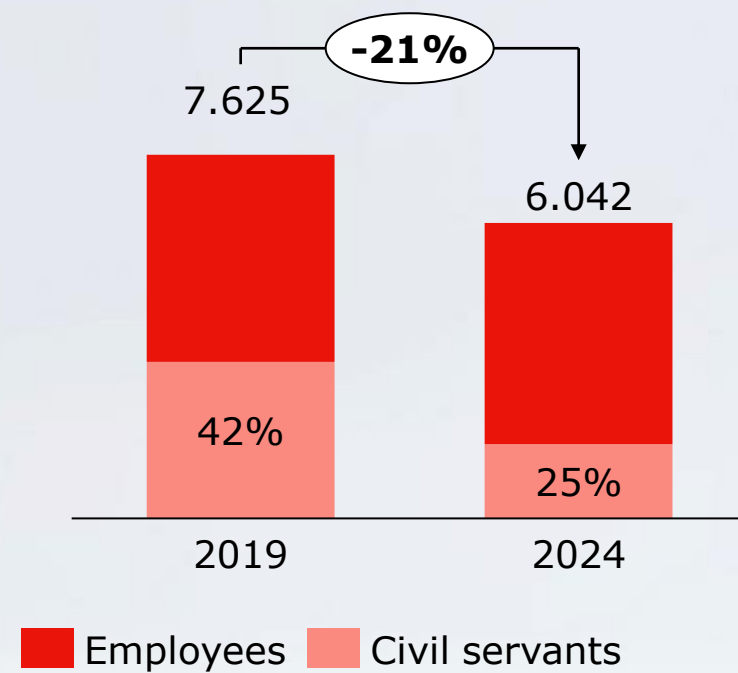
Security  
Revenues

€ 14m

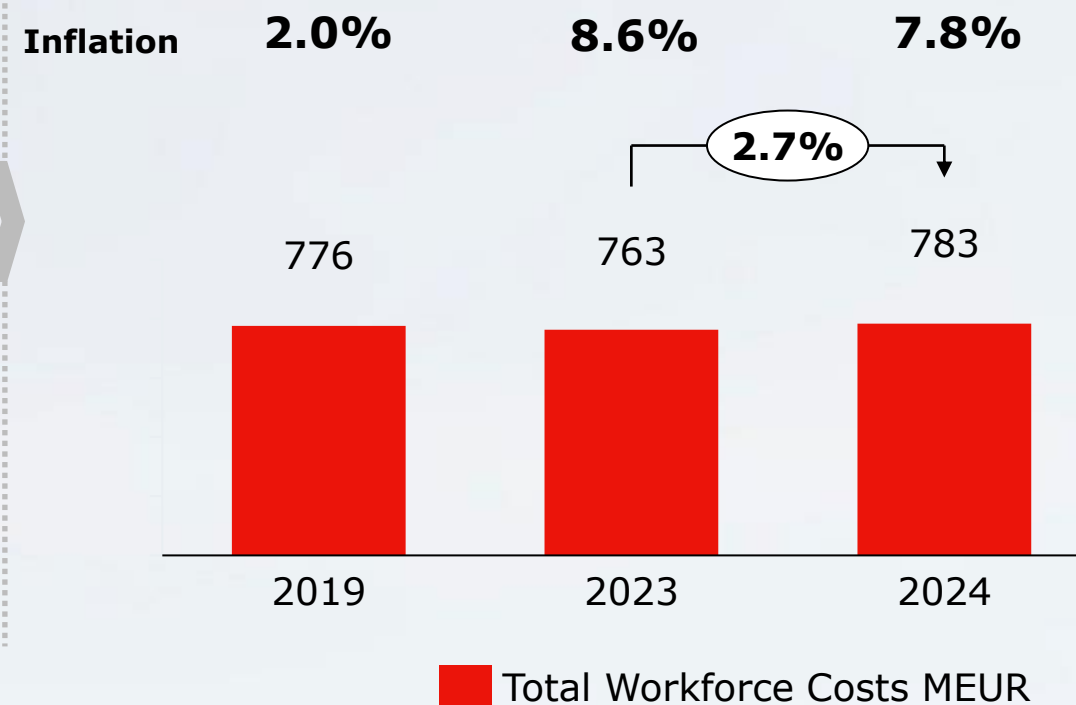
Insurance  
Revenues

# AT Restructuring | long term transformation with mid-term positive impact on FCF

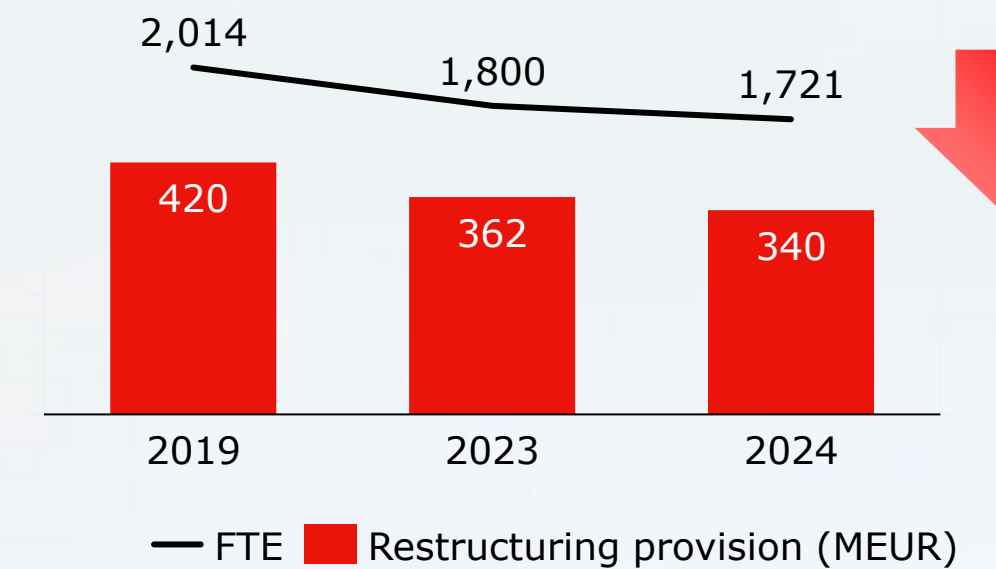
Constant decrease of civil servant share driven by **social plans** ...



... and lower EWFs, slowing down inflation-driven TWC increase



...resulting in mid-term free cash flow upside

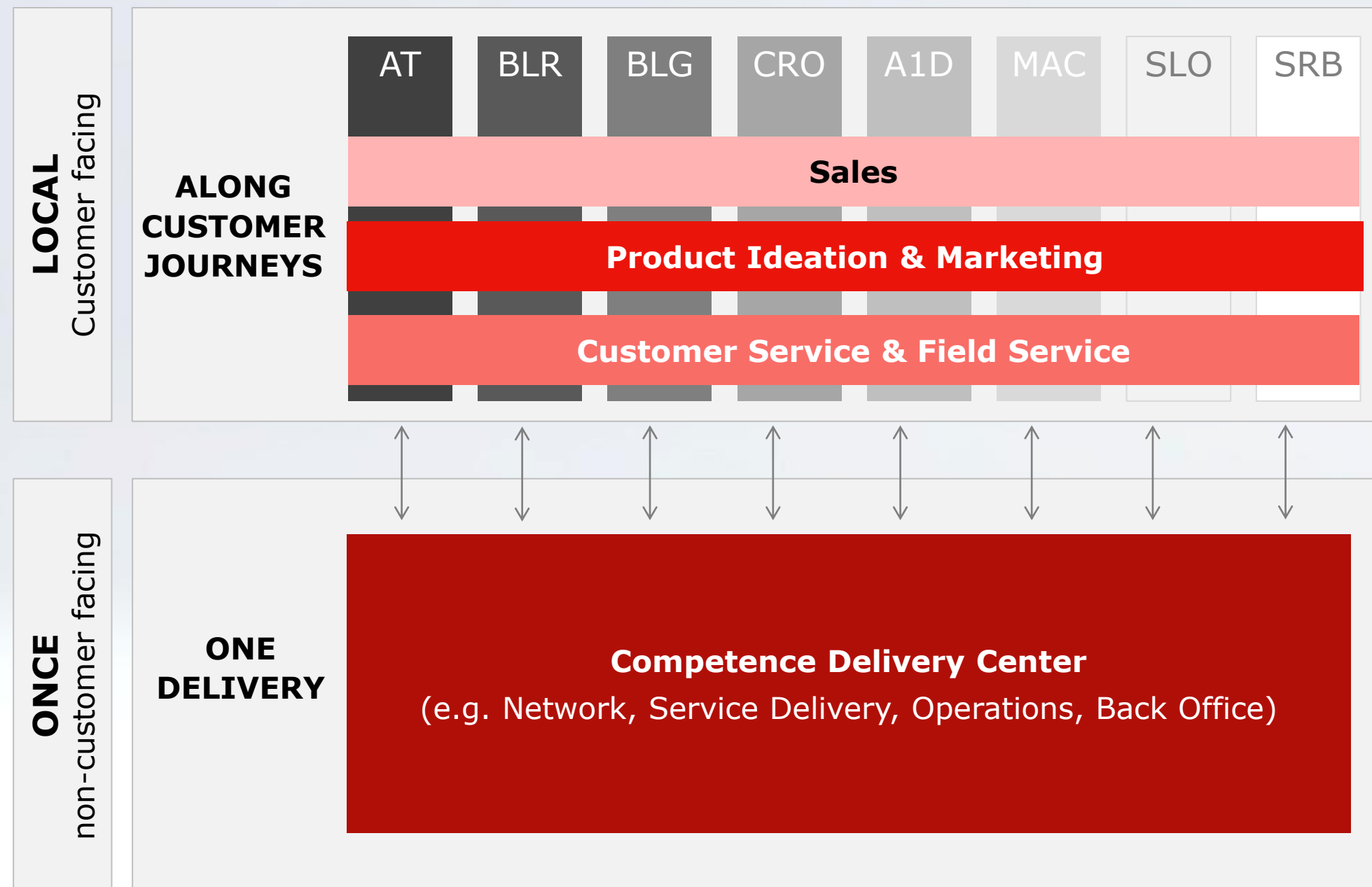


As of 2026 we expect

- > Lower **social plan funding** in FCF
- > Lower **restructuring costs** in P&L
- > Decrease in **restructuring provision**

# Gain scale to further grow

... **investments** in the **markets** are needed with a **standardized delivery**



- Build on our **local sales** asset
- **Investments** in the markets
- Scale of Skills + resources through **one delivery**
- Economy of scale with **partners**
- Automation of **Delivery machinery**



# Summary

... to stay relevant for our customers

## **Austria Infrastructure invest**

- Multitechnology strategy
- X- & Up-selling beyond the core

## **Austria Restructuring**

Long term transformation with FCF mid-term upside



# Outlook

# Guidance 2025

## Revenues

2-3% increase p.a.

## CAPEX ex. spectrum

Around € 850 million

## Dividend for FY 2024

€ 0.40 (previous year: 0.36)

Dividend proposal by the management board to the AGM 2025 for the financial year 2024



# Appendix

# Conservative financial policy and investment-grade ratings

## As of December 31, 2024

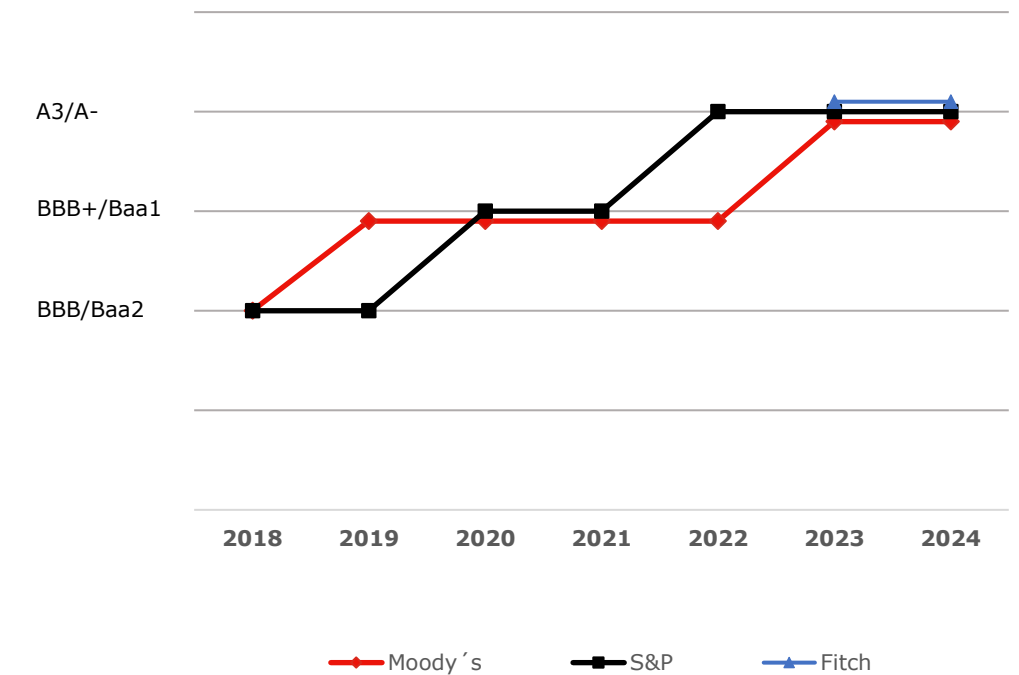
### Overview (December 31, 2024)

- Total financial debt: EUR 749 mn
- Average cost of debt: 1.50%
- Cash & cash equivalents: EUR 367 mn
- Avg. term to maturity: 1.93 years

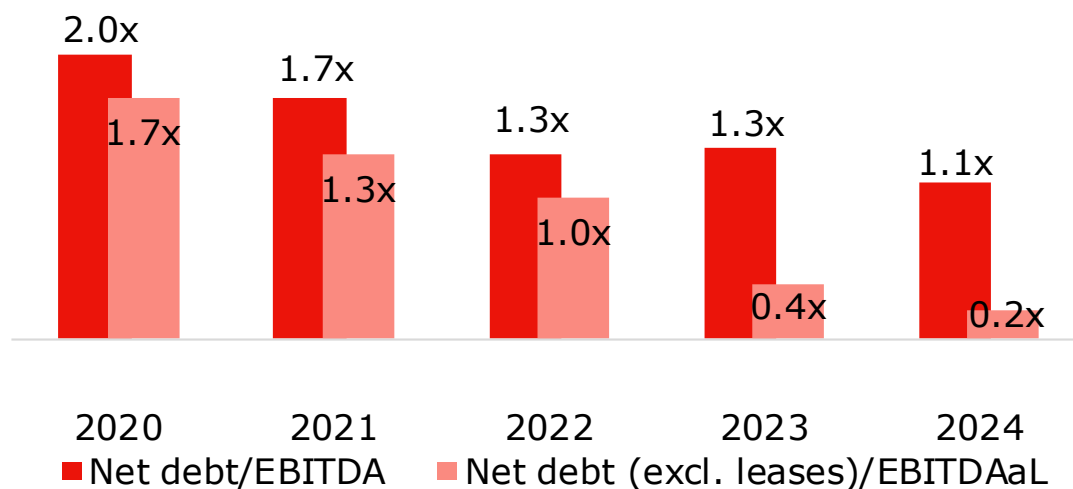
### Lines of credit (December 31, 2024)

- Total committed lines: EUR 1,315 mn
  - Average term to maturity: 1.26 years
- Undrawn committed credit lines: EUR 1,315 mn

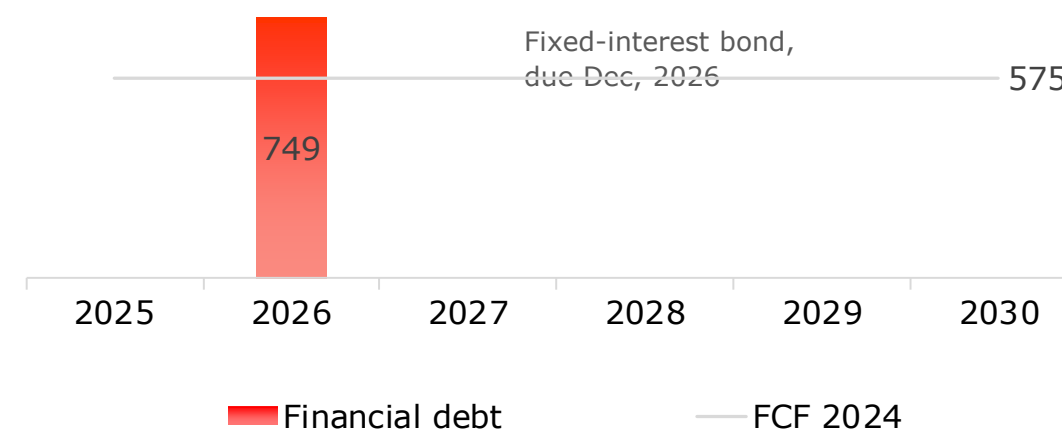
### Credit ratings



### Net debt/EBITDA



### Debt maturity profile (December 31, 2024)



- Fitch assigned A- in June 2023 (initial rating, best European telco)
- S&P confirmed A- in 5/2024
- Moody's confirmed A3 in 11/2024

# End of Presentation

