

Results for Q2 and H1 2025

July, 22 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.

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Summary Q2

Financial Performance

- **Total revenues +4.1%** both from equipment and service revenues
- **Service revenues +1.8%:** growth in CEE overcompensates decline in AT
- **EBITDA +3.4%**, -0.8% adjusted for one-offs and restructuring
- **FCF EUR 333 mn** (+91%) in the first half 2025

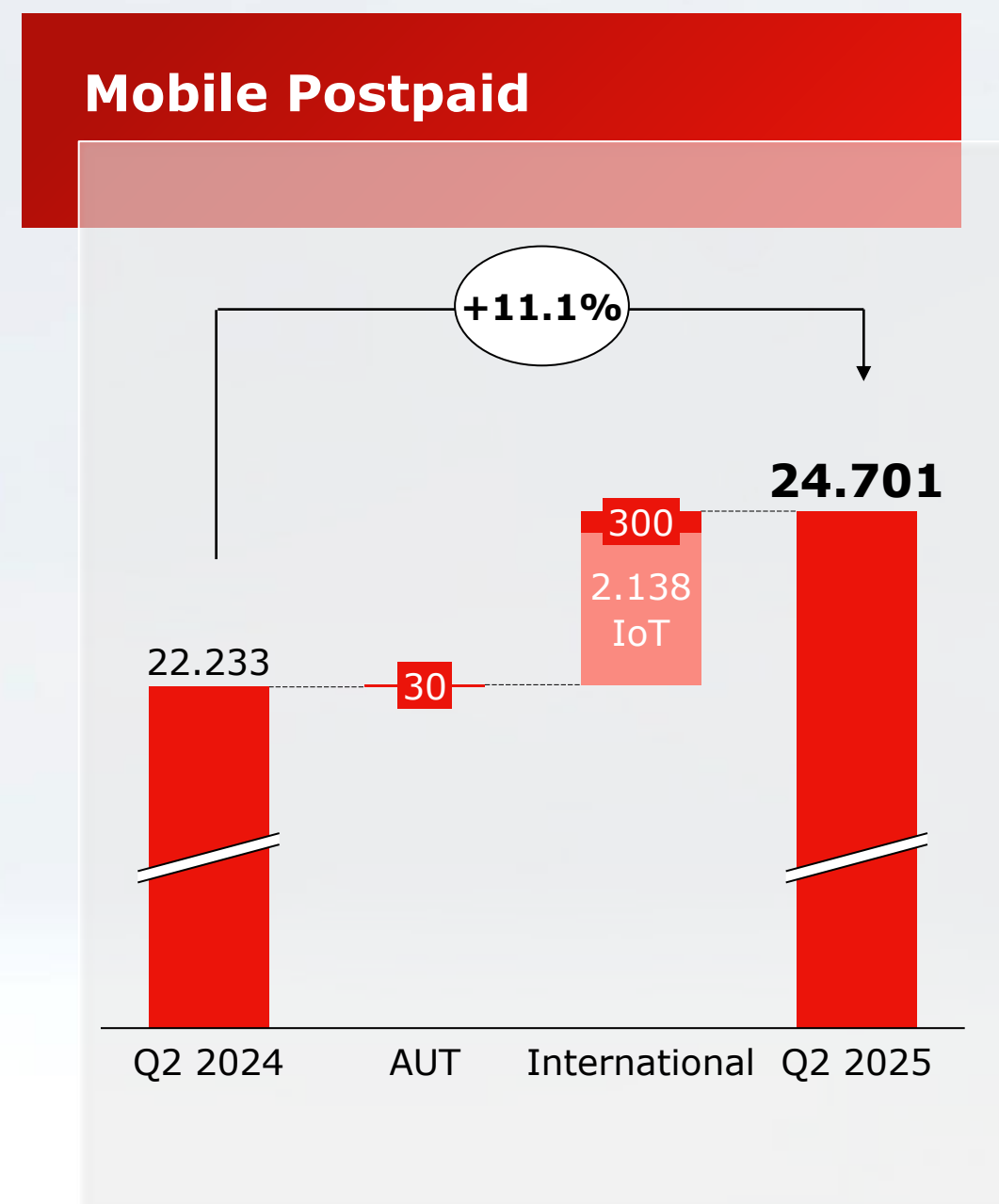
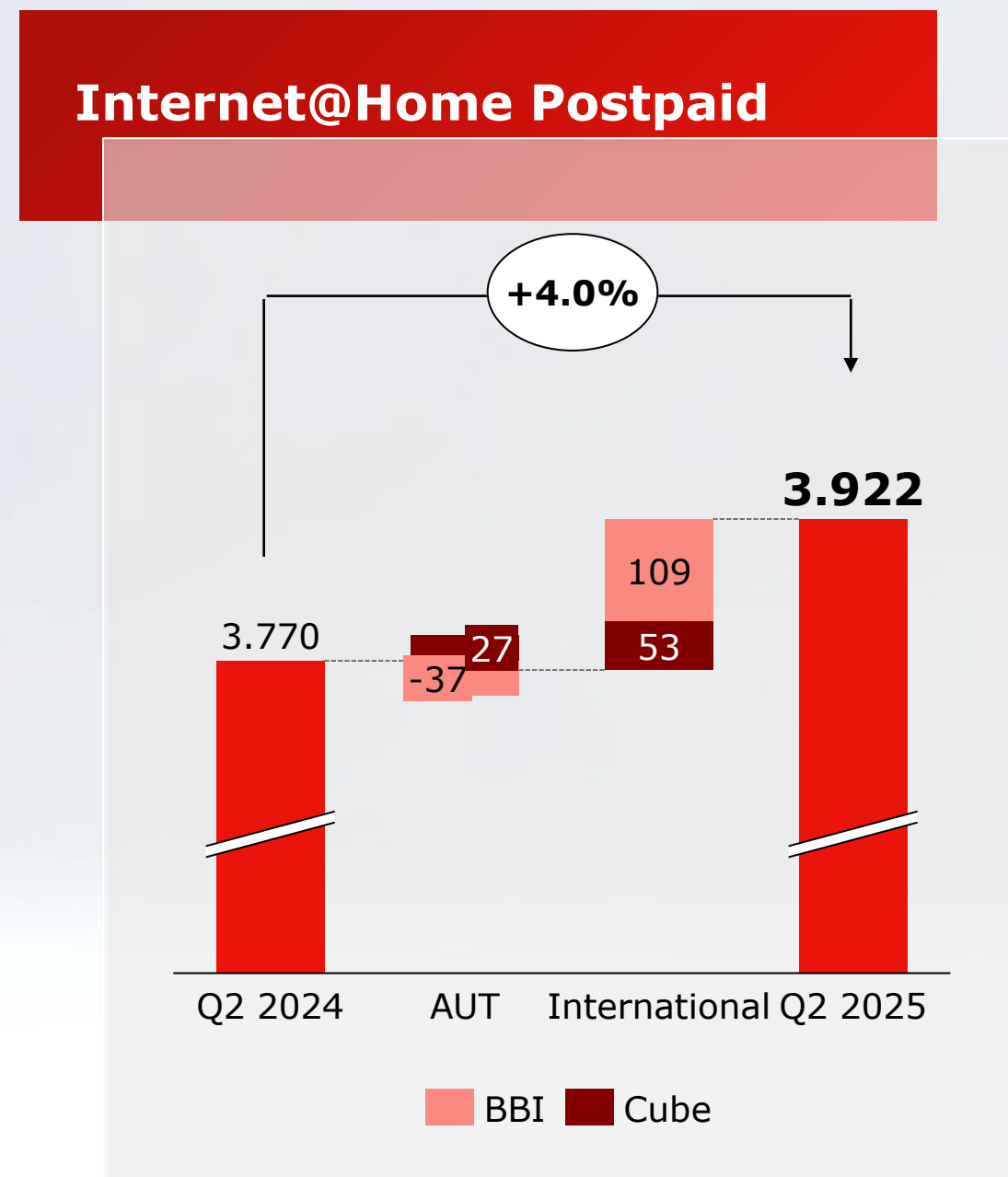
Market Environment

- Austria: Strong commercial momentum due to strategic market investments
- Serbia: Regulator published draft of auction bylaw for existing and 5G spectrum
- Strong ICT service revenue growth of 11%, driven by 27% surge in international markets

Outlook 2025

- Total revenue growth confirmed: +2-3% yoy
- CAPEX excl. spectrum ~ EUR 800 mn

Customer development

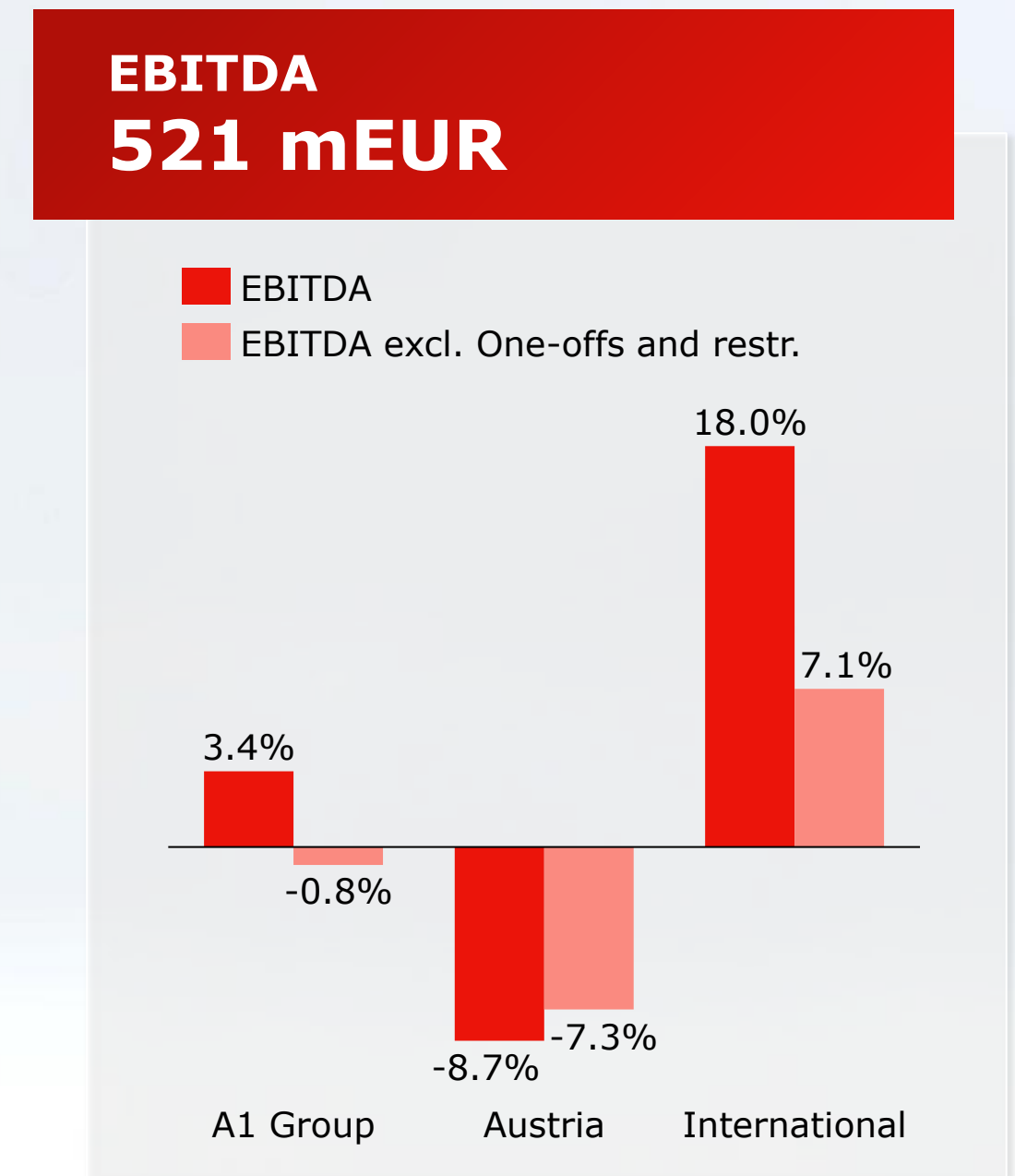
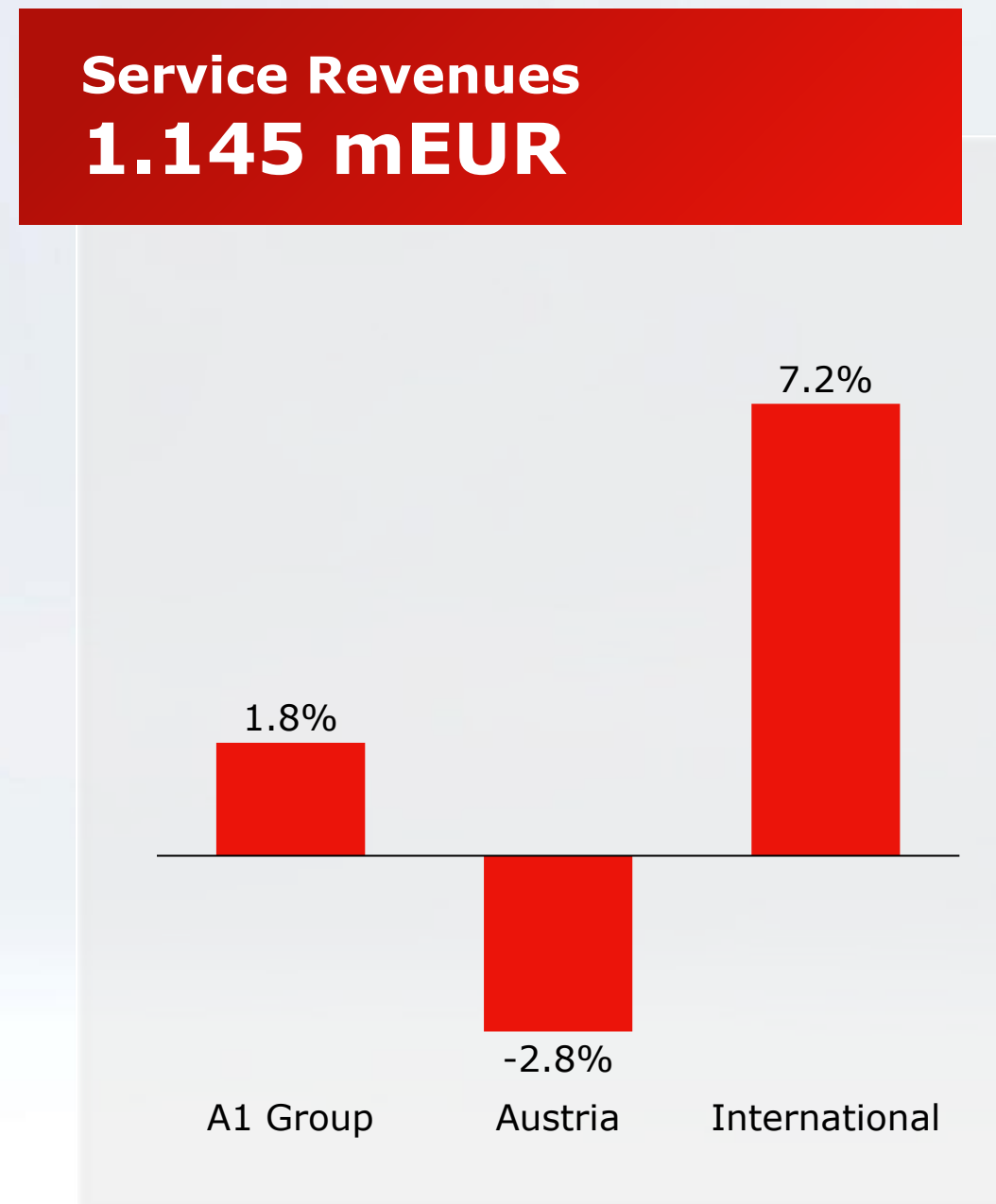
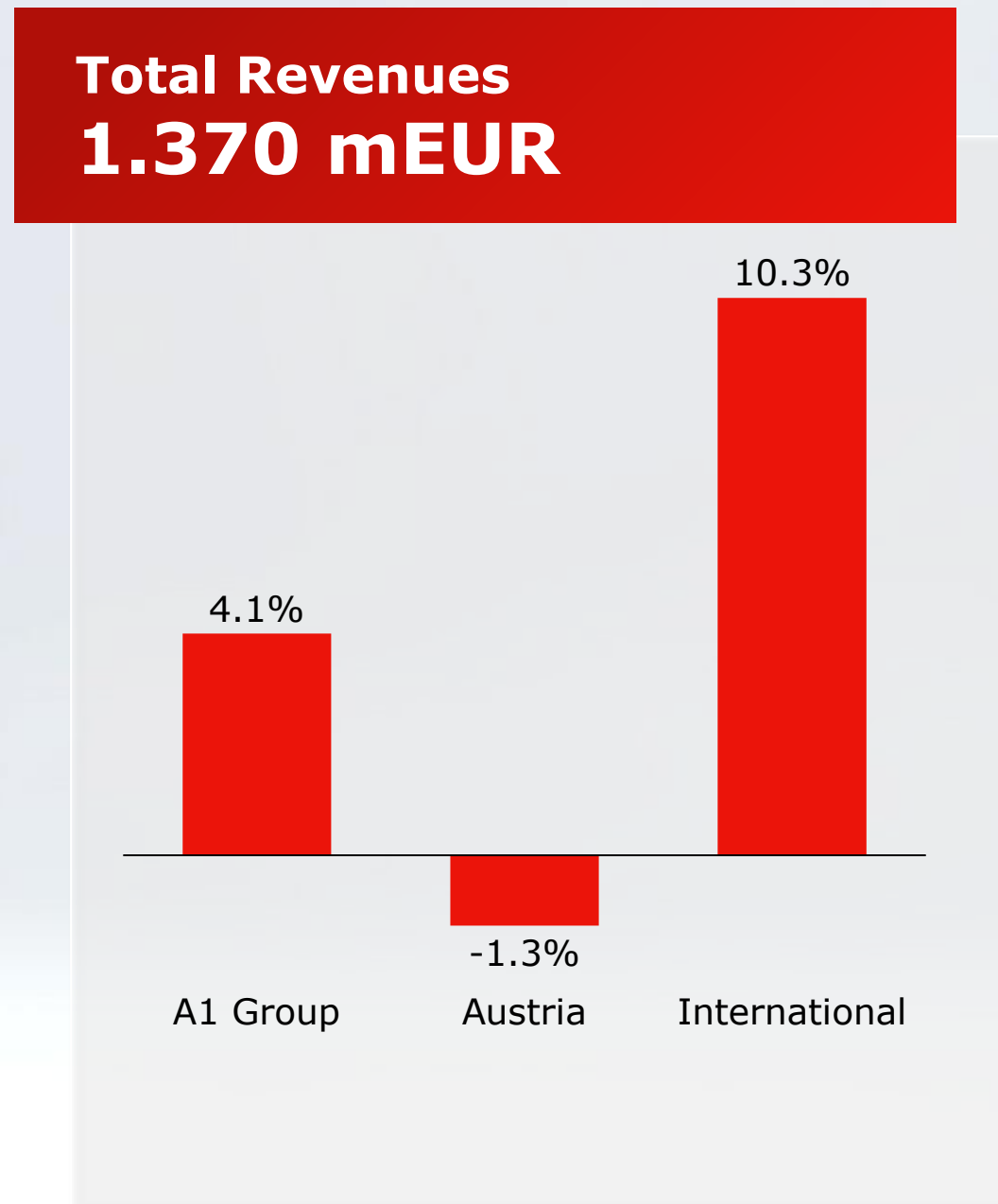


'International' comprises the segments Bulgaria, Croatia, Belarus, Slovenia, Serbia and North Macedonia and since Q1 2025 also includes A1 Digital. Numbers are provided on a proforma basis for 2024 to provide comparability.

4 Internet@Home postpaid: including fixed broadband internet (BBI) and postpaid mobile Wifi routers



Main Financials Q2 2025



*Austria excl. International Business; including IB: Total revenue growth: -1.1%, service revenue growth: -2.5%

International incl. Bulgaria, Croatia, Belarus, Slovenia, Serbia, Macedonia + A1 Digital

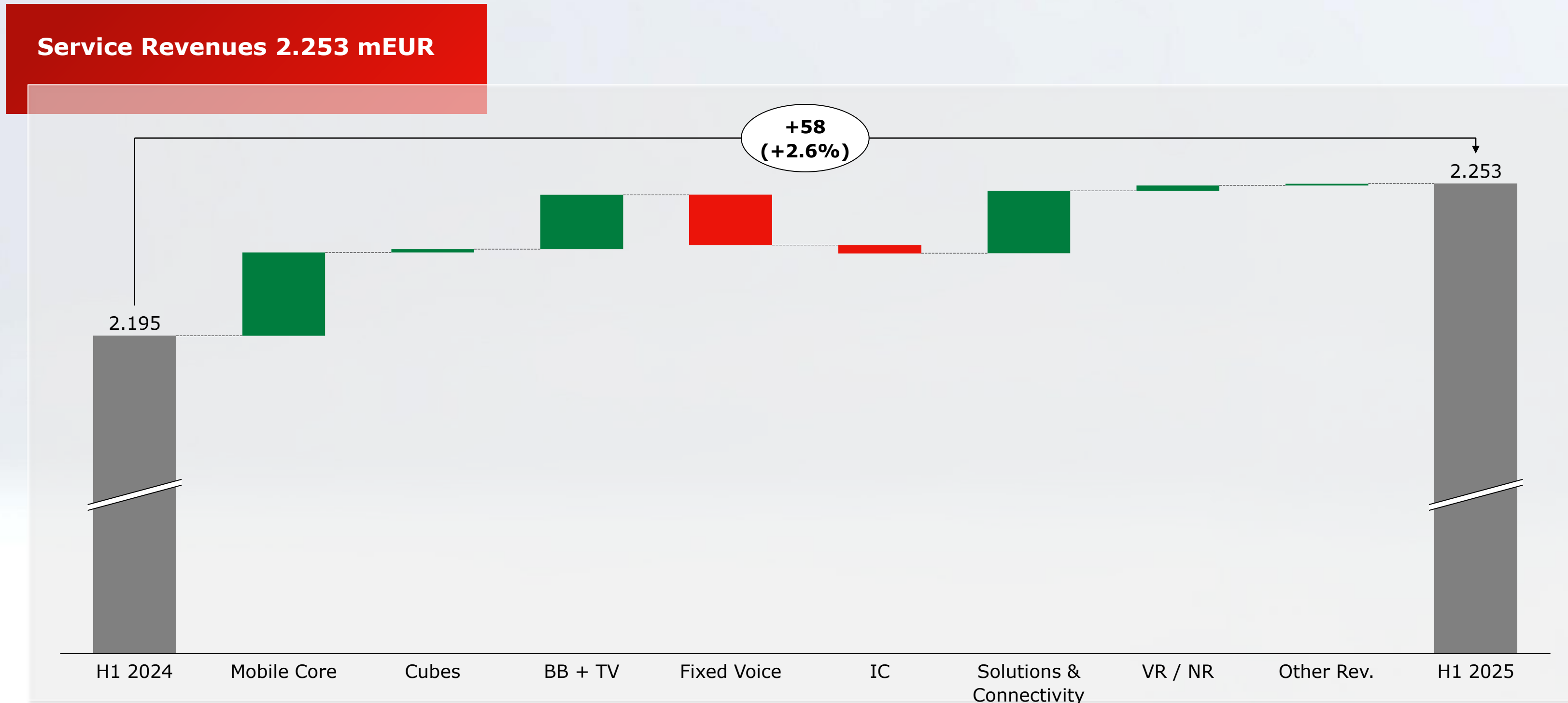
Restructuring:

Q2 2025 und Q2 2024: neg. EUR 18 mn

One-offs:

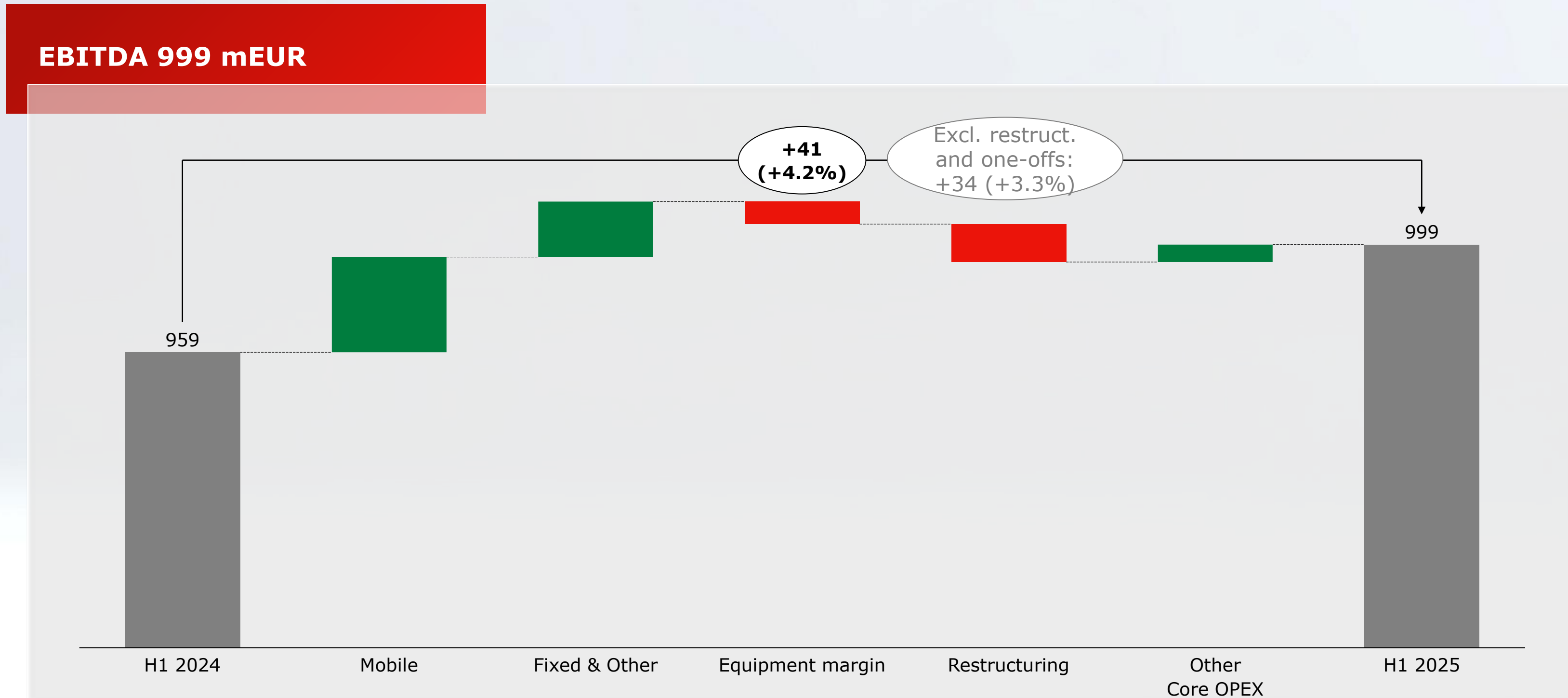
Q2 2024: neg. EUR 21 mn

H1 2025: Service revenue growth on the back of mobile core, broadband, TV, solutions & connectivity business



Cubes: NetCubes and Data Boxes.

H1 2025: EBITDA growth driven by service revenues and cost efficiencies



7

Mobile = Retail mobile service revenues + Visitor and National Roaming + IC margin mobile – roaming costs
 Fixed = Retail fixed service revenues + solutions & connectivity + Other + IC margin fixed & other



Free Cash Flow

Unless otherwise stated, all amounts in EUR mn

	Q2 2025	Q2 2024	Δ	H1 2025	H1 2024	Δ
EBITDA	521	504	3.4%	999	959	4.2%
Restructuring charges, cost of labor obligations	18	19	-2.4%	55	41	33.8%
Lease paid (principal, interest, prepayments)	(101)	(96)	5.0%	(205)	(193)	6.3%
Income taxes paid	(33)	(31)	5.5%	(50)	(54)	-7.6%
Net interest paid	4	4	-0.2%	9	7	40.3%
Change working capital and other changes	(41)	(11)	277.8%	(51)	(63)	-19.5%
CAPEX	(166)	(247)	-32.9%	(387)	(480)	-19.3%
FCF before soc. plans	203	142	42.8%	371	217	71.2%
Social plans new funded	(24)	(19)	23.2%	(39)	(42)	-8.9%
Free cash flow	179	123	45.9%	333	175	90.6%
FCF/revenues	13.1%	9.3%	+3.7pp	12.4%	6.8%	+5.6pp

H1 2025

Free Cash Flow in H1 2025 higher due to

- better operational result,
- lower CAPEX,
- favorable changes in working capital,
- offsetting higher leases paid.

Change in working capital and other changes:

- Favorable development in payables and receivables overcompensates increase in inventories and installment sales.

Focus Points

Austria: Navigating through a challenging macro and competitive landscape with a customer-centric focus

Macro and market challenges

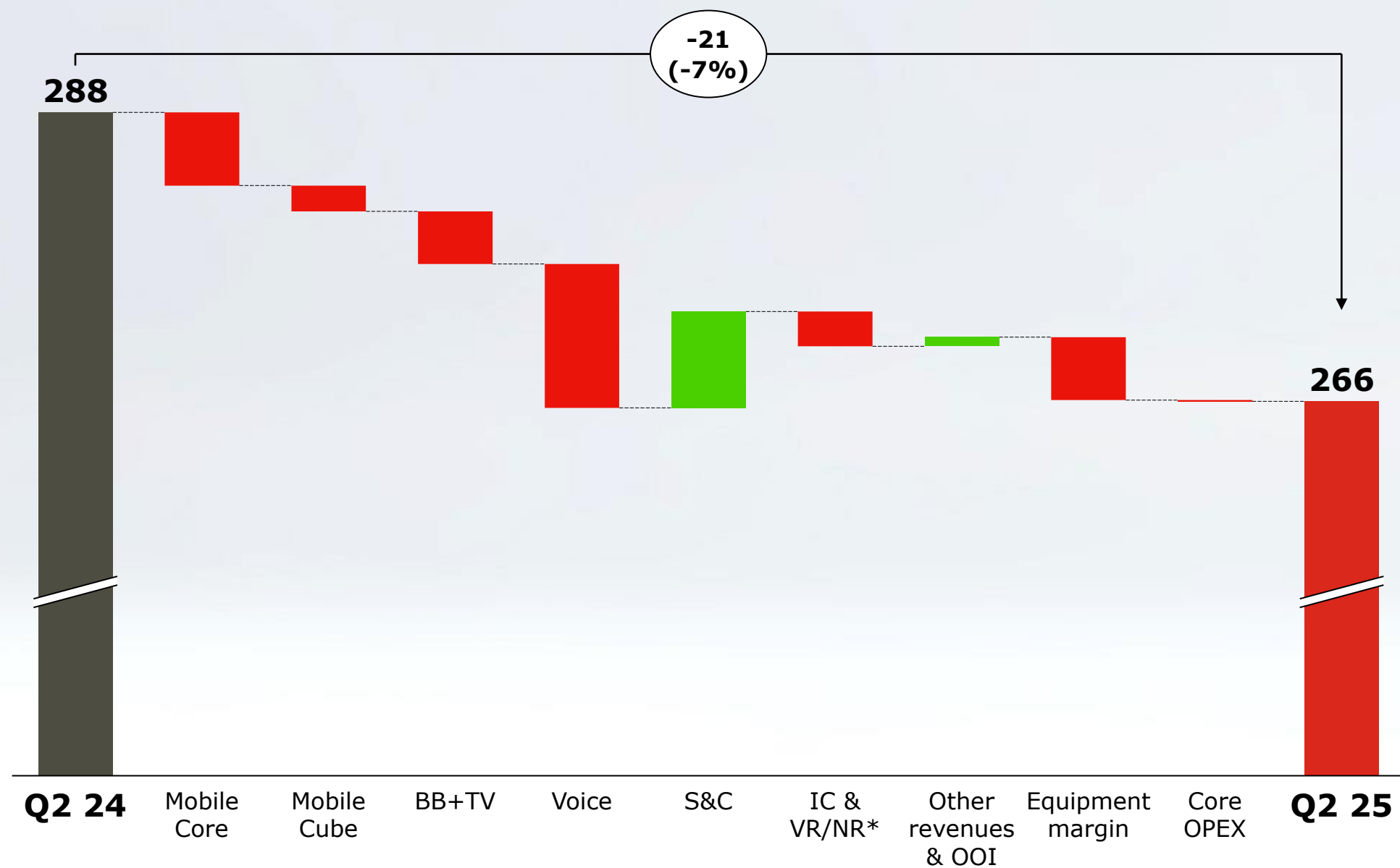
- 3rd year of **recession**
- **High inflation:** 8.6% (2022), 7.8% (2023) and increased price sensitivity
- **Competitive pressure** from MVNOs and in low-value cube market
- **SIM-only** trend
- **Fibre roll-out:**
 - high roll-out costs
 - low take rates
 - strong cube market
 - challenges from mobile-friendly regulation

Our Approach

- ✓ Grow customer base
- ✓ **Churn prevention** in fixed and tech-agnostic internet@home approach
- ✓ Regional sales push (Vienna)
- ✓ Increased **strategic market investments**
- ✓ Continuously **reevaluating fiber program** and **potential fiber cooperations**, i.e. Innsbruck

Austria: EBITDA impacted as strategic focus on long-term customer retention and strengthening market position persists

EBITDA excluding one-off effects and restructuring



- Slowdown in indexation versus previous year: 2.9% (Apr'25) vs 7.8% (Apr'24) and lack of upselling potential
- Service fee losses since Q1 2024
- Lower equipment margin due to increased subsidies
- Extensive market communications and advertising mitigated by efficiency measures and savings

Tackling challenges with customer-centric focus and using financial flexibility to invest into market

Austria: Mobile core net adds on the rise while internet@home segment faces headwinds – market shares remain resilient



Internet@home subscriber trends challenging

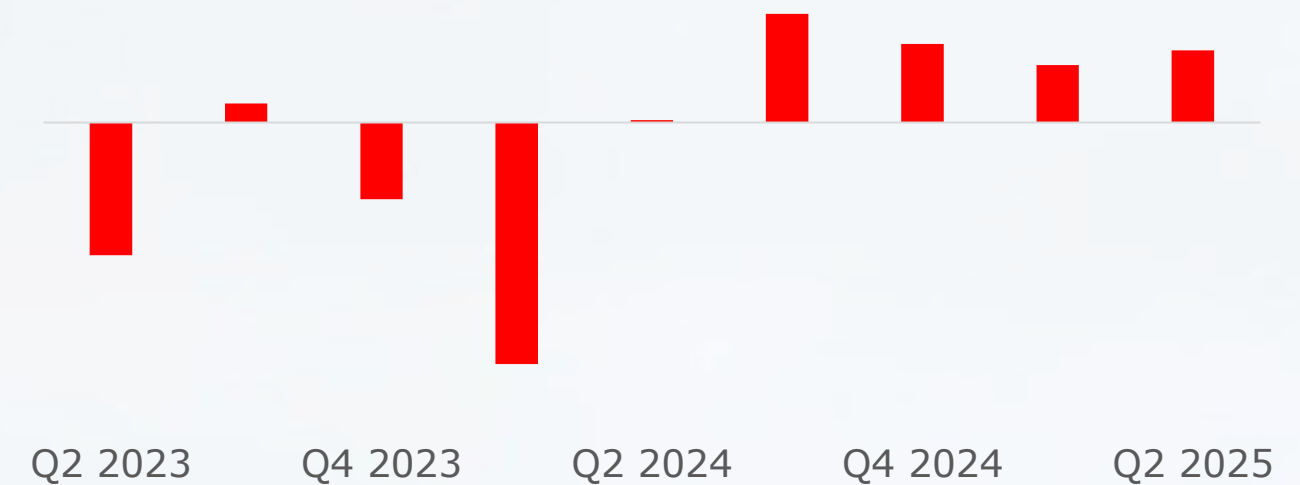
I@H

I@H <300 mbps

BBI >300 mbps



Net adds in mobile core trending positively



- Focus on fixed internet above 300 mbps
- Internet@Home:
 - technology-neutral approach below 300 mbps
 - cube gross adds trending positively
- Mobile core segment with positive trend in net additions

Outlook

Guidance 2025

Revenues

+2-3%
p.a.

CAPEX

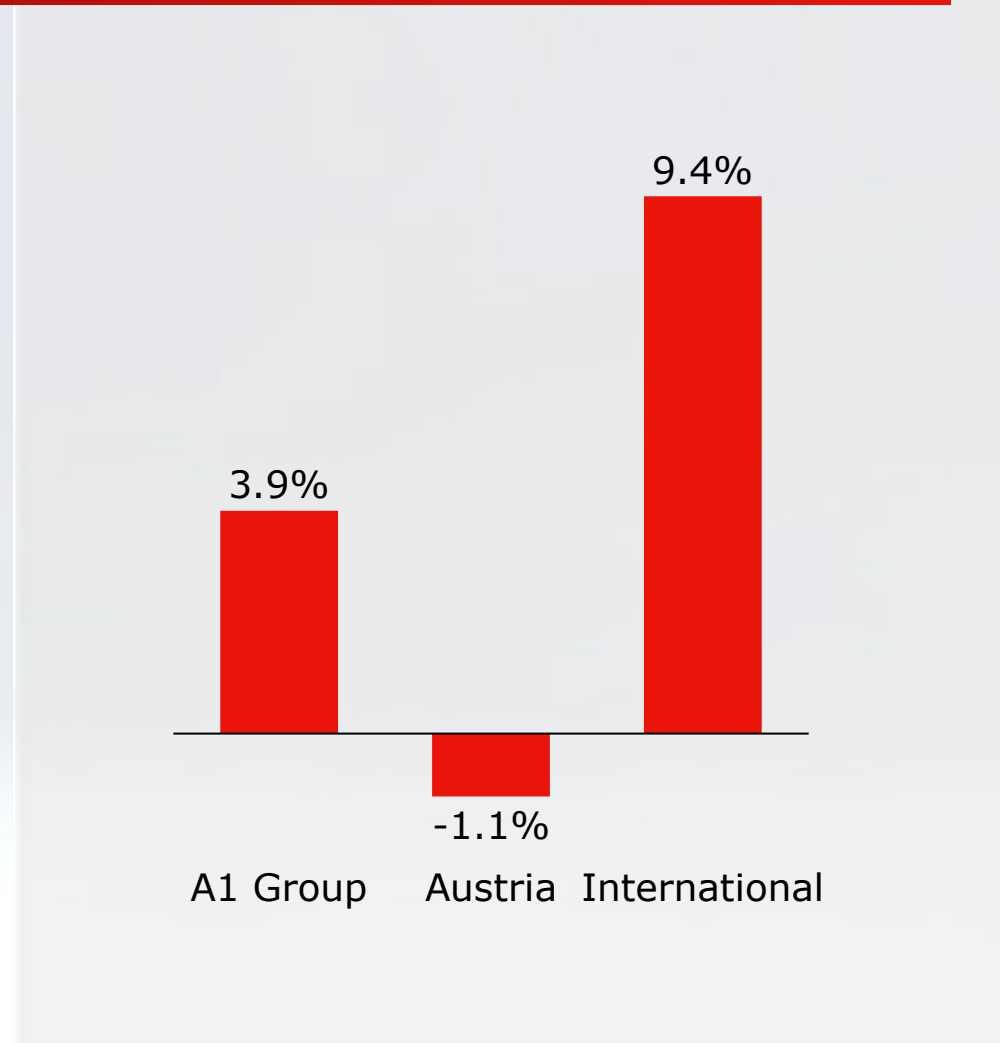
~ € 800 mn

CAPEX ex. Spectrum and M&A

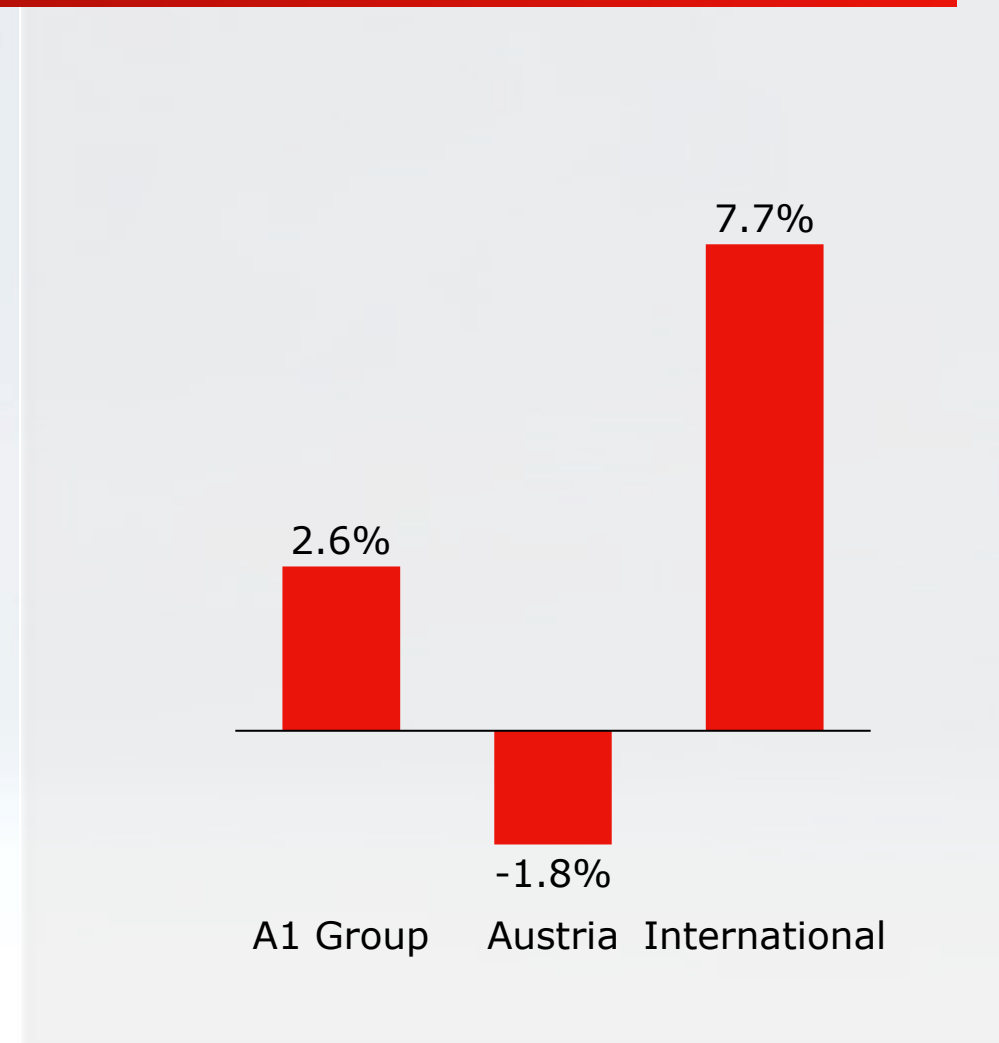
Appendix

Main Financials H1 2025

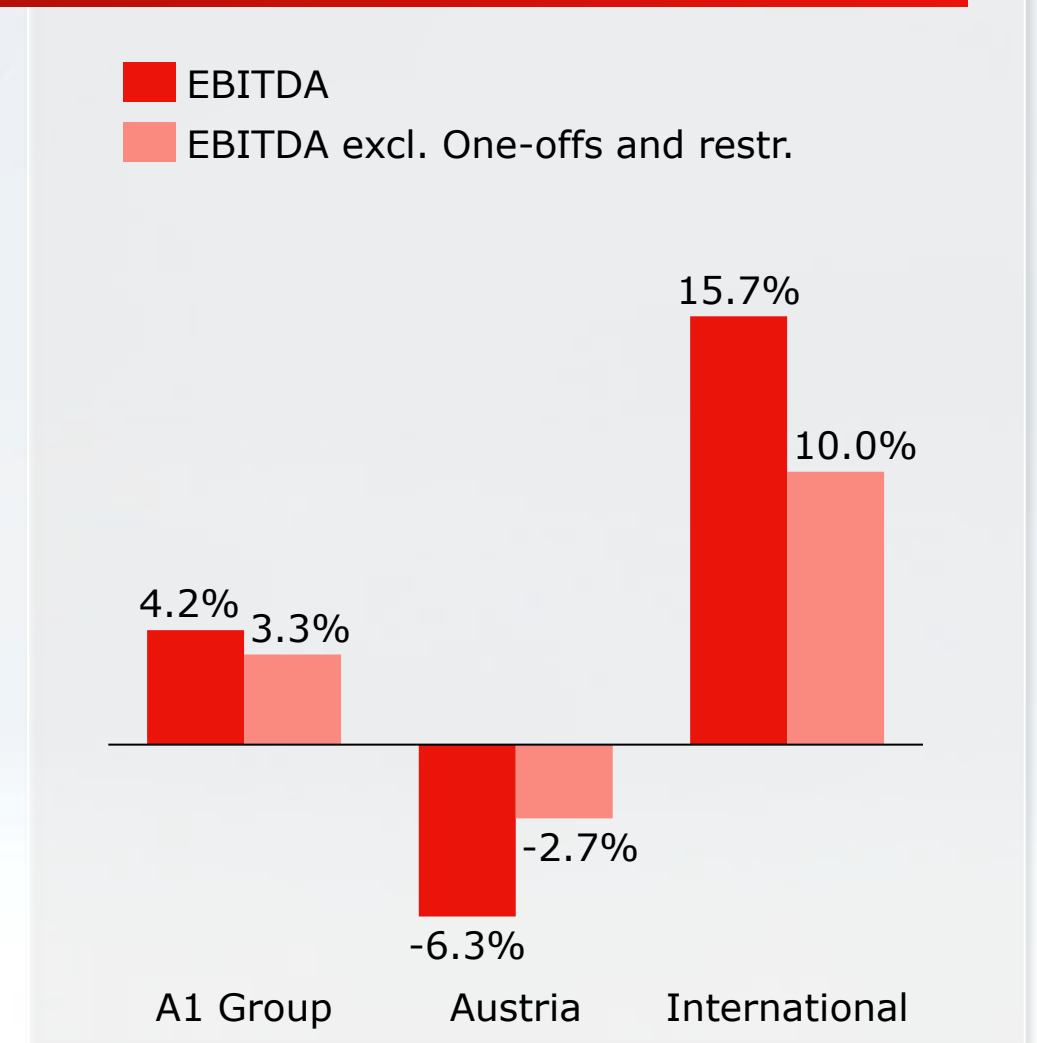
Total Revenues 2.685 mEUR



Service Revenues 2.253 mEUR



EBITDA 999 mEUR



*Austria excl. International Business; including IB: Total revenue growth: -0.8%, service revenue growth: -1.4%

International incl. Bulgaria, Croatia, Belarus, Slovenia, Serbia, Macedonia + A1 Digital

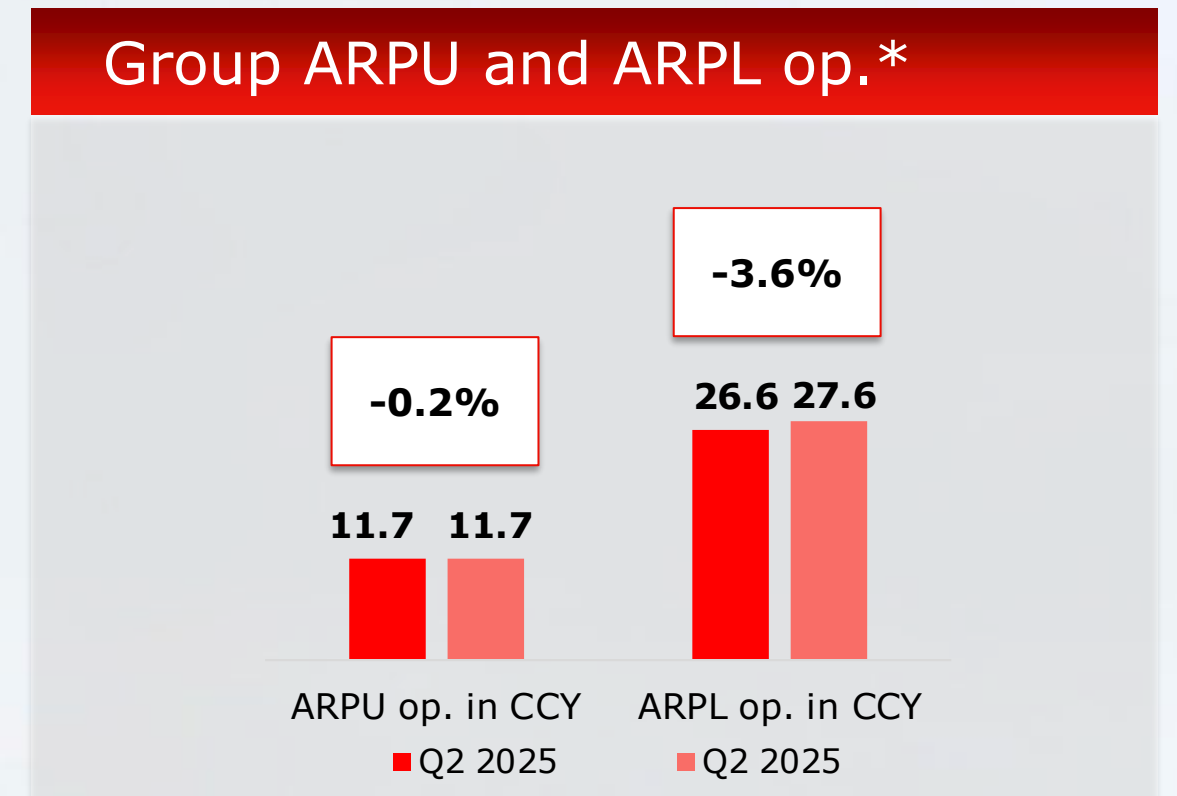
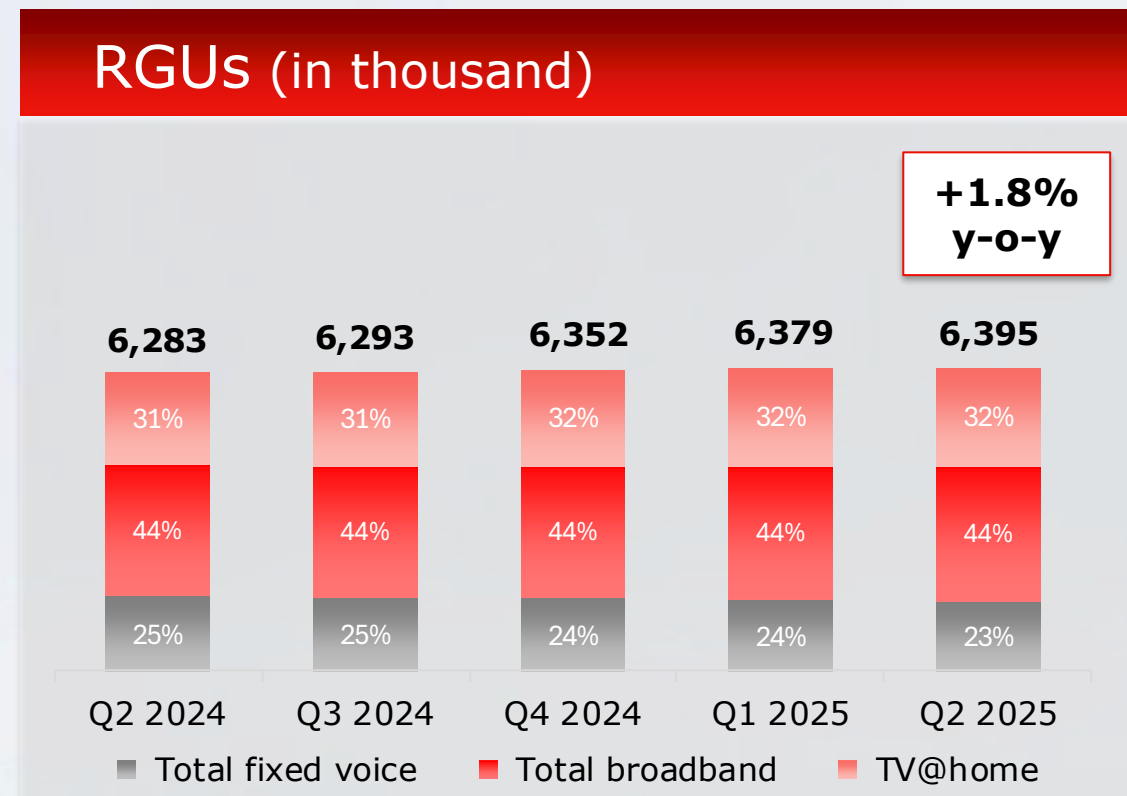
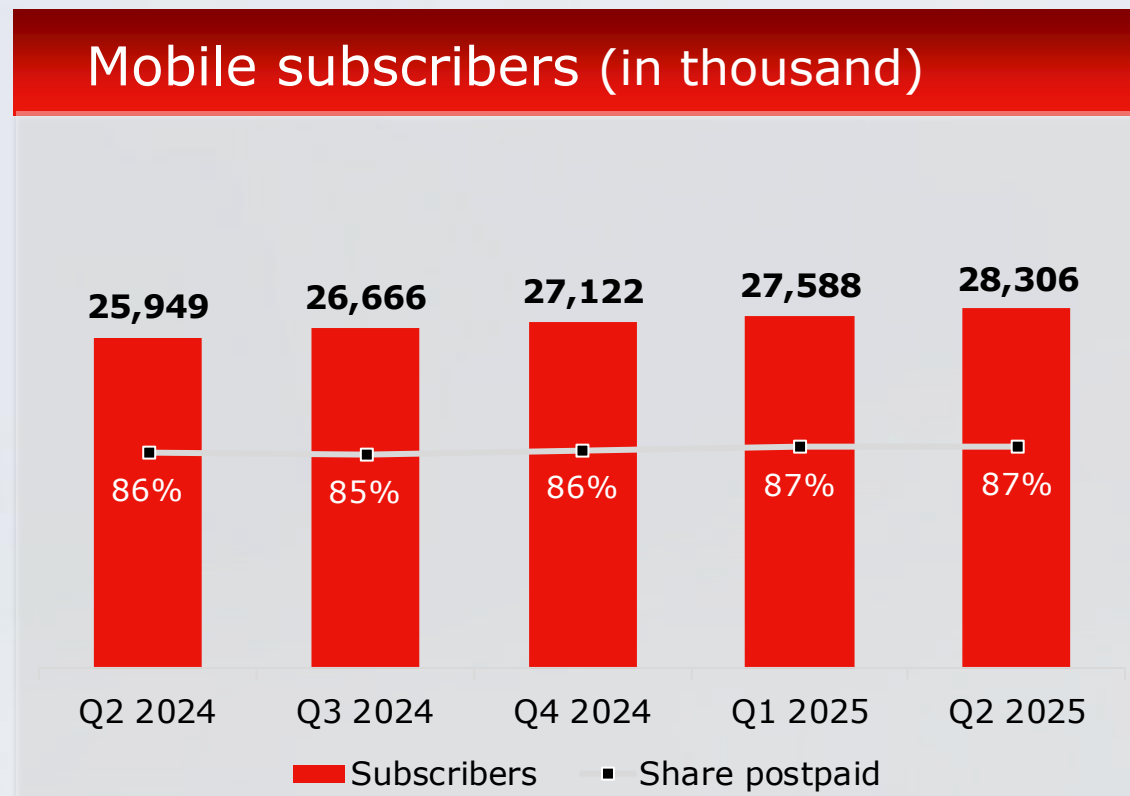
Restructuring:

H1 2025: neg. EUR 54 mn vs. H1 2024: neg. EUR 39 mn

One-offs:

H1 2024: neg. EUR 21 mn

Customer development



+9.1%
Mobile subscribers

+2.6% Broadband (BB)
+14.2% advanced BB
+7.7% TV

-0.2%
ARPU operative
-3.6%
ARPL operative

*operative = excl. M2M in CCY

P&L

Unless otherwise stated, all amounts in EUR mn

	Q2 2025	Q2 2024	Δ	H1 2025	H1 2024	Δ
Revenues	1,370	1,316	+4.1%	2,685	2,583	+3.9%
OPEX	(849)	(812)	+4.6%	(1,685)	(1,624)	+3.8%
EBITDA	521	504	+3.4%	999	959	+4.2%
Margin	38.0%	38.3%	-0.3pp	37.2%	37.1%	+0.1pp
one-off effects	-	21	n.m.	-	21	n.m.
Restructuring	18	18	-2.6%	53	39	36.7%
EBITDAaL	414	400	+3.5%	785	753	+4.3%
Margin	30.2%	30.4%	-0.2pp	29.2%	29.1%	+0.1pp
EBIT	217	218	-0.6%	401	396	1.2%
EBIT margin	15.8%	16.6%	-0.7pp	14.9%	15.3%	-0.4pp
Financial result	(20)	(23)	-15.9%	(40)	(49)	-19.4%
Income taxes	(46)	(49)	-5.3%	(84)	(83)	1.3%
Net result	151	146	3.4%	277	263	5.1%

Q2 2025

Core OPEX in Q2 excluding one-offs:

- Driven by higher advertising and product-related costs
- Lower costs for electricity, maintenance and stringent cost control and transformation partly offset increases

EBIT remained largely stable in Q2 and rose slightly in H1

- higher D&A due to different asset mix

Financial Result improved

- mainly due to higher interest income

Resulting in higher net result

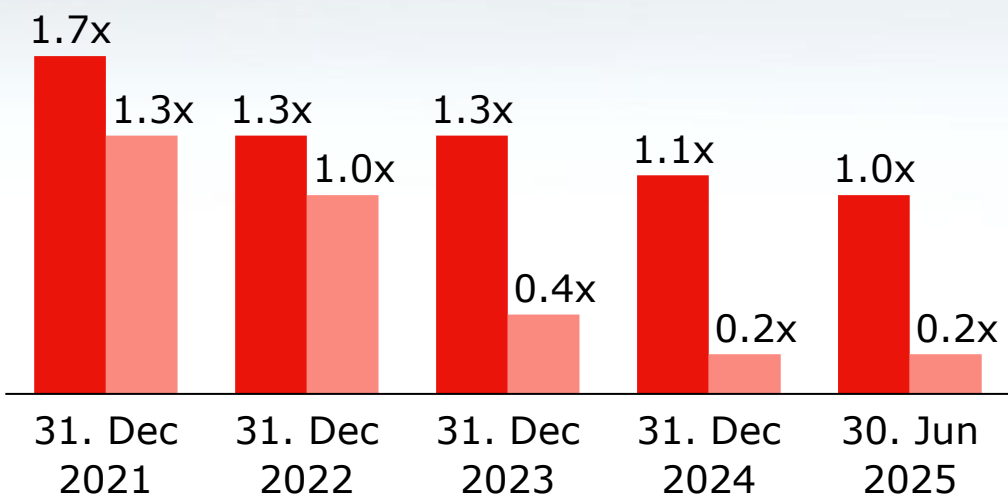
Conservative financial policy and investment-grade ratings

As of June 30, 2025

Overview (June 30, 2025)

- Total financial debt: EUR 979 mn
- Average cost of debt: 1.69%
- Cash & cash equivalents: EUR 355 mn
- Avg. term to maturity: 1.11 years

Net debt/EBITDA

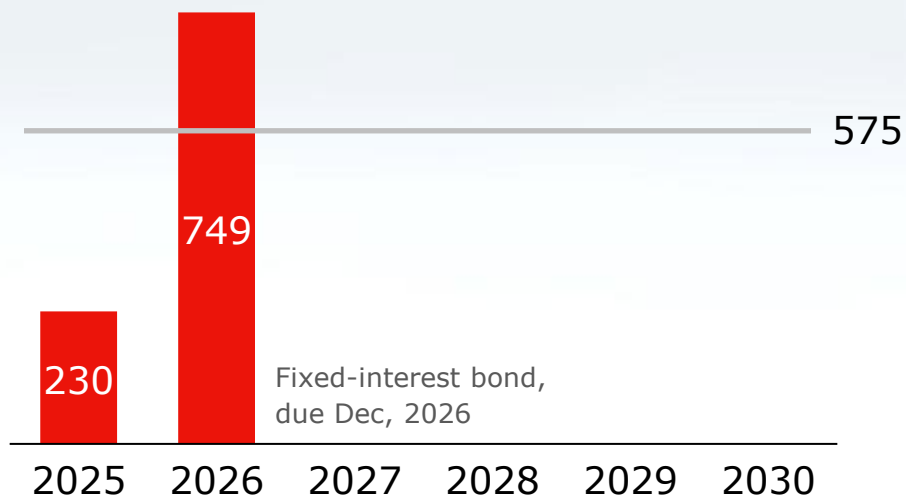


■ Net debt/EBITDA
■ Net debt (excl. leases)/EBITDAaL

Lines of credit (June 30, 2025)

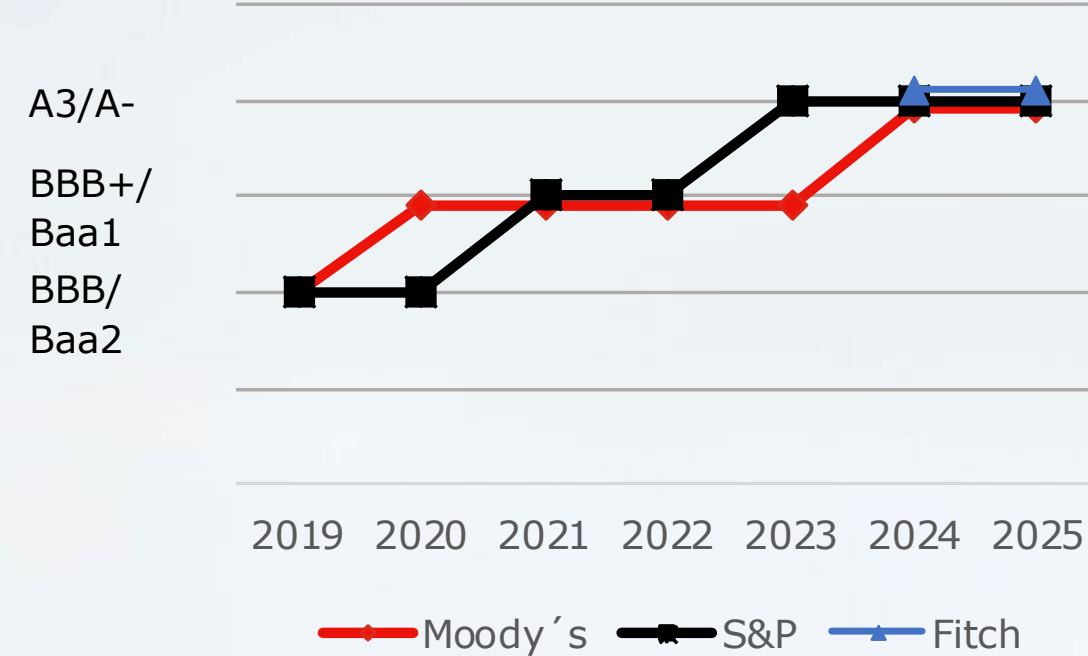
- Total committed lines: EUR 1,315 mn
 - Average term to maturity: 1.45 years
- Undrawn committed credit lines: EUR 1,085 mn

Debt maturity profile (June 30, 2025)



■ Financial debt
■ FCF 2024

Credit ratings



- Fitch confirmed A- in 7/2025
- S&P confirmed A- in 5/2025
- Moody's confirmed A3 in 11/2024

End of Presentation

