

Altice International Q1 2022 Results

May 17, 2022



Disclaimer

FORWARD-LOOKING STATEMENTS

Certain statements in this presentation constitute forward-looking statements. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding our intentions, beliefs or current expectations concerning, among other things: our future financial conditions and performance, results of operations and liquidity; our strategy, plans, objectives, prospects, growth, goals and targets; and future developments in the markets in which we participate or are seeking to participate. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believe”, “could”, “estimate”, “expect”, “forecast”, “intend”, “may”, “plan”, “project” or “will” or, in each case, their negative, or other variations or comparable terminology. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will be achieved or accomplished. To the extent that statements in this presentation are not recitations of historical fact, such statements constitute forward-looking statements, which, by definition, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including risks referred to in our annual and quarterly reports.

FINANCIAL MEASURES

This presentation contains measures and ratios (the “Non-GAAP Measures”), including Adjusted EBITDA, Capital Expenditure (“Capex”) and Operating Free Cash Flow, that are not required by, or presented in accordance with, IFRS or any other generally accepted accounting standards. We present Non-GAAP Measures because we believe that they are of interest to the investors and similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. The Non-GAAP Measures may not be comparable to similarly titled measures of other companies or have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our, or any of our subsidiaries’, operating results as reported under IFRS or other generally accepted accounting standards. Non-GAAP measures such as Adjusted EBITDA are not measurements of our, or any of our subsidiaries’, performance or liquidity under IFRS or any other generally accepted accounting principles, including U.S. GAAP. In particular, you should not consider Adjusted EBITDA as an alternative to (a) operating profit or profit for the period (as determined in accordance with IFRS) as a measure of our, or any of our operating entities’, operating performance, (b) cash flows from operating, investing and financing activities as a measure of our, or any of our subsidiaries’, ability to meet its cash needs or (c) any other measures of performance under IFRS or other generally accepted accounting standards. In addition, these measures may also be defined and calculated differently than the corresponding or similar terms under the terms governing our existing debt.

Adjusted EBITDA is defined as operating profit before depreciation, amortization and impairment, other expenses and income (capital gains, non-recurring litigation, restructuring costs), share-based expenses and after operating lease expenses (i.e., straight-line recognition of the rent expense over the lease term as performed under IAS 17 *Leases* for operating leases). This may not be comparable to similarly titled measures used by other entities. Further, this measure should not be considered as an alternative for operating income as the effects of depreciation, amortization and impairment, excluded from this measure do ultimately affect the operating results, which is also presented within the annual consolidated financial statements in accordance with IAS 1 - *Presentation of Financial Statements*. All references to EBITDA in this presentation are to Adjusted EBITDA, as defined in this paragraph.

Capital expenditure (Capex), while measured in accordance with IFRS principles, is not a term that is defined in IFRS. However, management believes it is an important indicator as the profile varies greatly between activities:

- The fixed business has fixed Capex requirements that are mainly discretionary (network, platforms, general), and variable Capex requirements related to the connection of new customers and the purchase of Customer Premise Equipment (TV decoder, modem, etc.).
- Mobile Capex is mainly driven by investment in new mobile sites, upgrade to new mobile technology and licenses to operate; once engaged and operational, there are limited further Capex requirements.
- Other Capex: mainly related to costs incurred in acquiring content rights.

Operating free cash flow (OpFCF) is defined as Adjusted EBITDA less Capex. This may not be comparable to similarly titled measures used by other entities. Further, this measure should not be considered as an alternative for operating cash flow as presented in the consolidated statement of cash flows in accordance with IAS 1 - *Presentation of Financial Statements*. It is simply a calculation of the two above mentioned non-GAAP measures.

Adjusted EBITDA and similar measures are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. You should exercise caution in comparing Adjusted EBITDA as reported by us to Adjusted EBITDA of other companies. Adjusted EBITDA as presented herein differs from the definition of “Consolidated Combined Adjusted EBITDA” for purposes of any of the indebtedness of Altice International. The financial information presented in this presentation, including but not limited to, the quarterly financial information, pro forma financial information as well as Adjusted EBITDA and OpFCF, is unaudited.

Net financial debt is a non-GAAP measure which is useful to the readers of this presentation as they provide meaningful information regarding the financial position of the Group and its ability to pay its financial debt obligations compared to its liquid assets.

Teads revenue is presented after discounts (consistent with Teads revenue as recognized in the Altice International consolidated financial statements).

Q1 2022 Summary

Subscriber net additions across all geographies and segments in Q1 2022

Revenue, EBITDA and OpFCF growth in Q1 2022:

- Total revenue grew by +13.2% YoY on a reported basis (+9.1% constant currency)
- Total EBITDA grew by +9.0% YoY on a reported basis (+5.1% constant currency)
- Total OpFCF grew by +20% YoY on a reported basis (+17% constant currency)

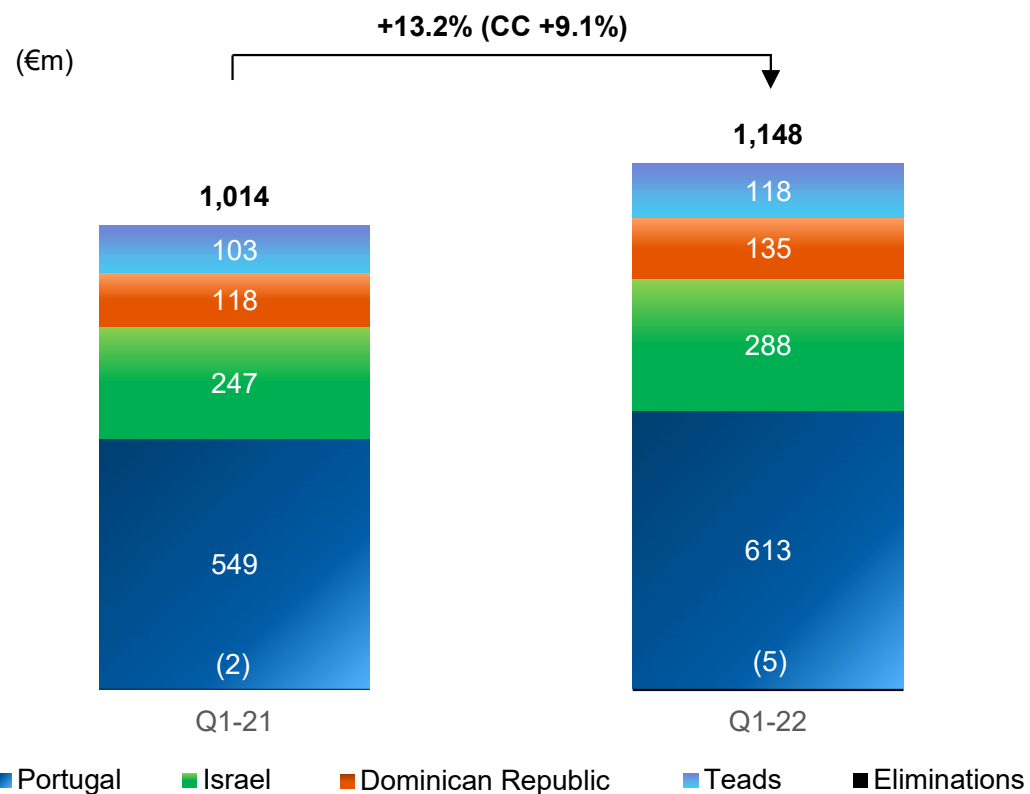
Pro forma net leverage of 4.5x at the end of Q1 2022 with €0.6 billion liquidity and no debt maturity before 2025

Guidance reiterated:

- FY 2022: revenue, EBITDA and OpFCF growth YoY
- Mid-term: absolute OpFCF in excess of €1 billion
- Target leverage of 4.0x to 4.5x net debt to EBITDA

For footnotes see slide 14

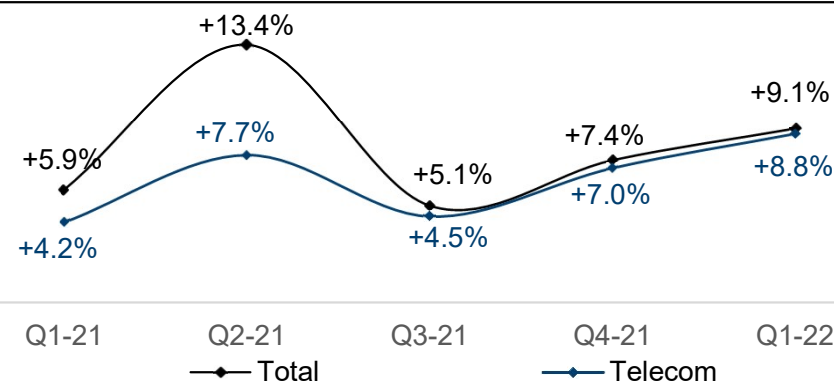
Altice International Revenue Trends



Q1 2022 revenue trends YoY

- Total: +13.2% (CC +9.1%)
 - Portugal: +11.5%
 - Israel: +16.4% (CC +5.9%)
 - Dominican Republic: +14.9% (CC +4.3%)
 - Teads: +15.0% (CC +11.5%)

Revenue growth evolution YoY (CC)



For footnotes see slide 14

Altice International Financials

€m	Q1-21	Q1-22	Growth YoY Reported	Growth YoY Constant FX
Portugal	549	613	+11.5%	+11.5%
Israel	247	288	+16.4%	+5.9%
Dominican Republic	118	135	+14.9%	+4.3%
Teads	103	118	+15.0%	+11.5%
Eliminations & other	-2	-5	-	-
Revenue	1,014	1,148	+13.2%	+9.1%
Portugal	204	222	+8.7%	+8.7%
Israel	79	94	+19.1%	+8.4%
Dominican Republic	59	71	+19.1%	+8.1%
Teads	29	19	-34.3%	-33.0%
Eliminations & other	-1	-2	-	-
Adjusted EBITDA	371	405	+9.0%	+5.1%
Portugal	111	103	-7.6%	-7.6%
Israel	69	81	+16.8%	+6.3%
Dominican Republic	29	28	-3.2%	-12.1%
Teads	2	3	-	-
Eliminations & other	-1	-2	-	-
Accrued Capex	211	212	+0.6%	-4.1%
Portugal	93	119	+28.0%	+28.0%
Israel	10	13	+35.1%	+22.9%
Dominican Republic	30	43	+40.2%	+27.3%
Teads	28	17	-39.3%	-37.8%
Eliminations & other	-1	1	-	-
Total OpFCF	161	193	+20.0%	+17.2%

For footnotes see slide 14

Q1 2022 Free Cash Flow



For footnotes see slide 14

Capital Structure and Debt Maturity

Restricted Group

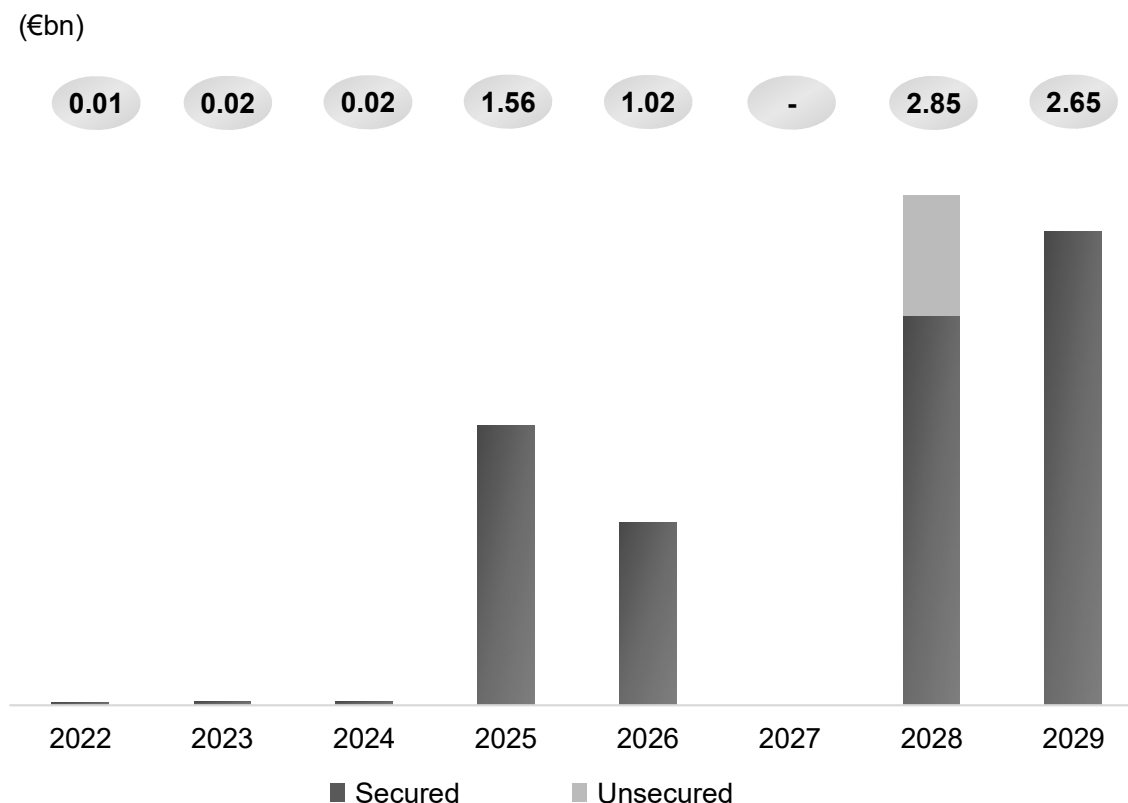
Net debt	€7,744m
WAL	5.5 years
WACD	3.7%
Fixed interest	84%
Net leverage	4.5x
Net leverage adjusted for Altice UK investment	4.1x
Liquidity	€0.6bn

Unsecured

Net debt	€675m
WAL	5.8 years
WACD	4.8%

Secured

Net debt	€7,069m
WAL	5.5 years
WACD	3.6%



For footnotes see slide 14

Guidance Reiterated

FY 2022

Revenue, EBITDA and OpFCF growth YoY

Mid-term

Mid-term: absolute OpFCF in excess of €1 billion

Underpinned by EBITDA growth, supported by significant expansion in Free Cash Flow

Target leverage of 4.0 to 4.5x net debt to EBITDA

For footnotes see slide 14

Q&A

Appendix

Reconciliation to Swap Adjusted Debt as of March 31, 2022

€m	Q1-22
Total Debenture and Loans from Financial Institutions	8,116
Value of debenture and loans from financial Institutions in foreign currency converted at closing FX rate	-6,539
Value of debenture and loans from financial institutions in foreign currency converted at hedged rate	6,533
Transaction costs	34
Total Swap Adjusted Value of Debenture and Loans from Financial Institutions	8,144
Finance lease liabilities and other debt	9
Gross Debt Consolidated	8,153
Cash	-409
Net Debt Consolidated	7,744

For footnotes see slide 14

Pro Forma Leverage Reconciliation

€m	Actual	Pro Forma
Gross Debt Consolidated	8,153	8,153
Cash	-409	-409
Net Debt Consolidated	7,744	7,744
LTM EBITDA Consolidated	1,677	1,685
Gross Leverage		4.8x
Net Leverage		4.6x
Net Leverage adjusted for Altice UK investment		4.2x
L2QA EBITDA Consolidated	1,729	1,729
Gross Leverage		4.7x
Net Leverage		4.5x
Net leverage adjusted for Altice UK investment		4.1x

For footnotes see slide 14

Non-GAAP Reconciliation to Unaudited GAAP Measures

€m	Q1-22
Revenue - Financial Statements	1,148
Purchasing and subcontracting costs	-298
Other operating expenses	-243
Staff costs and employee benefits	-163
Total	444
Share-based expense	-
Rental expense operating lease	-40
Adjusted EBITDA - Financial Statements & Investor Presentation	405
Depreciation, amortisation and impairment	-305
Share-based expense	-
Other expenses and income	20
Rental expense operating lease	40
Operating profit/(loss)	160
Capital expenditure (accrued) - Financial Statements	262
IRU (Israel, HOT)	-50
Capital expenditure (accrued) - Investor Presentation	212
Operating free cash flow (OpFCF) - Investor Presentation	193

Footnotes

€0.6 billion liquidity includes €0.2 billion of undrawn revolvers and €0.4 billion of cash (of which restricted cash for an amount of €43 million)	Pages 3, 7
Leverage shown on an LTM basis is presented pro forma for the contribution from the acquisition of Unisono (€12 million), closed on August 6, 2021	Pages 3, 7, 8, 11, 12
Total Altice International revenue is shown net of eliminations	Page 4
FCF excludes spectrum and significant litigation paid and received	Page 6
Teads revenue is presented after discounts (consistent with the revenue as recognized in the Altice International consolidated financial statements)	Pages 3, 4, 5, 13
Accrued Capex in Q1 2022 for Israel excludes accruals related to the acquisition of an additional tranche of the indefeasible right of use ("IRU") signed with IBC for an amount of €50.3 million	Pages 3, 5, 6, 13
Maturity profile as shown includes other debt and leases, overdraft (c.€9 million) and is shown on a swapped basis	Page 7
Net Leverage adjusted for the Altice UK investment as presented is calculated by reducing net debt as shown by the amount of the Q4 2021 Altice International investment in Altice UK (through granting a loan of €581 million)	Pages 7, 12
Net debt excludes operating lease liabilities recognized under IFRS 16	Pages 7, 11, 12