Altice International Q3 2023 results

November 21, 2023

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.

Q3 2023 Summary

Revenue growth across all telecom assets on a constant currency basis supporting total revenue, EBITDA and OpFCF growth in Q3 2023:

- **Total revenue grew by +5% YoY on a constant currency basis (-0.6% reported)**
- **Total EBITDA grew by +10% YoY on a constant currency basis (+3.8% reported)**
- **Total OpFCF grew by +25% YoY on a constant currency basis (+20% reported)**

€800 million Term Loan raised to address 2025 maturities. No maturities before 2027 as a result of this transaction

Net leverage of 4.6x on an L2QA basis at the end of Q3 2023, €0.7 billion liquidity and 79% of debt at fixed interest rate

FY 2023 narrowed guidance reiterated:

- **EBITDA & OpFCF growth expected to be broadly in line with H1 performance (H1 EBITDA +7% and YTD OpFCF +13%) on a constant currency basis**

Mid-term guidance reiterated:

- **FY 2023: revenue, EBITDA and OpFCF growth YoY**
- **Mid-term: absolute OpFCF in excess of €1 billion, underpinned mainly by EBITDA growth**

For footnotes see slide 14

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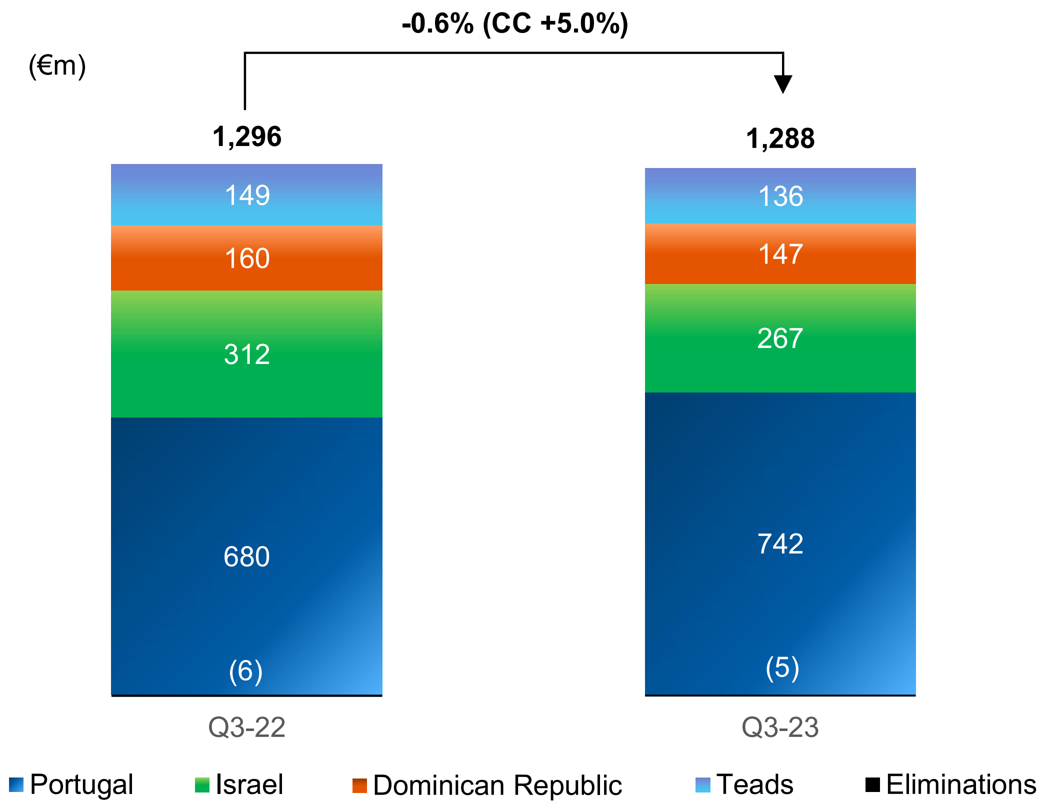
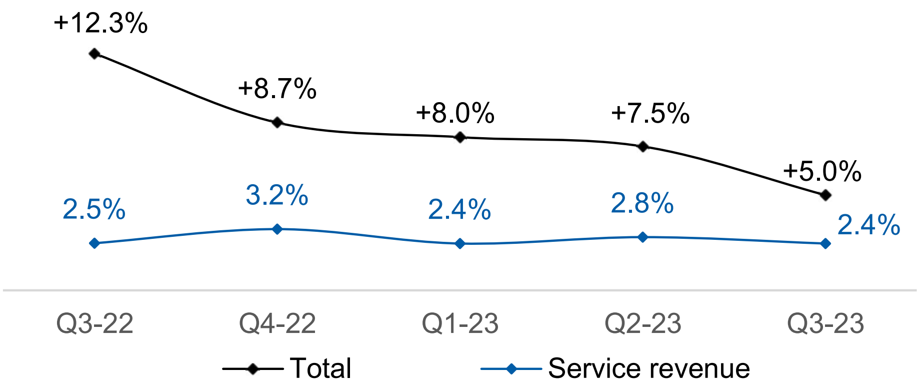
Altice International Revenue Trends



Q3 2023 revenue trends YoY

- Total: -0.6% (CC +5.0%)
  - Portugal: +9.1%
  - Israel: -14.5% (CC +1.7%)
  - Dominican Republic: -8.0% (CC +3.3%)
  - Teads: -8.7% (CC -5.9%)

Revenue growth evolution YoY (CC)



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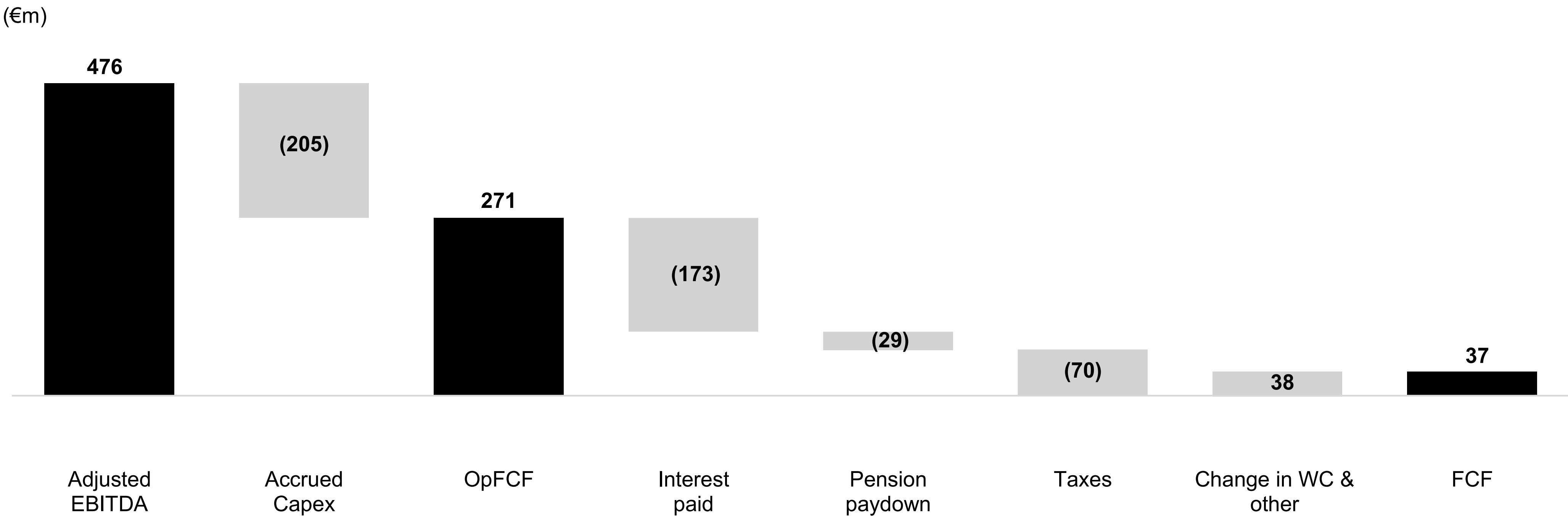
Altice International Financials

€m	Q3-22	Q3-23	*Growth YoY Reported*	*Growth YoY Constant FX*
Portugal	680	742	*+9.1%*	*+9.1%*
Israel	312	267	*-14.5%*	*+1.7%*
Dominican Republic	160	147	*-8.0%*	*+3.3%*
Teads	149	136	*-8.7%*	*-5.9%*
Eliminations & Other	-6	-5	*n.m.*	*n.m.*
Revenue	**1,296**	**1,288**	***-0.6%***	***+5.0%***
Portugal	234	281	*+20.3%*	*+20.3%*
Israel	108	87	*-19.9%*	*-4.6%*
Dominican Republic	82	78	*-4.4%*	*+7.3%*
Teads	37	31	*-15.3%*	*-9.7%*
Eliminations & Other	-2	-1	*n.m.*	*n.m.*
Adjusted EBITDA	**458**	**476**	***+3.8%***	***+10.0%***
Portugal	114	110	*-3.7%*	*-3.7%*
Israel	83	70	*-15.5%*	*+0.3%*
Dominican Republic	37	23	*-37.8%.*	*-27.3%*
Teads	1	3	*n.m.*	*n.m.*
Eliminations & Other	-2	-1	*n.m.*	*n.m.*
Accrued Capex	**233**	**205**	***-12.2%***	***-4.9%***
Portugal	119	171	*+43.2%*	*+43.2%*
Israel	26	17	*-34.1%*	*-20.5%*
Dominican Republic	45	55	*+23.5%*	*+36.2%*
Teads	35	28	*-21.0%*	*-15.1%*
Eliminations & Other	-0	0	*n.m.*	*n.m.*
Total OpFCF	**225**	**271**	***+20.5%***	***+25.5%***

For footnotes see slide 14

Q3 2023 Free Cash Flow



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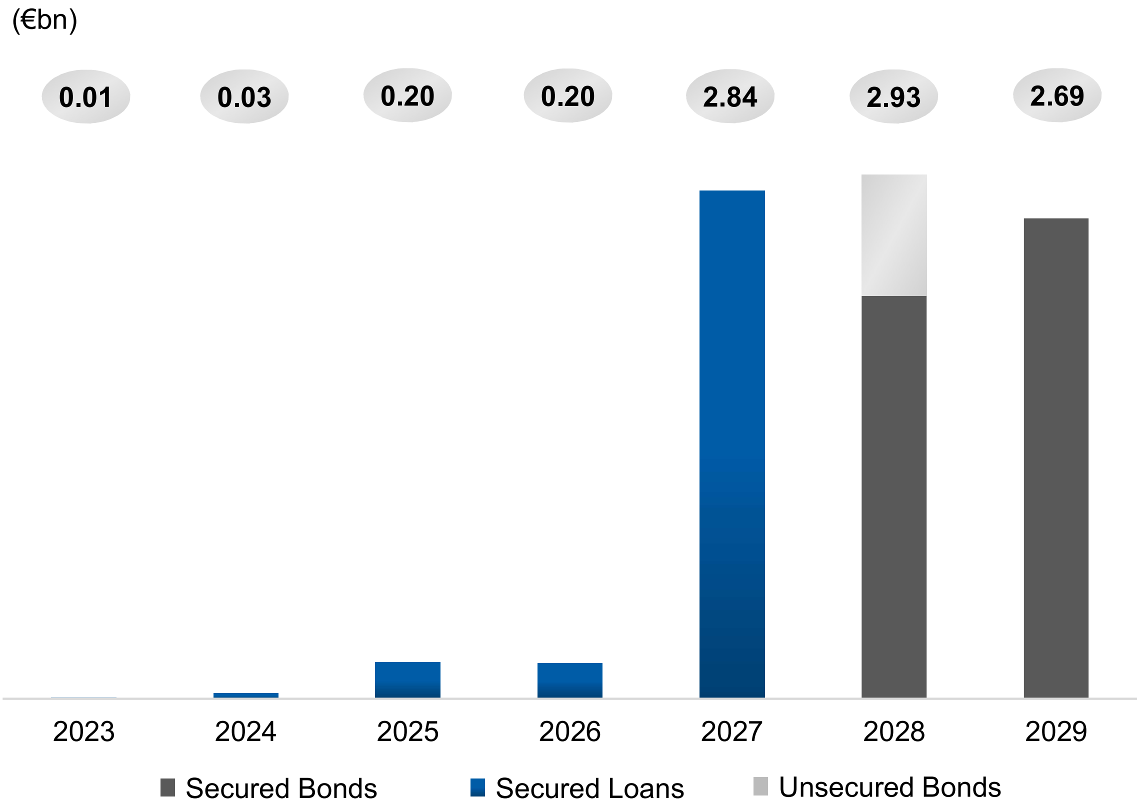
Pro Forma Capital Structure and Debt Maturity

Altice International	
Net debt	€8,652m
WAL	4.6 years
WACD	5.7%
Fixed interest	79%
Net leverage	4.6x
Liquidity	€0.7bn

Unsecured	
Net debt	€675m
WAL	4.3 years
WACD	4.8%

Secured	
Net debt	€7,977m
WAL	4.6 years
WACD	5.8%



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Narrowed Guidance Reiterated

2023 Growth YoY (constant currency)	Q1-23	Q2-23	Q3-23
Revenue	*+8.0%*	*+7.5%*	*+5.0%*
EBITDA	*+6.6%*	*+7.2%*	*+10.0%*
OpFCF	*+3.2%*	*+23.3%*	*+25.5%*
FY 2023	**Revenue, EBITDA and OpFCF growth YoY** *EBITDA & OpFCF FY growth YoY at CC expected to be broadly in line with H1 performance*		

Mid-term Guidance	
OpFCF	**Absolute OpFCF in excess of €1 billion** *Underpinned by EBITDA growth, supporting significant Free Cash Flow expansion*
Target Leverage	**Target leverage of 4.0 to 4.5x net debt to EBITDA**

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Q&A

Appendix

Reconciliation to Swap Adjusted Debt as of September 30, 2023

€m	Actual	Pro Forma[1]
Total Debenture and Loans from Financial Institutions	**8,846**	**8,846**
Value of debenture and loans from financial Institutions in foreign currency converted at closing FX rate	-6,758	-6,758
Value of debenture and loans from financial institutions in foreign currency converted at hedged rate	6,738	6,738
Transaction costs	71	71
Total Swap Adjusted Value of Debenture and Loans from Financial Institutions	**8,897**	**8,897**
Finance lease liabilities and other debt	45	45
Pro forma term loan raise October 2023 – loan raised	-	800
Pro forma term loan raise October 2023 – cash collateralized	-	-600
Pro forma term loan raise October 2023 – repaid RCF	-	-200
Gross Debt Consolidated	**8,941**	**8,941**
Cash and restricted cash	-328	-290
Net Debt Consolidated	**8,614**	**8,652**

For footnotes see slide 14

Leverage Reconciliation as of September 30, 2023

€m	Actual	Pro Forma[1]
Gross Debt Consolidated	**8,941**	**8,941**
Cash and restricted cash	-328	-290
Net Debt Consolidated	**8,614**	**8,652**
LTM EBITDA Consolidated	**1,852**	**1,852**
Net Leverage	4.6x	4.7x
L2QA EBITDA Consolidated	**1,864**	**1,864**
Net Leverage	4.6x	4.6x

For footnotes see slide 14

Non-GAAP Reconciliation to Unaudited GAAP Measures

€m	Q1-23	Q2-23	Q3-23
Revenue - Financial Statements	**1,234**	**1,277**	**1,288**
Purchasing and subcontracting costs	-333	-341	-331
Other operating expenses	-245	-255	-258
Staff costs and employee benefits	-184	-183	-182
Total	**472**	**498**	**517**
Rental expense operating lease	-41	-42	-42
Adjusted EBITDA - Financial Statements & Investor Presentation	**430**	**456**	**476**
Depreciation, amortisation and impairment	-282	-287	-286
Other expenses and income	-2	-235	-10
Rental expense operating lease	41	42	42
Operating profit/(loss)	**188**	**-23**	**222**
Capital expenditure (accrued) - Financial Statements	**283**	**231**	**223**
IRU (Israel)	-53	-15	-18
Capital expenditure (accrued) - Investor Presentation	**230**	**215**	**205**
Operating free cash flow (OpFCF) - Investor Presentation	**200**	**241**	**271**

For footnotes see slide 14

Footnotes

€0.7 billion liquidity includes €0.4 billion of undrawn revolver and €0.3 billion of cash. The cash position as show is pro forma for the October 2023 loan raise (the raise at Altice Financing S.A. of €800 million of Term Loan due October 2027, the redemption, defeasance or otherwise discharge of the outstanding €600 million 2.25% 2025 Senior Secured Notes, the repayment of RCF of €200 million and the effect of OID and transaction fees) and includes restricted cash for an amount of €41 million	Slides 3, 7
Accrued Capex 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 €17.6 million	Slides 3, 5, 6, 13
Net debt excludes operating lease liabilities recognized under IFRS 16	Slides 3, 7, 11, 12
FCF excludes spectrum and significant litigation paid and received	Slide 6
Maturity profile as shown excludes other debt and leases of €45 million and is shown net of swaps Total Altice International net debt is presented pro forma for the October 2023 loan raise (the raise at Altice Financing S.A. of €800 million of Term Loan due October 2027, the redemption, defease or otherwise discharge of the outstanding €600 million 2.25% 2025 Senior Secured Notes, the repayment of RCF of €200 million and the effect of OID and transaction fees)	Slide 7

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