Altice International S.à r.l.

altice

Condensed Interim Consolidated
Financial Statements

As of and for the three and nine-month periods ended
September 30, 2024

Table of Contents

Interim Consolidated Statement of Income **(€m)**	**Notes**	**Three months ended September 30, 2024**	**Three months ended September 30, 2023 (Revised *)**	**Nine months ended September 30, 2024**	**Nine months ended September 30, 2023 (Revised *)**
Revenues	4	**1,122.8**	**1,151.8**	**3,315.2**	**3,402.3**
Purchasing and subcontracting costs	4	(337.1)	(331.0)	(947.5)	(1,005.6)
Other operating expenses	4	(177.5)	(188.2)	(535.1)	(553.8)
Staff costs and employee benefits	4	(158.2)	(147.5)	(476.1)	(440.8)
Depreciation, amortization and impairment	4	(266.0)	(281.7)	(853.3)	(843.4)
Other (expenses) and income	4	(22.3)	(9.3)	(38.0)	(242.0)
Operating profit/(loss)	4	**161.7**	**194.1**	**465.2**	**316.7**
Interest relative to gross financial debt	11	(170.6)	(148.0)	(503.8)	(428.6)
Realized and unrealized (losses)/gains on derivative instruments linked to financial debt	11	(160.4)	16.7	47.0	(79.0)
Other financial expenses	11	(76.4)	(200.9)	(315.1)	(277.4)
Finance income	11	223.2	83.0	292.0	240.9
Net result on extinguishment and remeasurement of financial liabilities	11	-	-	-	-
Finance income/(costs), net	11	**(184.2)**	**(249.2)**	**(479.9)**	**(544.1)**
Share of earnings/(loss) of associates and joint ventures		(9.1)	(1.1)	(17.0)	(9.4)
Profit/(loss) before income tax		**(31.6)**	**(56.2)**	**(31.7)**	**(236.8)**
Income tax benefit/(expense)	10	(20.5)	(24.8)	(81.1)	(30.2)
Profit/(loss) for the period from continuing operations		**(52.1)**	**(81.0)**	**(112.8)**	**(267.0)**
Discontinued operations[1]					
Profit/(loss) after tax for the period from discontinued operations	3.5	1.4	21.5	(5.1)	44.9
Profit/(loss) for the period		**(50.7)**	**(59.5)**	**(117.9)**	**(222.1)**
Attributable to equity holders of the parent		*(67.3)*	*(78.3)*	*(168.5)*	*(279.7)*
Attributable to non-controlling interests		*16.6*	*18.8*	*50.6*	*57.6*

1 Following the agreement signed between Altice Teads S.A. and Outbrain Inc. on August 1, 2024 (please refer to note 3.1), Teads was classified as discontinued operations in accordance with IFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations*. For more details, please refer to notes 3.1, 3.4 and 3.5.

Interim Consolidated Statement of Comprehensive Income **(€m)**	**Three months ended September 30, 2024**	**Three months ended September 30, 2023**	**Nine months ended September 30, 2024**	**Nine months ended September 30, 2023**
Profit/(loss) for the period	**(50.7)**	**(59.5)**	**(117.9)**	**(222.1)**
Other comprehensive income / (loss)				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	(14.9)	9.2	(14.1)	(14.0)
Related taxes	-	-	-	-
Item that will not be reclassified subsequently to profit or loss				
Change of fair value of equity instruments at fair value through OCI	-	-	-	(2.4)
Actuarial gain/(loss)	(0.4)	20.4	12.6	9.8
Related taxes	-	(4.3)	(2.7)	(2.1)
Total other comprehensive income / (loss)	**(15.3)**	**25.3**	**(4.2)**	**(8.7)**
Total comprehensive income / (loss) for the period	**(66.0)**	**(34.2)**	**(122.1)**	**(230.8)**
Attributable to equity holders of the parent	*(81.7)*	*(53.1)*	*(171.8)*	*(287.7)*
Attributable to non-controlling interests	*15.7*	*18.9*	*49.7*	*56.9*

The accompanying notes on pages 5 to 29 form an integral part of these condensed interim consolidated financial statements.

Interim Consolidated Statement of Financial Position (€m)	Notes	As of September 30, 2024	As of December 31, 2023 (Revised *)
Non-current assets			
Goodwill	5	3,072.0	3,323.5
Intangible assets		944.7	976.7
Property, plant & equipment		3,471.1	3,630.6
Right-of-use assets		761.4	792.0
Contract costs		125.1	121.0
Investment in associates and joint ventures		14.7	34.0
Financial assets	6	4,206.3	3,893.5
Deferred tax assets		385.4	388.9
Other non-current assets		165.9	165.0
Total non-current assets		**13,146.6**	**13,325.2**
Current assets			
Inventories		235.2	265.8
Contract assets		44.2	44.1
Trade and other receivables		1,047.5	1,304.2
Current tax assets		22.1	31.2
Financial assets	6	339.8	154.8
Cash and cash equivalents		170.7	296.2
Restricted cash		655.7	614.9
Assets classified as held for sale	3.4	533.8	-
Total current assets		**3,049.0**	**2,711.2**
Total assets		**16,195.6**	**16,036.4**

Equity			
Issued capital	7.1	309.3	309.3
Other reserves	7.2	(250.7)	(247.4)
Retained earnings	7	(9.3)	132.1
Equity attributable to equity holders of the parent		**49.3**	**194.0**
Non-controlling interests	7.3	**10.5**	**22.1**
Total equity		**59.8**	**216.1**
Non-current liabilities			
Long-term borrowings, financial liabilities and related hedging instruments	8	9,198.1	9,668.6
Other financial liabilities	8.6	1,218.9	1,197.8
Non-current lease liabilities	8.6	919.6	937.5
Provisions		800.3	888.8
Deferred tax liabilities		50.6	67.0
Non-current contract liabilities		40.5	41.4
Other non-current liabilities		308.6	240.9
Total non-current liabilities		**12,536.6**	**13,042.0**
Current liabilities			
Short-term borrowings, financial liabilities and related hedging instruments	8	809.9	36.0
Other financial liabilities	8.6	444.1	518.7
Current lease liabilities	8.6	105.0	94.7
Trade and other payables		1,439.5	1,557.1
Contract liabilities		309.3	234.0
Current tax liabilities		42.5	51.3
Provisions		248.9	257.9
Other current liabilities		17.5	28.6
Liabilities directly associated with assets classified as held for sale	3.4	182.5	-
Total current liabilities		**3,599.2**	**2,778.3**
Total liabilities		**16,135.8**	**15,820.3**
Total equity and liabilities		**16,195.6**	**16,036.4**

(*) Previously published information has been revised to take into account the impact following the adoption of the amendments in Classification of Liabilities as Current or Non-Current (Amendments to IAS 1). Please refer to note 2.2.1 for the reconciliation to previously published results.

The accompanying notes on pages 5 to 29 form an integral part of these condensed interim consolidated financial statements.

Interim Consolidated Statement of Changes in Equity (€m)	Number of shares on issue Shares	Share capital	Retained earnings	Currency translation reserve	Fair value through OCI reserve	Employee benefits	Total equity attributable to equity holders of the parent	Non-controlling interests	Total equity
Equity at January 1, 2024	**30,925,700,000**	**309.3**	**132.1**	**(133.8)**	**-**	**(113.6)**	**194.0**	**22.1**	**216.1**
Profit/(loss) for the period		-	(168.5)	-	-	-	(168.5)	50.6	(117.9)
Other comprehensive income/(loss)		-	-	(13.3)	-	10.0	(3.3)	(0.9)	(4.2)
Comprehensive income/(loss)		**-**	**(168.5)**	**(13.3)**	**-**	**10.0**	**(171.8)**	**49.7**	**(122.1)**
Dividends paid		-	-	-	-	-	-	(60.3)	(60.3)
Share-based payment[1]		-	29.1	-	-	-	29.1	-	29.1
Transactions with non-controlling interests		-	(1.5)	-	-	-	(1.5)	-	(1.5)
Other		-	(0.5)	-	-	-	(0.5)	(1.0)	(1.5)
Equity at September 30, 2024	**30,925,700,000**	**309.3**	**(9.3)**	**(147.1)**	**-**	**(103.6)**	**49.3**	**10.5**	**59.8**

1. This line includes the PSAR Plan related to Teads signed in October 2023.

Interim Consolidated Statement of Changes in Equity (€m)	Number of shares on issue Shares	Share capital	Retained earnings	Currency translation reserve	Fair value through OCI reserve	Employee benefits	Total equity attributable to equity holders of the parent	Non-controlling interests	Total equity
Equity at January 1, 2023	**30,925,700,000**	**309.3**	**1,089.5**	**(102.0)**	**5.6**	**(70.8)**	**1,231.6**	**22.2**	**1,253.8**
Profit/(loss) for the period		-	(279.7)	-	-	-	(279.7)	57.6	**(222.1)**
Other comprehensive income/(loss)		-	-	(13.3)	(2.4)	7.7	(8.0)	(0.7)	**(8.7)**
Comprehensive income/(loss)		**-**	**(279.7)**	**(13.3)**	**(2.4)**	**7.7**	**(287.7)**	**56.9**	**(230.8)**
Dividends by share premiums redemption[1]		-	(320.0)	-	-	-	(320.0)	(19.2)	**(339.2)**
Other		-	3.2	-	(3.2)	-	-	1.4	**1.4**
Equity at September 30, 2023	**30,925,700,000**	**309.3**	**493.0**	**(115.3)**	**-**	**(63.1)**	**623.9**	**61.3**	**685.2**

1. Dividends by share premiums redemption line includes a payment of €320.0 made by the Company to Altice Luxembourg (please refer to note 3.3).

The accompanying notes on pages 5 to 29 form an integral part of these condensed interim consolidated financial statements.

Interim Consolidated Statement of Cash Flows (€m)	**Note**	**Nine months ended September 30, 2024**	**Nine months ended September 30, 2023 (Revised *)**
Profit/(loss) for the period		**(117.9)**	**(222.1)**
Profit/(loss) from discontinued operations		5.1	(44.9)
adjustments for:			
Share of (gain) / loss of associates and joint ventures		17.0	9.4
Depreciation, amortization and impairment		853.3	843.4
Other non-cash operating gains / (losses), net[1]		(43.0)	176.3
Finance costs/(income), net recognised in the statement of income	11	479.9	544.1
Income tax expense/(benefit) recognised in the statement of income	10	81.1	30.2
Pension plan liability payments		(67.9)	(75.1)
Income tax paid		(87.8)	(122.4)
Changes in working capital[2]		162.8	(21.1)
Net cash provided by operating activities from continuing operations		*1,282.6*	*1,117.8*
Net cash provided by operating activities from discontinued operations		*60.1*	*81.7*
Net cash provided by operating activities		**1,342.7**	**1,199.5**
Payments to acquire tangible and intangible assets and contract costs	4.3.5	(639.0)	(656.6)
Proceeds from sale of tangible and intangible assets	3.2	1.5	1.6
Payments for acquisition of consolidated entities, net of cash acquired		0.4	(22.2)
Proceeds from sale of consolidated entities, net of cash disposed of		8.5	-
Advances paid to group companies (principal and interest)[3 4]		(412.8)	(211.3)
Transfers from restricted cash		(20.3)	(0.3)
Proceeds / (payments) from other investing activities		0.7	15.2
Net cash used in investing activities from continuing operations		*(1,061.0)*	*(873.6)*
Net cash used in investing activities from discontinued operations[4]		*(8.4)*	*(12.7)*
Net cash used in investing activities		**(1,069.4)**	**(886.3)**
Dividend paid to shareholders[5]	3.3	-	(320.0)
Proceeds from issuance of debt instruments	8.2	1,081.1	710.5
Payments to redeem debt instruments	8.2	(709.0)	(312.0)
Payment from the acquisition of minority stake		(8.0)	(13.2)
Proceeds related to payments made to suppliers through factoring arrangements		242.6	306.6
Payments made to factoring companies		(262.6)	(284.0)
Lease payment (principal) related to ROU		(79.3)	(71.0)
Lease payment (interest) related to ROU		(61.9)	(60.3)
Interest paid[6]		(474.8)	(355.5)
Proceeds /(payments) related to the monetization of swaps		28.0	(4.0)
Dividends paid to non-controlling interests		(58.3)	(19.4)
Other cash used by financing activities[7]		(50.1)	(44.8)
Net cash from / (used in) financing activities from continuing operations		*(352.3)*	*(467.1)*
Net cash from / (used in) financing activities from discontinued operations		*14.9*	*11.3*
Net cash from / (used in) financing activities		**(337.4)**	**(455.8)**
Cash classified as held for sale[8]		(57.8)	-
Effects of exchange rate changes on the balance of cash held in foreign currencies		(3.6)	0.9
Net change in cash and cash equivalents		**(125.5)**	**(141.7)**
Cash and cash equivalents at beginning of the period[8]		296.2	428.2
Cash and cash equivalents at end of the period		**170.7**	**286.5**

1 Other non-cash items include allowances and writebacks for provisions and gains and losses recorded on the disposal of tangible and intangible assets.
2 Changes in working capital relate to payments and receipts related to inventories, trade and other receivables and trade and other payables.
3 For the nine months ended September 30, 2024, the line includes advances paid by the Company to Altice Luxembourg (please refer to note 3.3).
4 Net cash used in investing activities from discontinued operations is presented after intercompany eliminations (i.e. after elimination of advance intercompany payments within the investment activities between discontinued operations and continued operations). Advance intercompany payments amounted to €89.7 million for the nine-months ended September 30, 2024 and €91.0 million for the nine-months ended September 30, 2023.
5 For the nine months ended September 30, 2023, the line includes the dividends distribution by way of share premiums redemption and additional loans made by the Company to Altice Luxembourg (please refer to note 3.3).
6 Interest paid on debt includes interest received from / paid on interest rate derivatives.
7 Other cash used by financing activities mainly includes interest on factoring arrangements.
8 The line Cash and cash equivalents at the end of the period excludes €57.8 million related to Teads as of September 30, 2024. Cash and equivalents at the beginning of the period includes €82 million as of December 31, 2023.

(*) Previously published information has been revised to take into account the impact following the classification of Teads as discontinued operation. Please refer to note 14 for the reconciliation to previously published results.

The accompanying notes on pages 5 to 29 form an integral part of these condensed interim consolidated financial statements.

1. About Altice International S.à r.l. and the Group

Altice International S.à r.l. (the "Company") is a private limited liability company ("*société à responsabilité limitée*") incorporated in Luxembourg, headquartered at 1, rue Hildegard von Bingen, L-1282 Luxembourg, Grand Duchy of Luxembourg. The Company is the parent company of a consolidated group (the "Group").

The Company is a wholly-owned subsidiary of Altice Luxembourg S.A. ("Altice Luxembourg"). The controlling shareholder of Altice Luxembourg is Next Alt S.à r.l., which is itself controlled by Mr. Patrick Drahi. As of September 30, 2024, Next Alt S.à r.l. indirectly held 91.33% of the share capital of the Company.

The Group is a convergent leader in telecoms, content, media, entertainment and advertising, and operates in Portugal, Israel and the Dominican Republic. The Group also has a global presence through its online advertising business Teads. On August 1, 2024, the Company announced that Outbrain Inc., a leading technology platform that drives business results by engaging people across Open Internet, has entered into a definitive agreement to acquire Teads S.A.(please refer to note 3.1).

2. Accounting policies

2.1 Basis of preparation

These condensed interim consolidated financial statements of the Group as of September 30, 2024 and for the three and nine-month periods then ended (the "condensed interim consolidated financial statements") were approved by the Board of Managers and authorized for issue on November 27, 2024.

These condensed interim consolidated financial statements are presented in millions of Euros, except as otherwise stated, and have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. They should be read in conjunction with the annual consolidated financial statements of the Group and the notes thereto as of and for the year ended December 31, 2023 which were prepared in accordance with International Financial Reporting Standards as adopted in the European Union ("IFRS-EU") (the "annual consolidated financial statements").

The accounting policies applied for these condensed interim consolidated financial statements do not differ from those applied in the annual consolidated financial statements, except for the adoption of new standards effective as of January 1, 2024.

These condensed interim consolidated financial statements have been prepared on a going concern basis.

2.2 Application of new and revised International Financial Reporting Standards (IFRSs)

2.2.1 Standards applicable for the reporting period

The following standards have mandatory application for periods beginning on or after January 1, 2024 as described in note 1.3.2 to the annual consolidated financial statements:

- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7), effective on or after January 1, 2024;
- Amendments in Classification of Liabilities as Current or Non-Current (Amendments to IAS 1), effective on or after January 1, 2024;
- Non-current Liabilities with Covenants (Amendments to IAS 1), effective on or after January 1, 2024; and
- Amendments to IFRS 16 *Lease Liability in a Sale and Leaseback,* effective on or after January 1, 2024.

Except for the application of the amendments related to the Classification of Liabilities as Current or Non-Current, described below, the application of these amendments had no material impact on the amounts recognised and on the disclosures in these condensed interim consolidated financial statements.

The application of the amendments in Classification of Liabilities as Current or Non-Current had the following impact on these condensed interim consolidated financial statements:

	As of December 31, 2023 (published)	As of December 31, 2023 (revised)
Non-current liabilities		
Long-term borrowings, financial liabilities and related hedging instruments	9,270.6	9,668.6
Total non-current liabilities	**12,644.0**	**13,042.0**
Current liabilities		
Short-term borrowings, financial liabilities and related hedging instruments	434.0	36.0
Total current liabilities	**3,176.3**	**2,778.3**

As of September 30, 2024, the Company has continued to work on the Pillar Two assessment. The preliminary view of the Group is that many of the jurisdictions, where it operates, should benefit from the transitional Country by Country Reporting Safe Harbor and no material operations have been identified to have current domestic corporate tax rate below 15 per cent. Therefore, for these Condensed Interim Consolidated Financial Statements, the impact of the global minimum tax is assessed to be limited on both the Company's effective tax rate and the income tax expense in the nine-month period ended September 30, 2024. The Company is continuously assessing the impact of the Pillar Two corporate income tax legislation.

2.2.2 Standards and interpretations not applicable as of reporting date

The Group has not early adopted the following standards and interpretations, for which application is not mandatory for periods starting from January 1, 2024 and that may impact the amounts reported:

- Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture,* effective date of the amendments has not yet been determined by the IASB;
- Amendments to IAS 21: *Lack of Exchangeability*, effective on or after January 1, 2025;
- IFRS 18 *Presentation and disclosure in Financial Statements*, not yet adopted in the European Union;
- Amendments in IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 based on Annual Improvements to IFRS Accounting Standards — Volume 11 issued by IASB, effective on or after January 1, 2026; and
- Amendment to the classification and measurement of financial instruments - Amendment to IFRS 9 and IFRS 7, effective January 1, 2026.

The Board of Managers anticipates that the application of those amendments will not have a material impact on the amounts recognised in the consolidated financial statements.

2.3 Significant accounting judgments and estimates

In the application of the Group's accounting policies, the Board of Managers is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

These key areas of judgments and estimates, as disclosed in the annual consolidated financial statements, are:

- Revenue recognition;
- Estimations of provisions for litigations;
- Measurement of post-employment benefits;
- Fair value measurement of financial instruments;
- Measurement of deferred taxes;
- Estimation of useful lives of intangible assets and property, plant and equipment;
- Impairment of goodwill and intangible assets;
- Estimation of impairment losses for contract assets and trade receivables;
- Determination of the right-of-use and lease liabilities; and
- Assessment of control.

As of September 30, 2024, there were no changes in the key areas of judgments and estimates.

3. Significant events

The following events occurred during the nine-month period ended September 30, 2024, which impacted the scope of consolidation compared to that presented in the annual consolidated financial statements.

3.1 Acquisitions and disposals in the current period

Disposal of Teads

On August 1, 2024, the Company announced that Outbrain Inc. ("Outbrain") , a leading technology platform that drives business results by engaging people across Open Internet, has entered into a definitive agreement to acquire the global media platform Teads. The total estimated consideration is approximately $1 billion, including upfront and deferred cash payments. The Company will receive an estimated amount of $725 million at closing and a deferred consideration of $25 million. Outbrain will also issue to the Company 35 million ordinary shares, which is approximately $170 million based on a share price of $4.78 as of July 31, 2024, and $105 million in convertible preferred shares. The transaction is expected to be completed in the first quarter of 2025 and is subject to certain closing conditions, including the receipt of Outbrain stockholder and regulatory approvals. Following the transaction, the Group will lose control over Teads and will keep an interest in Outbrain (including Teads) which will be recorded under the equity method based on the provision of IAS 28 *Investments in Associates and Joint Ventures*.

Following the agreement between Altice Teads S.A. and Outbrain, the disposal of Teads was considered highly probable and as a consequence, the assets and liabilities of Teads were classified as held for sale as per the provisions of IFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations* (please refer to note 3.4).
In addition, Teads contribution was treated as a discontinued operation as specified in IFRS 5 and all the statement of income line items were restated to remove the impact of Teads and its contribution to the net result was presented in the line "discontinued operation" in the statement of income (please refer to note 3.5). Prior period figures were revised (please refer to note 14).

3.2 Acquisitions and disposals in the prior period

There was no material change in the consolidation scope during the nine-month period ended September 30, 2023.

3.3 Other significant events

Distribution and advances to the parent company

During the nine-month period ended September 30, 2024, the Company made advances to its parent company Altice Luxembourg for an amount of €412.8 million.

During the nine-month period ended September 30, 2023, the Company made a distribution to its parent company Altice Luxembourg for an amount of €320 million by way of share premiums redemption and advances for a net amount of €211.3 million by way of additional loans.

3.4 Assets held for sale

The table below provides the details of assets and liabilities classified as held for sale as of September 30, 2024 :

Disposal groups held for sale (€m)	**Wananchi[1]**	**Teads**	**As of September 30, 2024**
Goodwill	-	204.9	**204.9**
Tangible and intangible assets	-	23.2	**23.2**
Other non-current assets	-	28.1	**28.1**
Investment in associates	9.7	-	**9.7**
Current assets[2]	-	267.9	**267.9**
Total assets held for sale	**9.7**	**524.1**	**533.8**
Non-current liabilities	-	13.7	**13.7**
Current liabilities	-	168.8	**168.8**
Total liabilities related to assets held for sale	**-**	**182.5**	**182.5**

1 As of September 30, 2024, the assets and liabilities of Wananchi Group Holdings limited ("Wananchi") were classified as held for sale following the sale and purchase agreement signed by the Company for the disposal of its stake of 30.31%.

2 Current assets related to Teads include an amount of cash and cash equivalents of €57.8 million as of September 30, 2024. The amount of cash and cash equivalents related to Teads as of December 31, 2023 was €82.0 million.

3.5 Discontinued operations

The table below presents the impacts of discontinued operations of Teads in the statement of income for the three and nine-month periods ended September 30, 2024 and September 30, 2023:

Disposal groups held for sale		**Teads**		
(€m)	**Three months ended September 30, 2024**	**Three months ended September 30, 2023**	**Nine months ended September 30, 2024**	**Nine months ended September 30, 2023**
Revenue	135.9	136.0	393.6	396.7
Operating profit	13.0	27.4	19.2	69.1
Finance costs	(8.3)	2.3	(6.5)	(2.5)
Profit before income tax	**4.7**	**29.7**	**12.7**	**66.6**
Income tax	(3.3)	(8.2)	(17.8)	(21.7)
Net income/(loss) related to discontinued operation	**1.4**	**21.5**	**(5.1)**	**44.9**

The operating free cash flow of discontinued operations of Teads for the three and nine month-periods ended September 30, 2024 and September 30, 2023 is presented in the table below:

Disposal groups held for sale		**Teads**		
(€m)	**Three months ended September 30, 2024**	**Three months ended September 30, 2023**	**Nine months ended September 30, 2024**	**Nine months ended September 30, 2023**
Operating profit	13.0	27.4	19.2	69.1
Inter-segment elimination	0.1	0.2	0.6	0.7
Operating profit before inter-segment elimination	**13.1**	**27.6**	**19.8**	**69.8**
Depreciation, amortization, impairment	4.3	4.1	12.8	11.8
Stock option expense	5.3	-	34.3	-
Other expenses and income	0.7	1.4	2.4	4.1
Rental expense operating lease	(1.7)	(1.4)	(4.6)	(4.1)
Adjusted EBITDA	**21.7**	**31.7**	**64.7**	**81.6**
Capital expenditure – accrued	(2.8)	(3.2)	(8.5)	(9.5)
Operating free cash flow	**18.9**	**28.5**	**56.2**	**72.1**

The cash flow of Teads for the nine-month periods ended September 30, 2024 and September 30, 2023 is presented in the table below.

Disposal groups held for sale (€m)	**Nine months ended September 30, 2024**	**Nine months ended September 30, 2023**
Net cash provided by operating activities	60.1	81.7
Net cash used in investing activities	(98.1)	(103.7)
Net cash from / (used in) financing activities	14.9	11.3

4. Segment reporting

4.1 Definition of segments

Given the geographical spread of the entities within the Group, analysis by geographical area is fundamental in determining the Group's strategy and managing its different businesses. The Group's chief operating decision maker is the Board of Managers. The Board of Managers analyses the Group's results across geographies, and certain key areas by activity. The presentation of the segments here is consistent with the reporting used internally by the Board of Managers to track the Group's operational and financial performance. The businesses that the Group owns and operates do not show significant seasonality, except for the mobile residential and business services, which can show significant changes in sales at year end and at the end of the summer season (the "back to school" period). The business services are also impacted by the timing of preparation of the annual budgets of public and private sector companies. The accounting policies of the reportable segments are the same as the Group's accounting policies.

The segments that are presented are detailed below:

- **Portugal**: The Group owns Portugal Telecom ("PT Portugal"), the largest telecom operator in Portugal. PT Portugal provides fixed residential, mobile residential and business services clients using the MEO brand. This segment also includes the Altice Technical Services entities in Portugal and Unisono Group which is engaged in the provision of outsourced customer experience management, consulting and digital transformation services mainly in Spain.
- **Israel**: Fixed and mobile services are provided using the HOT telecom, HOT mobile and HOT net brands to residential and business services clients. HOT also produces award winning exclusive

content that it distributes using its fixed network, as well as content application called Next and OTT services through Next Plus. This segment also includes the Altice Technical Services entity in Israel.

- **Dominican Republic**: The Group provides fixed residential, mobile residential and business services using the Altice brand. This segment also includes the Altice Technical Services entity in the Dominican Republic.
- **Others:** Corporate entities are reported under "Others".

Following the agreement signed between Altice Teads S.A. and Outbrain, Teads is no longer defined as a segment as the result of the classification of Teads as discontinued operations (please refer to note 3.1).

4.2 Financial Key Performance Indicators ("KPIs")

The Board of Managers has defined certain financial KPIs that are tracked and reported by each operating segment every month to the senior executives of the Company. The Board of Managers believes that these indicators offer them the best view of the operational and financial efficiency of each segment and this follows best practices in the rest of the industry, thus providing investors and other analysts a suitable base to perform their analysis of the Group's results.
The financial KPIs tracked by the Board of Managers are:

- Revenues: by segment and in terms of activity;
- Adjusted EBITDA: by segment;
- Capital expenditure ("Capex"): by segment;
- Operating free cash flow ("OpFCF"): by segment; and
- Net financial debt.

4.2.1 Revenues

Additional information on the revenue split is presented as follows:

- Residential revenues
    - Fixed: revenues from fixed services to B2C customers;
    - Mobile: revenues from mobile services to B2C subscribers;
    - Equipment business to B2C subscribers; and
- Business services: revenues from B2B customers, wholesale and other revenues.

Intersegment revenues mainly relate to sales of products between operational segments of the Group and services rendered by certain centralized Group functions to the operational segments of the Group.

4.2.2 Non-GAAP measures

Adjusted EBITDA, Capex, OpFCF and Net Financial Debt are non-GAAP measures. These measures are useful to readers of the condensed interim consolidated financial statements as they provide a measure of operating results excluding certain items that the Group's management believe are either outside of its recurring operating activities, or items that are non-cash. Excluding such items enables trends in the Group's operating results and cash flow generation to be more easily observable. The non-GAAP measures are used by the Group internally to manage and assess the results of its operations, make decisions with respect to investments and allocation of resources, and assess the performance of management personnel. Such performance measures are also the de facto metrics used by investors and other members of the financial community to value other companies operating in the same industry as the Group and thus are a basis for comparability between the Group and its peers. Moreover, the debt covenants of the Group are based on the Adjusted EBITDA and other associated metrics. The definition of Adjusted EBITDA used in the covenants has not changed with the adoption of IFRS 15 *Revenue from Contracts with Customers* and IFRS 16 *Leases* by the Group.

4.2.2.1 Adjusted EBITDA

Following the application of IFRS 16 *Leases*, Adjusted EBITDA is defined as operating income before depreciation, amortization and impairment, other expenses and income (capital gains, non-recurring litigation, restructuring costs) and 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 Adjusted EBITDA, do ultimately affect the operating results. Operating results presented in the condensed interim consolidated financial statements are in accordance with IAS 1 *Presentation of Financial Statements.*

4.2.2.2 Capex

Capex is an important indicator to follow, 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 is mainly related to costs incurred in acquiring content rights.

4.2.2.3 Operating free cash flow

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 7 *Statement of Cash flows*.

4.2.2.4 Net financial debt

Net financial debt is a non-GAAP measure which is useful to the readers of the condensed interim consolidated financial statements as it provides meaningful information regarding the financial position of Group and its ability to pay its financial debt obligations compared to its liquid assets. Please refer to notes 8.3 and 8.4.

4.3 Segment results

4.3.1 Operating profit by segment

For the three months ended September 30, 2024 (€m)	**Portugal**	**Israel**	**Dominican Republic**	**Others**	**Inter-segment elimination**	**Total**
Revenues	**748.5**	**246.0**	**135.1**	**-**	**(6.8)**	**1,122.8**
Purchasing and subcontracting costs	(238.6)	(82.3)	(20.2)	-	4.0	**(337.1)**
Other operating expenses	(104.3)	(47.7)	(25.0)	(1.3)	0.8	**(177.5)**
Staff costs and employee benefit expenses	(127.3)	(21.8)	(9.2)	-	0.1	**(158.2)**
Total	**278.3**	**94.2**	**80.7**	**(1.3)**	**(1.9)**	**450.0**
Rental expense operating lease[1]	(24.2)	(9.3)	(8.3)	-	-	**(41.8)**
Adjusted EBITDA	**254.1**	**84.9**	**72.4**	**(1.3)**	**(1.9)**	**408.2**
Depreciation, amortisation and impairment	(151.1)	(80.0)	(34.8)	-	(0.1)	**(266.0)**
Other expenses and income	(19.4)	(0.3)	-	(2.6)	-	**(22.3)**
Rental expense operating lease[1]	24.2	9.3	8.3	-	-	**41.8**
Operating profit/(loss)	**107.8**	**13.9**	**45.9**	**(3.9)**	**(2.0)**	**161.7**

For the three months ended September 30, 2023 (€m) (Revised *)	**Portugal**	**Israel**	**Dominican Republic**	**Others**	**Inter-segment elimination**	**Total**
Revenues	**742.2**	**266.8**	**147.4**	**0.4**	**(5.0)**	**1,151.8**
Purchasing and subcontracting costs	(211.1)	(97.7)	(25.5)	-	3.3	**(331.0)**
Other operating expenses	(109.7)	(52.9)	(25.6)	(0.5)	0.5	**(188.2)**
Staff costs and employee benefit expenses	(117.1)	(21.3)	(9.3)	0.1	0.1	**(147.5)**
Total	**304.3**	**94.9**	**87.0**	**-**	**(1.1)**	**485.1**
Rental expense operating lease[1]	(23.4)	(8.4)	(8.5)	-	-	**(40.3)**
Adjusted EBITDA	**280.9**	**86.5**	**78.5**	**-**	**(1.1)**	**444.8**
Depreciation, amortisation and impairment	(165.0)	(78.4)	(38.3)	-	-	**(281.7)**
Other expenses and income	(5.9)	(0.9)	(0.2)	(2.3)	-	**(9.3)**
Rental expense operating lease[1]	23.4	8.4	8.5	-	-	**40.3**
Operating profit/(loss)	**133.4**	**15.6**	**48.5**	**(2.3)**	**(1.1)**	**194.1**

(*) Please refer to note 14 for details about the revised information.

For the nine months ended September 30, 2024 (€m)	Portugal	Israel	Dominican Republic	Others	Inter-segment elimination	Total
Revenues	**2,157.5**	**762.1**	**415.0**	**-**	**(19.4)**	**3,315.2**
Purchasing and subcontracting costs	(628.4)	(271.3)	(61.0)	-	13.2	**(947.5)**
Other operating expenses	(308.7)	(149.5)	(74.1)	(4.8)	2.0	**(535.1)**
Staff costs and employee benefit expenses	(382.4)	(66.4)	(27.6)	-	0.3	**(476.1)**
Total	**838.0**	**274.9**	**252.3**	**(4.8)**	**(3.9)**	**1,356.5**
Rental expense operating lease[1]	(72.9)	(28.0)	(25.3)	-	-	**(126.2)**
Adjusted EBITDA	**765.1**	**246.9**	**227.0**	**(4.8)**	**(3.9)**	**1,230.3**
Depreciation, amortisation and impairment	(490.7)	(251.3)	(111.3)	-	-	**(853.3)**
Other expenses and income	(31.1)	(7.4)	(0.9)	1.4	-	**(38.0)**
Rental expense operating lease[1]	72.9	28.0	25.3	-	-	**126.2**
Operating profit/(loss)	**316.2**	**16.2**	**140.1**	**(3.4)**	**(3.9)**	**465.2**

For the nine months ended September 30, 2023 (€m) (Revised *)	Portugal	Israel	Dominican Republic	Others	Inter-segment elimination	Total
Revenues	**2,159.4**	**815.3**	**441.9**	**0.6**	**(14.9)**	**3,402.3**
Purchasing and subcontracting costs	(653.1)	(286.8)	(75.5)	-	9.8	**(1,005.6)**
Other operating expenses	(309.3)	(168.1)	(76.1)	(2.0)	1.7	**(553.8)**
Staff costs and employee benefit expenses	(347.3)	(65.5)	(28.3)	0.1	0.2	**(440.8)**
Total	**849.7**	**294.9**	**262.0**	**(1.3)**	**(3.2)**	**1,402.1**
Rental expense operating lease[1]	(69.2)	(26.1)	(25.7)	-	-	**(121.0)**
Adjusted EBITDA	**780.5**	**268.8**	**236.3**	**(1.3)**	**(3.2)**	**1,281.1**
Depreciation, amortisation and impairment	(493.5)	(238.5)	(111.4)	-	-	**(843.4)**
Other expenses and income	(228.9)	(9.0)	0.0	(4.1)	-	**(242.0)**
Rental expense operating lease[1]	69.2	26.1	25.7	-	-	**121.0**
Operating profit/(loss)	**127.3**	**47.4**	**150.6**	**(5.4)**	**(3.2)**	**316.7**

(*) Please refer to note 14 for details about the revised information.

1 This line corresponds to the operating lease expenses whose impacts are included in Adjusted EBITDA following the definition stated in note 4.2.2.1.

4.3.2 Other expenses and income

Other expenses and income mainly relate to provisions for ongoing and announced restructuring and other items (for example gains and losses on disposal of assets, deal fees on acquisitions of entities and provisions for litigations).

Details of costs incurred during the three and nine-month periods ended September 30, 2024 and 2023 are provided in the following table:

Other (expenses) and income (€m)	For the three months ended September 30, 2024	For the three months ended September 30, 2023 (Revised *)	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023 (Revised *)
Restructuring costs (including termination employee benefit (expenses)/income)	(6.9)	2.0	(12.5)	3.4
Onerous contracts	-	-	(1.2)	(237.1)
Disputes and litigation	(1.5)	(0.7)	-	8.5
Net gain on sale of interest in assets and associates	-	0.1	12.7	16.9
Deal fees	(0.3)	(0.2)	(1.0)	(1.8)
Other, net	(13.6)	(10.5)	(36.0)	(31.9)
Other (expenses) and income	**(22.3)**	**(9.3)**	**(38.0)**	**(242.0)**

(*) Please refer to note 14 for details about the revised information.

4.3.2.1 Restructuring costs (including termination employee benefit expenses/(income))

For the nine-month period ended September 30, 2024, this includes mainly restructuring costs in Portugal for an amount of €8.5 million (termination payments to certain employees) and Israel for an amount of €4.1 million related to an employee reduction program implemented during the second quarter of 2024.

4.3.2.2 Onerous contracts

For the nine-month period ended September 30, 2023, the Group recognized a provision for onerous contracts for an amount of €237.1 million relating to both the Sharing Agreement and the related distribution agreement with Sport TV in Portugal.

4.3.2.3 Disputes and litigation

For the nine-month period ended September 30, 2023, the line mainly includes the reversal of a portion of the provision for the Portuguese Competition Authority (PCA) investigation in Portugal (please refer to note 13.1.1).

4.3.2.4 Other

For the nine-month periods ended September 30, 2024 and September 30, 2023, this mainly includes professional services related to the setup costs for strategic plateforms SAAS (software as a Service) in Portugal. The project has started in 2022 and is expected to be implemented until 2026.

4.3.3 Reconciliation of profit / (loss) from continuing operations to Adjusted EBITDA

The tables below provide a reconciliation between of profit / (loss) from continuing operations to Adjusted EBITDA.

Reconciliation of profit / (loss) from continuing operations to Adjusted EBITDA (€m)	**Three months ended September 30, 2024**	**Three months ended September 30, 2023 (Revised *)**	**Nine months ended September 30, 2024**	**Nine months ended September 30, 2023 (Revised *)**
Profit / (loss) for the period from continuing operations	**(52.1)**	**(81.0)**	**(112.8)**	**(267.0)**
Income tax expense/(benefit)	20.5	24.8	81.1	30.2
Share of (gain) / loss of associates and joint ventures	9.1	1.1	17.0	9.4
Finance costs/(income), net	184.2	249.2	479.9	544.1
Operating profit/(loss)	**161.7**	**194.1**	**465.2**	**316.7**
Depreciation, amortization and impairment	266.0	281.7	853.3	843.4
Other expense and (income)	22.3	9.3	38.0	242.0
Rental expense operating lease	(41.8)	(40.3)	(126.2)	(121.0)
Adjusted EBITDA	**408.2**	**444.8**	**1,230.3**	**1,281.1**

(*) Please refer to note 14 for details about the revised information.

4.3.4 Revenues by activity

The tables below provide the split of revenues by activity as defined in note 4.2.1.

For the three months ended September 30, 2024 (€m)	**Portugal**	**Israel**	**Dominican Republic**	**Others**	**Total**
Fixed	195.5	115.7	23.9	-	**335.1**
Mobile	128.8	50.8	80.0	-	**259.6**
Residential service	324.3	166.5	103.9	-	**594.7**
Residential equipment	37.2	18.6	6.7	-	**62.5**
Total Residential	361.5	185.1	110.6	-	**657.2**
Business services	387.0	60.9	24.5	-	**472.4**
Total standalone revenues	**748.5**	**246.0**	**135.1**	**-**	**1,129.6**
Intersegment elimination	(6.7)	-	-	(0.1)	**(6.8)**
Total consolidated	**741.8**	**246.0**	**135.1**	**(0.1)**	**1,122.8**

For the three months ended September 30, 2023 (€m) (Revised *)	Portugal	Israel	Dominican Republic	Others	Total
Fixed	180.3	125.1	27.4	-	**332.8**
Mobile	128.7	57.2	84.5	-	**270.4**
Residential service	309.0	182.3	111.9	-	603.2
Residential equipment	32.4	19.8	8.7	-	**60.9**
Total Residential	341.4	202.1	120.6	-	**664.1**
Business services	400.8	64.7	26.8	0.4	**492.7**
Total standalone revenues	**742.2**	**266.8**	**147.4**	**0.4**	**1,156.8**
Intersegment elimination	(4.8)	-	-	(0.2)	**(5.0)**
Total consolidated	**737.4**	**266.8**	**147.4**	**0.2**	**1,151.8**

(*) Please refer to note 14 for details about the revised information.

For the nine months ended September 30, 2024 (€m)	Portugal	Israel	Dominican Republic	Others	Total
Fixed	570.8	352.5	74.5	-	**997.8**
Mobile	381.8	163.0	245.0	-	**789.8**
Residential service	952.6	515.5	319.5	-	**1,787.6**
Residential equipment	102.2	60.6	20.8	-	**183.6**
Total Residential	1,054.8	576.1	340.3	-	**1,971.2**
Business services	1,102.7	186.0	74.7	-	**1,363.4**
Total standalone revenues	**2,157.5**	**762.1**	**415.0**	**-**	**3,334.6**
Intersegment elimination	(19.4)	-	-	-	**(19.4)**
Total consolidated	**2,138.1**	**762.1**	**415.0**	**-**	**3,315.2**

For the nine months ended September 30, 2023 (€m) (Revised *)	Portugal	Israel	Dominican Republic	Others	Total
Fixed	540.5	385.5	84.2	-	**1,010.2**
Mobile	376.3	178.3	253.1	-	**807.7**
Residential service	916.8	563.8	337.3	-	**1,817.9**
Residential equipment	96.1	61.4	24.2	-	**181.7**
Total Residential	1,012.9	625.2	361.5	-	**1,999.6**
Business services	1,146.5	190.1	80.4	0.6	**1,417.6**
Total standalone revenues	**2,159.4**	**815.3**	**441.9**	**0.6**	**3,417.2**
Intersegment elimination	(14.7)	-	-	(0.2)	**(14.9)**
Total consolidated	**2,144.7**	**815.3**	**441.9**	**0.4**	**3,402.3**

(*) Please refer to note 14 for details about the revised information.

The table below provides the standalone and consolidated revenues in accordance with IFRS 15 *Revenue from Contracts with Customers* for the three and nine-month periods ended September 30, 2024 and 2023.

Revenues split IFRS 15 (€m)	For the three months ended September 30, 2024	For the three months ended September 30, 2023 (Revised *)	For the nine months ended September 30, 2024	For the nine months ended September 30, 2023 (Revised *)
Fixed residential	335.1	332.8	997.8	1,010.2
Mobile residential	259.6	270.4	789.8	807.7
Business services	437.3	459.0	1,261.8	1,318.3
Total telecom excluding equipment sales	**1,032.0**	**1,062.2**	**3,049.4**	**3,136.2**
Equipment sales	97.6	94.6	285.2	281.0
Total standalone revenues	**1,129.6**	**1,156.8**	**3,334.6**	**3,417.9**
Intersegment elimination	(6.8)	(5.0)	(19.4)	(14.9)
Total consolidated	**1,122.8**	**1,151.8**	**3,315.2**	**3,402.3**

(*) Please refer to note 14 for details about the revised information.

4.3.5 Capital expenditure

Capital expenditure is a key performance indicator tracked by the Group. The table below details the capital expenditure by segment and reconciles it to the payments to acquire capital items (tangible and intangible assets and contract costs) as presented in the consolidated statement of cash flows.

For the nine months ended September 30, 2024 (€m)	Portugal	Israel[1]	Dominican Republic	Others	Eliminations	Total
Capital expenditure – accrued	295.4	320.0	81.4	-	(3.0)	**693.8**
Capital expenditure - working capital items	32.6	(80.3)	(11.1)	-	4.0	**(54.8)**
Payments to acquire tangible and intangible assets and contract costs	**328.0**	**239.7**	**70.3**	**-**	**1.0**	**639.0**

1. The capital expenditure - accrued for Israel includes an amount of €116.5 million related to the indefeasible right of use ("IRU") signed with IBC.

For the nine months ended September 30, 2023 (€m) (Revised *)	Portugal	Israel[1]	Dominican Republic	Others	Eliminations	Total
Capital expenditure – accrued	341.0	294.6	93.1	1.8	(4.1)	**726.4**
Capital expenditure - working capital items	(0.6)	(64.2)	(6.3)	-	1.3	**(69.8)**
Payments to acquire tangible and intangible assets and contract costs	**340.4**	**230.4**	**86.8**	**1.8**	**(2.8)**	**656.6**

(*) Please refer to note 14 for details about the revised information.
1. The capital expenditure - accrued for Israel includes an amount of €86.0 million related to the indefeasible right of use ("IRU") signed with IBC.

4.3.6 Operating Free Cash Flow

For the nine months ended September 30, 2024 (€m)	Portugal	Israel	Dominican Republic	Others	Eliminations	Total
Adjusted EBITDA	765.1	246.9	227.0	(4.8)	(3.9)	**1,230.3**
Capital expenditure – accrued	(295.4)	(320.0)	(81.4)	-	3.0	**(693.8)**
Operating free cash flow (OpFCF)	**469.7**	**(73.1)**	**145.6**	**(4.8)**	**(0.9)**	**536.5**

For the nine months ended September 30, 2023 (€m) (Revised *)	Portugal	Israel	Dominican Republic	Others	Eliminations	Total
Adjusted EBITDA	780.5	268.8	236.3	(1.3)	(3.2)	**1,281.1**
Capital expenditure – accrued	(341.0)	(294.6)	(93.1)	(1.8)	4.1	**(726.4)**
Operating free cash flow (OpFCF)	**439.5**	**(25.8)**	**143.2**	**(3.1)**	**0.9**	**554.7**

(*) Please refer to note 14 for details about the revised information.

5. Goodwill

5.1 Goodwill

Goodwill recorded in the consolidated statement of financial position was allocated to the different groups of cash generating units ("GCGU") as defined by the Group.

Goodwill (€m)	January 1, 2024	Recognised on business combination	Changes in foreign currency translation	Held for sale	Other	September 30, 2024
Portugal	1,867.6	-	-	-	-	1,867.6
Israel	776.5	-	(27.5)	-	1.3	750.3
Dominican Republic	627.4	-	(26.1)	-	-	601.3
Teads[1]	204.9	-	-	(204.9)	-	-
Gross value	**3,476.4**	**-**	**(53.6)**	**(204.9)**	**1.3**	**3,219.2**
Portugal	-	-	-	-	-	-
Israel	(152.9)	-	5.6	-	0.1	(147.2)
Dominican Republic	-	-	-	-	-	-
Teads[1]	-	-	-	-	-	-
Cumulative impairment	**(152.9)**	**-**	**5.6**	**-**	**0.1**	**(147.2)**
Portugal	1,867.6	-	-	-	-	1,867.6
Israel	623.6	-	(21.9)	-	1.4	603.1
Dominican Republic	627.4	-	(26.1)	-	-	601.3
Teads[1]	204.9	-	-	(204.9)	-	-
Net book value	**3,323.5**	**-**	**(48.0)**	**(204.9)**	**1.4**	**3,072.0**

1. Please refer to note 3.4.

Goodwill **(€m)**	**January 1, 2023**	**Recognised on business combination**	**Changes in foreign currency translation**	**Held for sale**	**Other**	**December 31, 2023**
Portugal	1,856.8	10.8	-	-	-	1,867.6
Israel	823.3	-	(46.7)	-	(0.1)	776.5
Dominican Republic	668.8	-	(41.4)	-	-	627.4
Teads	204.9	-	-	-	-	204.9
Gross value	**3,553.8**	**10.8**	**(88.1)**	**-**	**(0.1)**	**3,476.4**
Portugal	-	-	-	-	-	-
Israel	(162.5)	-	9.6	-	-	(152.9)
Dominican Republic	-	-	-	-	-	-
Teads	-	-	-	-	-	-
Cumulative impairment	**(162.5)**	**-**	**9.6**	**-**	**-**	**(152.9)**
Portugal	1,856.8	10.8	-	-	-	1,867.6
Israel	660.8	-	(37.1)	-	(0.1)	623.6
Dominican Republic	668.8	-	(41.4)	-	-	627.4
Teads	204.9	-	-	-	-	204.9
Net book value	**3,391.3**	**10.8**	**(78.5)**	**-**	**(0.1)**	**3,323.5**

5.2 Impairment of goodwill

Goodwill is tested at the level of each GCGU annually for impairment and whenever changes in circumstances indicate that its carrying amount may not be recoverable. Goodwill was tested at the GCGU level for impairment as of September 30, 2024.

The GCGU is at the country level where the subsidiaries operate. The recoverable amounts of the GCGUs are determined based on their value in use. The Group determined value in use for purposes of its impairment testing and, accordingly, did not determine the fair value less cost of disposal of the GCGUs. The key assumptions for the value in use calculations are primarily the pre-tax discount rates, the terminal growth rate, revenue, Adjusted EBITDA and capital expenditures. Following the application of IFRS 16 *Leases*, Adjusted EBITDA is defined as operating income before depreciation, amortization and impairment, other expenses and incomes (capital gains, non-recurring litigation, restructuring costs) and 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 lease).

The Board of Managers and the Group's senior executives have determined that there have not been any changes in circumstances indicating that the carrying amount of goodwill may not be recoverable. In addition, there were no significant changes in assets or liabilities in any GCGU, while the recoverable amounts continue to significantly exceed the carrying amounts. Therefore, based on the annual impairment test performed as at September 30, 2024, no impairment of goodwill was recorded.

5.2.1 *Key assumptions used in impairment testing*

The Group has made use of various external indicators and internal reporting tools to assess and estimate the key assumptions used in the Group's impairment testing as of September 30, 2024.

5.2.2 *Cash flows*

The value in use of each GCGU was determined by estimating cash flows for a period of five years for the operating activities. Cash flow forecasts are derived from the most recent business plans approved by the Board of Managers. Beyond the specifically forecasted period of five years, the Company extrapolates cash flows for the remaining years based on an estimated constant growth rate between 1.8% and 3.8%. The growth rate is estimated at an individual GCGU level and does not exceed the average long-term growth rate for the relevant markets.

5.2.3 *Discount rates*

Discount rates have been estimated using pre-tax rates, which reflect current market rates for investments of similar risk. The discount rate for the GCGUs was estimated using the weighted average cost of capital ("WACC") of companies that operate a portfolio of assets similar to the Group's. The pre-tax discount rates used across the Group for the calculation of the value in use at September 30, 2024 range from 7.7% to 13.1%.

5.2.4 *Other internal assumptions*

The Group makes operational and financial assumptions including customer subscriber additions, churn rates and Adjusted EBITDA (and the Adjusted EBITDA margin), for example. These assumptions were based on historical experience and expectations of future changes in the market. The Group also assumes that recurring Capex is expected to be proportional to sales, related to the acquisition of new clients, and thus is indexed to the growth in revenues.

5.2.5 *Assumptions about external factors*

In addition to using internal indicators to assess the carrying amount in use, the Board of Managers also relies on external factors which can influence the cash generating capacity of the GCGUs and indicate that certain factors beyond the control of the Board of Managers might influence the carrying amounts in use:

- indicators of market slowdown in a country of operation;
- indicators of degradation in financial markets, that can impact the financing ability of the Group.

Key assumptions used in estimating value in use	**Portugal**	**Israel**	**Dominican Republic**	**Teads**
At September 30, 2024				
Average terminal growth rate (%)	1.9%	1.8%	3.8%	n.a
5-year average Adjusted EBITDA margin (%)	33.9%	28.7%	53.8%	n.a
5-year average Capex ratio (%)	13.8%	21.0%	18.1%	n.a
Pre-tax discount rate (%)	7.7%	9.6%	13.1%	n.a
Post-tax discount rate (WACC) (%)	6.0%	8.0%	10.5%	n.a
At September 30, 2023				
Average terminal growth rate (%)	1.9%	1.8%	3.8%	1.8%
5-year average Adjusted EBITDA margin (%)	37.6%	34.4%	53.5%	22.7%
5-year average Capex ratio (%)	9.3%	24.3%	19.4%	1.5%
Pre-tax discount rate (%)	8.7%	10.4%	14.4%	14.7%
Post-tax discount rate (WACC) (%)	6.5%	8.5%	11.5%	11.0%

For Teads, following the classification as held for sale as of September 30, 2024 (please refer to note 3.1), the recoverable value of the GCGU was tested based on the transaction price of the contemplated transaction and no impairment was recorded.

5.2.6 *Sensitivity analysis*

In validating the value in use determined for the GCGU, key assumptions used in the discounted cash-flow model were subject to a sensitivity analysis to test the resilience of the value in use. The sensitivity analysis of the GCGUs is presented below, given changes to the material inputs to the respective valuations:

Sensitivity to changes in key inputs in the value in use calculation	**Portugal**	**Israel**	**Dominican Republic**
Amount by which the GCGU exceeds the book value (€m)	6,668	335	1,396
Terminal growth rate for which recoverable amount is equal to carrying amount (%)	(8.4)%	0.2%	(17.8)%
Post-tax discount rate for which recoverable amount is equal to carrying amount (%)	12.5%	9.2%	21.2%
Adjusted EBITDA margin for which recoverable amount is equal to carrying amount (%)	20.7%	26.1%	31.8%
0.5% increase in the discount rate (€m)	(1,172)	(150)	(157)
1.0% decrease in the terminal growth rate (€m)	(1,821)	(233)	(237)

The analysis did not result in any scenarios whereby a reasonable possible change in the key assumptions would result in a recoverable amount for the GCGU which is significantly inferior to the carrying value, if applied to any other GCGU.

6. Financial assets

Financial assets (€m)	**As of September 30, 2024**	**As of December 31, 2023**
Derivative financial assets	98.3	166.0
Loans and receivables	4,131.8	3,753.7
Call options with non-controlling interests	15.9	15.9
Other financial assets	300.1	112.7
Total	**4,546.1**	**4,048.3**
Current	*339.8*	*154.8*
Non-current	*4,206.3*	*3,893.5*

6.1 Derivative financial assets

The Group has significant borrowings and executes derivative contracts to hedge its position in compliance with its treasury policy. All derivatives are measured at their fair value at September 30, 2024. The total asset position as of September 30, 2024 was €98.3 million (December 31, 2023: €166.0 million). Please also refer to note 8.2.3 for details on each of these derivatives held by the Group and to note 9 for information on the fair value of the derivatives, including the fair value hierarchy.

6.2 Loans and receivables

As of September 30, 2024, loans and receivables of the Group were €4,131.8 million (gross amount of €4,277.7 million and impairment of €145.9 million). The Group's loans and receivables as of September 30, 2024 consisted of loans of the Company for an amount of €4,270.3 million (€3,749.7 million as of December 31, 2023) granted to related parties of the Company (mainly Altice Luxembourg). During the second semester of 2024, all of the rights, titles, benefit, interest and obligations deriving from the loan of Altice UK S.à r.l. with the Company were transferred, by way of novations, to a related party of the Group.

Advances paid to Group companies included in investing activities in the consolidated statement of cash flows for the nine-month period ended September 30, 2024 amounted to €412.8 million and were related to an additional loan to Altice Luxembourg.

6.3 Call options with non-controlling interests

Through the various acquisitions that the Group has completed in recent years, the Company signed agreements whereby it has a call option to acquire certain residual non-controlling interests in entities in which it has not acquired 100%. The call options are derivative financial instruments and are re-measured to their fair value at September 30, 2024. Please also refer to note 9.1.

7. Shareholders' equity

Equity attributable to owners of the Company (€m)	**Notes**	**As of September 30, 2024**	**As of December 31, 2023**
Issued capital	7.1	309.3	309.3
Other reserves	7.2	(250.7)	(247.4)
Retained earnings		(9.3)	132.1
Total		**49.3**	**194.0**

7.1 Issued capital

For the nine-month period ended September 30, 2024, there were no changes in the issued capital of the Company. Total issued capital of the Company as at September 30, 2024 was €309.3 million, comprising 30,925,700,000 outstanding ordinary shares, with a nominal value of €0.01 each.

7.2 Other reserves

The tax effects of the Group's currency and employee benefits reserves are provided below.

Other reserves (€m)	September 30, 2024			December 31, 2023		
	Pre-tax amount	Tax effect	Net amount	Pre-tax amount	Tax effect	Net amount
Actuarial gains and losses	(130.5)	26.9	(103.6)	(143.2)	29.6	(113.6)
Items not reclassified to profit or loss	**(130.5)**	**26.9**	**(103.6)**	**(143.2)**	**29.6**	**(113.6)**
Currency translation reserve	(147.1)	-	(147.1)	(133.8)	-	(133.8)
Items potentially reclassified to profit or loss	**(147.1)**	**-**	**(147.1)**	**(133.8)**	**-**	**(133.8)**
Total	**(277.6)**	**26.9**	**(250.7)**	**(277.0)**	**29.6**	**(247.4)**

7.3 Variation in non-controlling interests

The variations in non-controlling interests are presented in the table below:

Variations in non-controlling interests (€m)	Altice Technical Services	FastFiber	Other	Group
Opening balance at January 1, 2023	**(40.9)**	**81.0**	**(17.9)**	**22.2**
(Loss)/gain for the period	0.2	68.0	10.0	**78.2**
Other comprehensive income	(1.3)	-	0.2	**(1.1)**
Dividends	-	(80.0)	(0.5)	**(80.5)**
Other	-	-	3.3	**3.3**
Closing at December 31, 2023	**(42.0)**	**69.0**	**(4.9)**	**22.1**
(Loss)/gain for the period	-	52.9	(2.3)	**50.6**
Other comprehensive income	(0.9)	-	-	**(0.9)**
Dividends	-	(55.6)	(4.6)	**(60.2)**
Other	-	(0.3)	(0.8)	**(1.1)**
Closing at September 30, 2024	**(42.9)**	**66.0**	**(12.6)**	**10.5**

The main change in non-controlling interests ("NCI") as of September 30, 2024 was the net income attributable to the non-controlling interests for the nine-month period ended September 30, 2024 of €50.6 million, and the dividends paid to non-controlling interests of €60.2 million, mainly related to FastFiber.

8. Borrowings, other financial liabilities and lease liabilities

Borrowings, other financial liabilities and lease liabilities (€m)	Notes	September 30, 2024	December 31, 2023 (Revised *)
Long term borrowings, financial liabilities and related hedging instruments		**9,198.1**	**9,668.6**
- Debentures	*8.1*	*5,809.5*	*6,097.4*
- Loans from lenders	*8.1*	*3,158.4*	*3,298.4*
- Derivative financial instruments	*8.3*	*230.2*	*272.8*
Other non-current financial liabilities	*8.6*	**1,218.9**	**1,197.8**
Lease liabilities non-current	*8.6*	**919.6**	**937.5**
Non-current liabilities		**11,336.6**	**11,803.9**
Short term borrowing, financial liabilities and related hedging instruments		**809.9**	**36.0**
- Debentures	*8.1*	*599.8*	*-*
- Loans from lenders	*8.1*	*194.2*	*30.8*
- Derivative financial instruments	*8.3*	*15.9*	*5.2*
Other financial liabilities	*8.6*	**444.1**	**518.7**
- Other financial liabilities		*287.9*	*327.0*
- Bank overdraft		*16.5*	*6.2*
- Accrued interest		*139.7*	*185.5*
Lease liabilities current	*8.6*	**105.0**	**94.7**
Current liabilities		**1,359.0**	**649.4**
Total		**12,695.6**	**12,453.3**

(*) revised, please refer to note 2.2.1.

8.1 Debentures and loans from lenders

Debentures and loans from lenders (€m)	Notes	September 30, 2024	December 31, 2023
Debentures	8.1.1	6,409.3	6,097.4
Loans from lenders	8.1.2	3,352.6	3,329.2
Total		**9,761.9**	**9,426.6**

8.1.1 Debentures

Maturity of debentures (€m)	Less than one year	One year or more	September 30, 2024	December 31, 2023
Altice Financing	599.8	5,135.2	5,735.0	5,423.3
Altice Finco	-	674.3	674.3	674.1
Total	**599.8**	**5,809.5**	**6,409.3**	**6,097.4**

The table below provides details of all debentures, in order of instrument and maturity.

Instrument (€m, unless stated otherwise)	Issuer	Face value in millions	Coupon	Year of maturity	September 30, 2024		December 31, 2023	
					Fair value[1]	Carrying amount	Fair value[1]	Carrying amount
Senior unsecured notes	Altice Finco	€675	4.75%	2028	465.8	675.0	559.3	675.0
Senior secured notes	Altice Financing	€600	2.25%	2025	590.6	600.0	582.6	600.0
Senior secured notes	Altice Financing	$375	9.63%	2027	329.3	336.4	-	-
Senior secured notes	Altice Financing	$1,200	5.00%	2028	909.2	1,076.4	986.2	1,084.7
Senior secured notes	Altice Financing	€1,100	3.00%	2028	902.5	1,100.0	980.1	1,100.0
Senior secured notes	Altice Financing	$2,050	5.75%	2029	1,479.6	1,838.9	1,637.3	1,852.9
Senior secured notes	Altice Financing	€805	4.25%	2029	646.5	805.0	712.9	805.0
Transaction costs						*(22.4)*	-	*(20.2)*
Total value of bonds					**5,323.5**	**6,409.3**	**5,458.4**	**6,097.4**
Of which due within one year						*599.8*		-
Of which due after one year						*5,809.5*		*6,097.4*

1. Fair value is based on quoted prices (Level 1).

8.1.2 Loans from lenders

Maturity of loans from lenders (€m)	Less than one year	One year or more	September 30, 2024	December 31, 2023
Altice Financing (including RCF)	194.2	3,158.4	3,352.6	3,329.2
Total	**194.2**	**3,158.4**	**3,352.6**	**3,329.2**

The table below provides details of all term loans and revolving credit facilities.

Term loans and revolving credit facilities Type	Borrower	Currency	Year of maturity	September 30, 2024		December 31, 2023 (Revised *)	
				Face value	Carrying amount	Face value	Carrying amount
Term loan	Altice Financing	USD	2027	1,277.6	1,413.7	1,353.5	1,435.3
Term loan	Altice Financing	USD	2026	117.3	117.3	119.1	119.1
Term loan	Altice Financing	USD	2025	166.1	166.1	168.6	168.6
Term loan	Altice Financing	EUR	2027	701.7	794.0	786.0	800.0
Term loan	Altice Financing	EUR	2027	394.7	443.4	428.1	446.8
Term loan	Altice Financing	EUR	2026	48.9	48.9	49.3	49.3
RCF	Altice Financing	EUR	2027	450.0	450.0	398.0	398.0
Transaction costs				-	*(80.8)*	-	*(87.9)*
Total value of loans				**3,156.3**	**3,352.6**	**3,302.6**	**3,329.2**
Of which due within one year					*194.2*		*30.8*
Of which due after one year					*3,158.4*		*3,298.4*

(*) revised, please refer to note 2.2.1.

8.2 Financing activities

8.2.1 Financing activities during the nine-month period ended September 30, 2024

8.2.1.1 Drawing and repayment of the Altice Financing Revolving Credit Facility

During the nine-month period ended September 30, 2024, the Group drew €52.0 million of the Altice Financing Revolving Credit Facility (drawdown of €565.0 million and repayment of €513.0 million). A total of €128.2 million remained undrawn as of September 30, 2024 (please refer to note 8.5).

8.2.1.2 Private placement transaction

On February 27, 2024, the Company announced that Altice Financing entered into a purchase agreement with certain investors pursuant to which it issued $375 million aggregate principal amount of senior secured notes due

2027 in a private placement transaction. The new Senior Secured Notes, maturing in July 2027, priced with a yield of 9.63%. The transaction closed on March 15, 2024.

8.2.2 Financing activities during the nine-month period ended September 30, 2023

8.2.2.1 Drawing and repayment of the Altice Financing Revolving Credit Facility

During the nine-month period ended September 30,2023, the Group drew €360.5 million of the Altice Financing Revolving Credit Facility (drawdown of €660.5 million and repayment of €300.0 million).

8.2.2.2 Swaps renegotiation

Following the amended and extended term loan refinancing closed in December 2022, the Group has renegotiated some swaps to extend the maturity date to 2027 and to adjust the rate.

8.2.2.3 Additional term loan Altice Financing

Following the amended and extended term loan refinancing closed in December 2022, Altice Financing raised an additional amount of €50 million in April 2023.

8.2.3 Derivatives

As part of its financial risk management strategy, the Group uses derivative contracts to manage its risks. The main instruments used are fixed to fixed or fixed to floating cross-currency and interest rate swaps (“CCIRS”) that cover against foreign currency and interest rate risk related to the Group’s debt obligations.

The derivatives are all measured at fair value. The change in fair value is recognised immediately in profit or loss ("FVTPL").

8.2.3.1 CCIRS

The following table provides a summary of the Group’s CCIRS.

Entity Maturity	**Notional amount due from counterparty (millions)**	**Notional amount due to counterparty (millions)**	**Interest rate due from counterparty**	**Interest rate due to counterparty**
Altice Financing S.A.				
July 2025	USD 188	EUR 173	9.63%	8.15%
May 2026	USD 1,012	EUR 910	10.50%	6.72%
May 2026	EUR 884	USD 1,012	6.72%	10.50%
May 2026	EUR 306	USD 350	6m EURIBOR-0.04%	6m SOFR+0.00%
October 2027	USD 485	EUR 474	3m SOFR+5.00%	3m EURIBOR+4.69%
January 2028	USD 925	EUR 891	5.00%	3.13%
August 2029	USD 1,889	EUR 1,744	5.75%	4.74%
August 2029	USD 125	EUR 107	5.75%	4.34%

8.2.3.2 Interest rate swaps

The Group enters into interest rate swaps to cover its interest rate exposure in line with its treasury policy. These swaps cover the Group’s debt portfolio and do not necessarily relate to specific debt issued by the Group.

The details of the instruments are provided in the following table.

Entity Maturity	**Notional amount due from counterparty (millions)**	**Notional amount due to counterparty (millions)**	**Interest rate due from counterparty**	**Interest rate due to counterparty**
Altice Financing S.A.				
October 2025	EUR 250	EUR 250	3m EURIBOR+0.00%	3.65%
October 2026	EUR 750	EUR 750	3m EURIBOR+0.00%	1.75%

8.3 Reconciliation to swap adjusted debt

The various hedge transactions mitigate interest and foreign exchange risks on the debt instruments issued by the Group. Such instruments cover both the principal and the interest due. A reconciliation from the carrying amount of the debt as per the statement of financial position and the amount due of the debt, considering the effect of the hedge operations (i.e., the "swap adjusted debt"), and a reconciliation to net debt is provided below:

Net debt reconciliation (€m)	**September 30, 2024**	**December 31, 2023**
Debentures and loans from lenders	9,761.9	9,426.6
Transaction costs	103.2	108.1
Total (including transaction costs)	**9,865.1**	**9,534.7**
Conversion of debentures and loans in foreign currency (at closing spot rate)	(6,337.0)	(6,796.4)
Conversion of debentures and loans in foreign currency (at hedged rates)	6,519.5	6,931.2
Total swap adjusted debt	**10,047.6**	**9,669.5**
Finance lease liabilities and other debt	31.3	27.5
Gross debt	**10,078.9**	**9,697.0**
Cash and cash equivalents	(170.7)	(296.2)
Restricted cash	(655.7)	(614.9)
Net financial debt	**9,252.5**	**8,785.9**

Net financial debt is a non-GAAP measure as defined in note 4.2.2.4.

8.4 Reconciliation between net financial liabilities and net financial debt

The following table shows the reconciliation between net financial liabilities in the consolidated statement of financial position and the net financial debt.

Reconciliation between net financial liabilities and net financial debt (€m)	**September 30, 2024**	**December 31, 2023**
Financial liabilities	12,695.6	12,453.3
Derivative assets	(98.3)	(166.0)
Cash and cash equivalents	(170.7)	(296.2)
Restricted cash	(655.7)	(614.9)
Net financial liabilities - consolidated statement of financial position	**11,770.9**	**11,376.2**
Reconciliation:		
Transaction costs	103.2	108.1
Rate impact derivative instruments	34.7	22.8
Lease liabilities excluding financial leases	(1,024.6)	(1,032.0)
Reverse factoring and securitization	(267.1)	(297.6)
Accrued interest	(139.7)	(185.5)
Mandatory Convertible Notes Portugal	(916.9)	(911.6)
Mandatory Convertible Notes Altice Luxembourg	(278.0)	(261.4)
Put options with non-controlling interests	(4.7)	(4.7)
Deposits received	-	(0.4)
Debt on share purchase	(8.5)	(8.1)
Other debt and liabilities	(16.8)	(19.9)
Net financial debt	**9,252.5**	**8,785.9**

8.5 Available credit facilities

Available credit facilities (€m)	**Total facility**	**Drawn**
Altice Financing S.A.	578.2	450.0
Revolving credit facilities	**578.2**	**450.0**

8.6 Other financial liabilities and lease liabilities

Other financial liabilities	**September 30, 2024**			**December 31, 2023**		
(€m)	**Current**	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Lease liabilities	105.0	919.6	1,024.6	94.7	937.5	1,032.2
Reverse factoring	267.1	-	267.1	297.6	-	297.6
Accrued interest	139.7	-	139.7	185.5	-	185.5
Put options with non-controlling interests	4.7	-	4.7	4.7	-	4.7
Deposits received	-	-	-	-	0.4	0.4
Bank overdraft	16.5	-	16.5	6.2	-	6.2
Mandatory Convertible Notes Altice Portugal	-	916.9	916.9	-	911.6	911.6
Mandatory Convertible Notes Altice Luxembourg	-	278.0	278.0	-	261.4	261.4
Debt on share purchase	8.5	14.6	23.1	8.1	21.1	29.2
Other debt and liabilities	7.6	9.4	17.0	16.6	3.3	19.9
Total	**549.1**	**2,138.5**	**2,687.6**	**613.4**	**2,135.3**	**2,748.7**

The current portion of other financial liabilities amounts to €549.1 million as at September 30, 2024, a decrease of €64.3 million compared to December 31, 2023. The non-current portion of other financial liabilities amounts to €2,138.5 million as at September 30, 2024, an increase of €3.2 million compared to December 31, 2023. Details of the main items within the caption, and the movements from the prior period, are detailed below.

8.6.1 Lease liabilities

Leases relate to the current and non-current lease liabilities recorded in accordance with IFRS 16 *Leases*.

8.6.2 Reverse factoring

Through the use of reverse factoring structures, the Group extends its payment terms up to 360 days, reducing its requirements for working capital. The contractual arrangements in place permit the supplier to obtain the amounts invoiced at agreed payment terms with the amounts paid by the banks that participate in the reverse factoring structure. The Group will repay the banks the full invoice amount, with interest, on the scheduled payment date as required by the reverse factoring agreement. Based on the scheduled payment dates, the amounts payable under this arrangement are accounted for as current liabilities. As the amounts are payable to the participating banks, the amounts have been presented under Other financial liabilities. In the consolidated statement of cash flows, the operational cash flows related to reverse factoring are presented under Changes in working capital or Payments to acquire tangible and intangible assets and contract costs depending on the nature of the expenditure. In addition, the financing cash flows are presented under Proceeds related to payments made to suppliers through factoring arrangements and Payments made to factoring companies.

The slight decrease in reverse factoring liability as of September 30, 2024 compared to December 31, 2023 is mainly due to the timing of payments.

8.6.3 Accrued interest

Accrued interest is the amount of interest due at the reporting date regarding the Company’s outstanding debentures and loans from financial institutions. The decrease in accrued interest as of September 30, 2024 is the consequence of coupon timing.

8.6.4 Put options with non-controlling interests

The Group executes agreements with the non-controlling interests in certain acquisitions whereby the non-controlling interests have the option to sell their non-controlling interests to the Group. These instruments are measured at their fair value at the reporting date.

8.6.5 Mandatory Convertible Notes Portugal

On April 17, 2020, PT Portugal and Morgan Stanley Infrastructure Partners entered into a subscription agreement regarding the issuance and subscription to €1,600.0 million of mandatory convertible notes in which the parties subscribed considering the percentage of interest in equity of FastFiber. The amount of €916.9 million relates to the financial liability of the Group towards Morgan Stanley Infrastructure Partners, consisting of the notional amount of €799.8 million and an additional contribution of €5.4 million in 2024, €6.2 million in 2023, €27.5 million in 2022, €29.0 million in 2021 and €49.0 million in 2020. The notes bear interest on their aggregate principal amount at the fixed rate of 6.00% per annum. Interest is due in May and November of each year. At any time on or after the date that is twenty years after the date of issue, all or part of the notes issued can be converted into shares with mutual consent. The principal of the convertible notes does not have a stated maturity and will never become payable in cash.

8.6.6 Mandatory Convertible Notes Altice Luxembourg

The Mandatory Convertible Notes ("MCN") were issued for an aggregate amount of €2,055 million, which were entirely subscribed by the Company's sole shareholder, Altice Luxembourg. These instruments are compound financial instruments that contain both a liability and an equity component. On December 30, 2020, the existing agreement was amended with a revised maturity date of December 31, 2023 and an interest rate which is based on the annual interest rate accrued on the Company's Senior Debt.

Following the amendment to the MCN, retroactive to December 31, 2023, the maturity of the MCN was extended until December 31, 2026. As a consequence, the Company recognized a non-current liability for an amount of €261.4 million through shareholders' equity as it was considered as a transaction with Altice Luxembourg acting in its capacity of sole shareholder of the Company. As of September 30, 2024, the non-current portion amounts to €278.0 million.

9. Fair value of financial assets and liabilities

The table below shows the carrying value compared to fair value of financial assets and liabilities:

Fair values of financial assets and liabilities	**September 30, 2024**		**December 31, 2023(Revised *)**	
(€m)	**Carrying value**	**Fair value**	**Carrying value**	**Fair value**
Cash and cash equivalents	170.7	170.7	296.2	296.2
Restricted cash	655.7	655.7	614.9	614.9
Derivatives	27.2	27.2	36.3	36.3
Call options on non-controlling interests	15.9	15.9	15.9	15.9
Loans and receivables with group companies	4.8	4.8	1.6	1.6
Other financial assets	291.9	291.9	101.0	101.0
Current financial assets	**1,166.2**	**1,166.2**	**1,065.9**	**1,065.9**
Derivatives	71.1	71.1	129.7	129.7
Equity instruments at fair value through OCI	-	-	-	-
Loans and receivables with group companies	4,127.0	4,421.9	3,752.1	3,869.6
Other financial assets	8.2	8.2	11.7	11.7
Non-current financial assets	**4,206.3**	**4,501.2**	**3,893.5**	**4,011.0**
Short term borrowings and financial liabilities	794.0	794.0	30.8	30.8
Derivatives	15.9	15.9	5.2	5.2
Lease liabilities	105.0	105.0	94.7	94.7
Reverse factoring	267.1	267.1	297.6	297.6
Accrued interest	139.7	139.7	185.5	185.5
Put options with non-controlling interests	4.7	4.7	4.7	4.7
Mandatory Convertible Notes Altice Luxembourg	-	-	-	-
Other financial liabilities	32.6	32.6	30.9	30.9
Current financial liabilities	**1,359.0**	**1,359.0**	**649.4**	**649.4**
Long term borrowings and financial liabilities	8,967.9	8,376.6	9,395.8	8,652.9
Derivatives	230.2	230.2	272.8	272.8
Lease liabilities	919.6	919.6	937.5	937.5
Mandatory Convertible Notes Portugal	916.9	916.9	911.6	911.6
Mandatory Convertible Notes Altice Luxembourg	278.0	278.0	261.4	261.4
Other financial liabilities	24.0	24.0	24.8	24.8
Non-current financial liabilities	**11,336.6**	**10,745.3**	**11,803.9**	**11,061.0**

(*) revised, please refer to note 2.2.1.

During the nine-month period ended September 30, 2024, there were no transfers of financial assets or liabilities between levels of the fair value hierarchy. There are no non-recurring fair value measurements. The table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

9.1 Fair value hierarchy

The following table provides information about the fair values of the Group's financial assets and liabilities and which level in the fair value hierarchy they are classified.

Fair value measurement (€m)	**Fair value hierarchy**	**Valuation technique**	**September 30, 2024**	**December 31, 2023**
Financial Liabilities				
Derivative financial instruments	Level 2	Discounted cash flows	246.1	278.0
Minority Put Option - Intelcia Portugal Inshore	Level 3	Discounted cash flows	4.7	4.7
Financial Assets				
Derivative financial instruments	Level 2	Discounted cash flows	98.3	166.0
Minority Call option - Intelcia Portugal Inshore	Level 3	Black and Scholes model	15.9	15.9

9.2 Information on valuation techniques

9.2.1 Derivative financial instruments

Future cash flows are estimated using market observable data at the end of the reporting period (namely, forward exchange rates and interest rates) and the contracted rates of the derivative discounted at a rate that reflects the counterparty credit risk. Since model inputs can generally be verified and do not involve significant management judgment, the Company has concluded that these instruments should be classified within Level 2 of the fair value hierarchy.

9.2.2 Put options

Each contract has specific terms and conditions, and the valuation is performed using the contracted terms and assessment against market comparable information where appropriate. For example, the exercise price in the option may be determined based on an EBITDA multiple minus the net financial debt. In all instances, the probabilities of the option being exercised is determined using management's best estimate and judgment. The resulting fair value is discounted using appropriate discount rates of the related funding pool. These models use a variety of inputs that use judgments not able to be verified externally, therefore the Group has concluded that these instruments should be classified within Level 3 of the fair value hierarchy.

9.2.3 Call options

The valuation is derived by calculating the intrinsic value, being the difference in the value of the underlying asset and the options exercise price, and time value of the option, which accounts for the passage of time until the option expires. Various inputs are used, including the price of the underlying asset and its volatility, the strike price and maturity in the contract, and the risk-free rate and dividend yield. The model calculates the possible prices of the underlying asset and their respective probability of occurrence, given these inputs. These models use a variety of inputs that use judgments not able to be verified externally, therefore the Group has concluded that these instruments should be classified within Level 3 of the fair value hierarchy.

10. Taxation

10.1 Effective tax rate

Tax expense (€m)	**Nine months ended September 30, 2024**	**Nine months ended September 30, 2023 (Revised *)**
Profit / (loss) before income tax and share of earnings of associates and joint ventures	**(14.7)**	(227.4)
Income tax benefit / (expense)	**(81.1)**	(30.2)
Effective tax rate	**n.m**	**(13%)**

(*) Please refer to note 14 for details about the revised information.

The Group is required to use an estimated annual effective tax rate to measure the income tax benefit or expense recognised in an interim period. The statutory tax rate in Luxembourg is 25%.

The Group recorded a tax expense of €81.1 million for the nine-month period ended September 30, 2024 compared to a tax expense of €30.2 million for the nine-month period ended September 30, 2023, reflecting a negative effective tax rate of 13%. The Group's effective tax rate for the nine-month period ended September 30, 2024 is mainly impacted by the non recognition of deferred tax assets related to tax losses, permanent differences (mainly non-deductible financial expenses), as well as the difference between the statutory tax rate in Luxembourg and local tax rates. For the nine-month period ended September 30, 2023, the non recognition of deferred tax assets related to tax losses, as well as the difference between the statutory tax rate in Luxembourg and local tax rates, had the effect of lowering the Group's effective tax rate.

10.2 Income tax litigation

There was no significant development in existing tax litigations since the publication of the annual consolidated financial statements that have had, or that may have, a significant effect on the financial position of the Group, except the following:

Israel

The Israeli tax authorities (the "ITA") issued a tax assessment to Hot Telecommunication Systems Ltd (HOT) on December 27, 2022 for the tax years 2017 - 2020. In the tax assessment, the ITA has increased HOT's tax liability for the years 2017-2020 by the amount of €50.4 million (including interest and linkage expenses). The main claim of the ITA was related to the interest expenses deductibility. HOT filed an appeal on March 23, 2023. On March 21, 2024, HOT signed a settlement agreement with the ITA related to the years 2017-2020.

11. Finance income/(costs), net

Finance income/(costs), net **(€m)**	**For the three months ended September 30, 2024**	**For the three months ended September 30, 2023 (Revised *)**	**For the nine months ended September 30, 2024**	**For the nine months ended September 30, 2023 (Revised *)**
Interest relative to gross financial debt	**(170.6)**	**(148.0)**	**(503.8)**	**(428.8)**
Realized and unrealized (losses) / gains on derivative instruments linked to financial debt	**(160.4)**	**16.7**	**47.0**	**(79.0)**
Interest on lease liabilities	(20.6)	(20.3)	(61.9)	(60.3)
Net foreign exchange losses	-	(149.7)	(42.0)	(119.7)
Other	(55.8)	(30.9)	(211.2)	(97.4)
Other financial expenses	**(76.4)**	**(200.9)**	**(315.1)**	**(277.4)**
Interest income	99.1	79.8	286.0	231.5
Net foreign exchange gains	122.2	-	-	-
Other financial income	1.9	3.2	6.0	9.4
Finance income	**223.2**	**83.0**	**292.0**	**240.9**
Net result on extinguishment and remeasurement of financial liabilities	**-**	**-**	**-**	**-**
Net finance income / (costs)	**(184.2)**	**(249.2)**	**(479.9)**	**(544.1)**

(*) Please refer to note 14 for details about the revised information.

The net finance cost for the nine-month period ended September 30, 2024 was €479.9 million compared to €544.1 million for the same period in 2023. The change was mainly attributed to the following:

- higher interest rates and increase in the gross financial debt following the refinancing closed in 2023 and 2024;
- realized and unrealized gains on derivative instruments of €47.0 million compared to losses of €79.0 million for the same period in 2023, due to the variation in the mark to market of the swaps of Altice Financing; and
- net foreign exchange losses of €42.0 million compared to loss of €119.7 million for the same period in 2023, mainly due to the foreign exchange effect on the long term debt of Altice Financing.

12. Contractual obligations and commercial commitments

During the nine-month period ended September 30, 2024, no significant contractual obligations and commercial commitments have been signed as compared to the year ended December 31, 2023.

13. Litigation

In the normal course of its activities, the Group is accused in a certain number of governmental, arbitration and administrative lawsuits. Provisions are recognised by the Group when management believes that it is more likely than not that such lawsuits will result in an amount to be settled by the Group, and the magnitude of the amount can be reliably estimated. The magnitude of the provisions recognised is based on the best estimate of the level of the expenditure required to settle the obligation, on a case-by-case basis, considering that the occurrence of events during the legal action involves constant re-estimation of the risk.

During the nine-month period ended September 30, 2024, there was no significant new proceedings or developments in existing litigations that have occurred since the publication of the annual consolidated financial statements as of December 31, 2023 and that have had or that may have a significant effect on the financial position of the Group, except the following:

13.1 Portugal

13.1.1 Portuguese Competition Authority investigation

On December 20, 2019, MEO received a Statement of Objections from the Portuguese Competition Authority (the "PCA") regarding its preliminary view that both MEO and NOWO – Communications, S.A. which operates as a MVNO using MEO's network, were part of a cartel for market sharing and price fixing of mobile services, sold either on a standalone basis or in bundles of fixed and mobile telecommunications services. The PCA concluded that this alleged illegal practice took place between 2017 and 2018. MEO firmly denies the existence of any cartel. On February 19, 2020, MEO submitted its written defence to the Statement of Objections.

On December 3, 2020, the PCA notified MEO of its decision to impose upon it a fine of €84 million for market sharing and price fixing of mobile and fixed telecommunications services with NOWO. MEO fully disagrees with the PCA's unexpected decision. On January 19, 2021, MEO filed a judicial appeal against the decision before the Competition, Supervision and Regulation Court (the "Competition Court") to request the decision to be annulled and to be acquitted of all charges. The appeal for the annulment of the fine was accepted on April 21, 2022 and the Competition Court hearing took place in May 2022. The sentence was issued on June 4, 2022 and the Competition Court confirmed the decision of the PCA to impose a fine of €84 million to MEO. MEO submitted its appeal to the Court of Appeal in September 2022. Given the Competition Court's decision, a provision of €84 million was recognized as of December 31, 2022.

During the year ended December 31, 2022, in order to suspend the payment of the fine, MEO gave a real estate property as collateral, the fair value of which is estimated at €25 million, and presented a parent company guarantee from its sole shareholder PT Portugal amounting to €59 million.

On February 20, 2023, MEO was notified of the Court of Appeal's decision, which reduced the fine imposed by the PCA from €84 million to €70 million. Following the Court of Appeal's decision, the provision was reduced from €84 million to €70 million during the first quarter of 2023 (please refer to note 4.3.2).

In April 2024, the Constitutional Court declared as illegal the search, examination and seizure of emails carried out at MEO's premises in 2018 because it was not authorized by a court order. The Constitutional Court therefore ordered the Court of Appeal to revise its former decision condemning MEO to the payment of a €70 million fine, taking into consideration the Constitutional Court's decision regarding the seizure of evidence in MEO's premises. It is expected that the Court of Appeal will draw the appropriate procedural conclusions from the Constitutional Court ruling on the evidence collection, declaring the nullity of the evidence on which the Competition, Court's decision was based. The Court of Appeal shall now determine if the proceedings shall return to either the Competition Court or even to the PCA.

13.1.2 Class action submitted by Association Ius Omnibus

In March 2024, MEO was notified that a class action was filed against it for allegedly causing damages/losses to consumers by the supposedly cartel agreement between MEO and NOWO. The action was submitted by Association Ius Omnibus (AIO), which is a Portuguese non-profit consumer protection association created with the purpose of protecting and defending the interests of European consumers.

The AIO claims that the PCA's decision (regarding the supposedly cartel agreement between MEO and NOWO) is definitive and constitutes an irrefutable presumption of the infringement and its effects. The AIO seeks compensation for the consumers for an overprice of 11% in mobile services caused by the cartel, both directly and indirectly. The AIO relies on a preliminary economic report prepared by a third party, which uses the double difference method to compare the Italian and Portuguese mobile telecommunications markets. The report estimates the damages to be between €253 million and €383 million, depending on the relevant period, plus interest and inflation.

Regarding the MEO/Nowo alleged cartel litigation that is the base of the AIO action, further to the decision of the Constitutional Court of April 2024 which declared that the seizure of evidence (e-mails) under the searches to MEO's premises was illegal and therefore ordered the Court of Appeal to revise its former decision condemning MEO to the payment of a €70 million fine, the management believes that the Court of Appeal will draw the appropriate procedural conclusions, recognizing the invalidity of email search and seizures carried out without prior judicial order and the consequent invalidity/ban on evidence used to support the PCA's decision, and that AIO will not be able to invoke the evidence included in such decision to demonstrate the facts which would constitute a violation of the Treaty on the Functioning of the European Union and the Portuguese Competition Law and to characterize MEO's conduct as violating those laws.

MEO submitted its allegations regarding the AIO action on June 11, 2024 requesting the suspension of the AIO action until the final outcome of the antitrust case. Based on its internal and external legal counsels, the management believes that it is not possible to reliably estimate any eventual contingency that may result from the outcome of this lawsuit and is still reviewing both the claim itself and the corresponding risk level and thus no provision was recognized as of September 30, 2024.

14. Revised information

The statement of income had been revised as of and for three-months and the nine-months ended September 30, 2023 to take into account the impacts of the classification of Teads as discontinued operations as per IFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations*.

Consolidated Statement of Income (€m)	**Three months ended September 30, 2023 Reported**	**Revision IFRS 5 discontinued operation**	**Three months ended September 30, 2023 Revised**
Revenues	**1,287.8**	**(136.0)**	**1,151.8**
Purchasing and subcontracting costs	(331.0)	-	(331.0)
Other operating expenses	(257.5)	69.3	(188.2)
Staff costs and employee benefits	(181.9)	34.4	(147.5)
Depreciation, amortization and impairment	(285.8)	4.1	(281.7)
Other (expenses) and income	(10.1)	0.8	(9.3)
Operating profit/(loss)	**221.5**	**(27.4)**	**194.1**
Interest relative to gross financial debt	(148.0)	-	(148.0)
Realized and unrealized (losses)/gains on derivative instruments linked to financial debt	16.7	-	16.7
Other financial expenses	(199.6)	(1.3)	(200.9)
Finance income	84.0	(1.0)	83.0
Net result on extinguishment and remeasurement of financial liabilities	-	-	-
Finance income/(costs), net	**(246.9)**	**(2.3)**	**(249.2)**
Share of earnings/(loss) of associates and joint ventures	(1.1)	-	(1.1)
Profit/(loss) before income tax	**(26.5)**	**(29.7)**	**(56.2)**
Income tax benefit/(expense)	(33.0)	8.2	(24.8)
Profit/(loss) for the period from continuing operations	**(59.5)**	**(21.5)**	**(81.0)**
Discontinued operations			
Profit after tax for the period from discontinued operations	-	21.5	21.5
Profit/(loss) for the period	**(59.5)**	**-**	**(59.5)**
Attributable to equity holders of the parent	*(78.3)*	-	*(78.3)*
Attributable to non-controlling interests	*18.8*	-	*18.8*

Consolidated Statement of Income (€m)	Nine months ended September 30, 2023 Reported	Revision IFRS 5 discontinued operation	Nine months ended September 30, 2023 Revised
Revenues	**3,799.0**	**(396.7)**	**3,402.3**
Purchasing and subcontracting costs	(1,005.6)	-	(1,005.6)
Other operating expenses	(757.6)	203.8	(553.8)
Staff costs and employee benefits	(548.6)	107.8	(440.8)
Depreciation, amortization and impairment	(855.2)	11.8	(843.4)
Other (expenses) and income	(246.2)	4.2	(242.0)
Operating profit/(loss)	**385.8**	**(69.1)**	**316.7**
Interest relative to gross financial debt	(428.8)	0.2	(428.6)
Realized and unrealized (losses)/gains on derivative instruments linked to financial debt	(79.0)	-	(79.0)
Other financial expenses	(280.7)	3.3	(277.4)
Finance income	241.9	(1.0)	240.9
Net result on extinguishment and remeasurement of financial liabilities	-	-	-
Finance income/(costs), net	**(546.6)**	**2.5**	**(544.1)**
Share of earnings/(loss) of associates and joint ventures	(9.4)	-	(9.4)
Profit/(loss) before income tax	**(170.2)**	**(66.6)**	**(236.8)**
Income tax benefit/(expense)	(51.9)	21.7	(30.2)
Profit/(loss) for the period from continuing operations	**(222.1)**	**(44.9)**	**(267.0)**
Discontinued operations			
Profit after tax for the period from discontinued operations	-	44.9	44.9
Profit/(loss) for the period	**(222.1)**	**-**	**(222.1)**
Attributable to equity holders of the parent	*(279.7)*	-	*(279.7)*
Attributable to non-controlling interests	*57.6*	-	*57.6*

The statement of cash flow had been revised for the nine-months ended September 30, 2023 following the discontinued operation of Teads.

Consolidated Statement of Cash Flows **(€m)**	**Nine months ended September 30, 2023 Reported**	**Revision IFRS 5 discontinued operation**	**Nine Months ended September 30, 2023 Revised**
Profit/(loss) for the period	**(222.1)**	**-**	**(222.1)**
Profit/(loss from discontinued operations		**(44.9)**	**(44.9)**
adjustments for:			
Share of (gain) / loss of associates and joint ventures	9.4	-	9.4
Depreciation, amortization and impairment	855.2	(11.8)	843.4
Other non-cash operating gains / (losses), net	176.9	(0.6)	176.3
Finance costs/(income), net recognised in the statement of income	546.6	(2.5)	544.1
Income tax expense/(benefit) recognised in the statement of income	51.9	(21.7)	30.2
Pension plan liability payments	(75.1)	-	(75.1)
Income tax paid	(160.5)	38.1	(122.4)
Changes in working capital	17.2	(38.3)	(21.1)
Net cash provided by operating activities from continuing operations	*1,199.5*	*(81.7)*	*1,117.8*
Net cash provided by operating activities from discontinued operations	-	*81.7*	*81.7*
Net cash provided by operating activities	**1,199.5**	**-**	**1,199.5**
Payments to acquire tangible and intangible assets and contract costs	(666.1)	9.5	(656.6)
Proceeds from sale of tangible and intangible assets	1.6	-	1.6
Payments for acquisition of consolidated entities, net of cash acquired	(22.2)	-	(22.2)
Advances paid to group companies (principal and interest)	(211.3)	-	(211.3)
Transfers from restricted cash	(0.3)	-	(0.3)
Proceeds / (payments) from other investing activities	12.0	3.2	15.2
Net cash used in investing activities from continuing operations	*(886.3)*	*12.7*	*(873.6)*
Net cash used in investing activities from discontinued operations	-	*(12.7)*	*(12.7)*
Net cash used in investing activities	**(886.3)**	**-**	**(886.3)**
Dividend paid to shareholders	(320.0)	-	(320.0)
Proceeds from issuance of debt instruments	732.2	(21.7)	710.5
Payments to redeem debt instruments	(322.4)	10.4	(312.0)
Payment from the acquisition of minority stake	(13.2)	-	(13.2)
Proceeds related to payments made to suppliers through factoring arrangements	306.6	-	306.6
Payments made to factoring companies	(284.0)	-	(284.0)
Lease payment (principal) related to ROU	(71.0)	-	(71.0)
Lease payment (interest) related to ROU	(60.3)	-	(60.3)
Interest paid	(355.5)	-	(355.5)
Proceeds /(payments) related to the monetization of swaps	(4.0)	-	(4.0)
Dividends paid to non-controlling interests	(19.4)	-	(19.4)
Other cash used by financing activities	(44.8)	-	(44.8)
Net cash from / (used in) financing activities from continuing operations	*(455.8)*	*(11.3)*	*(467.1)*
Net cash from / (used in) financing activities from discontinued operations	-	*11.3*	*11.3*
Net cash from / (used in) financing activities	**(455.8)**	**-**	**(455.8)**
Effects of exchange rate changes on the balance of cash held in foreign currencies	0.9	-	0.9
Net change in cash and cash equivalents	**(141.7)**	**-**	**(141.7)**
Cash and cash equivalents at beginning of the period	428.2	-	428.2
Cash and cash equivalents at end of the period	286.5	-	286.5

15. Events after the reporting period

Disposal of Geodesia business

On November 26, 2024, the Group has signed an agreement for the disposal of Geodesia construction activities in Germany to a related party of the Group. This transaction is expected to close in the fourth quarter of 2024.