

Altice International Q3 2024 results

November 27, 2024



Disclaimer

FORWARD-LOOKING STATEMENTS

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

FINANCIAL MEASURES

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

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

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

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

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

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

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

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 in the Condensed Interim Consolidated Financial Statements 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 of the Condensed Interim Consolidated Financial Statements). 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 of the Condensed Interim Consolidated Financial Statements). Prior period figures were revised (please refer to note 14 of the Condensed Interim Consolidated Financial Statements).

Net debt is a non-GAAP measure which is useful to the readers of this presentation as it provides meaningful information regarding the financial position of the Group and its ability to pay its financial debt obligations compared to its liquid assets. Total Altice International actual net debt excludes Teads cash and cash equivalents and Teads overdraft.

Financial and statistical information is for the quarter ended September 30, 2024, unless otherwise stated, and any year over year comparisons are for the quarter ended September 30, 2023. Financial and statistical information as presented in this presentation is pro forma for the carve out of Geodesia (FTTH construction activity in Germany).

Q3 2024 Summary

Altice International pro forma key financial trends in Q3 2024:

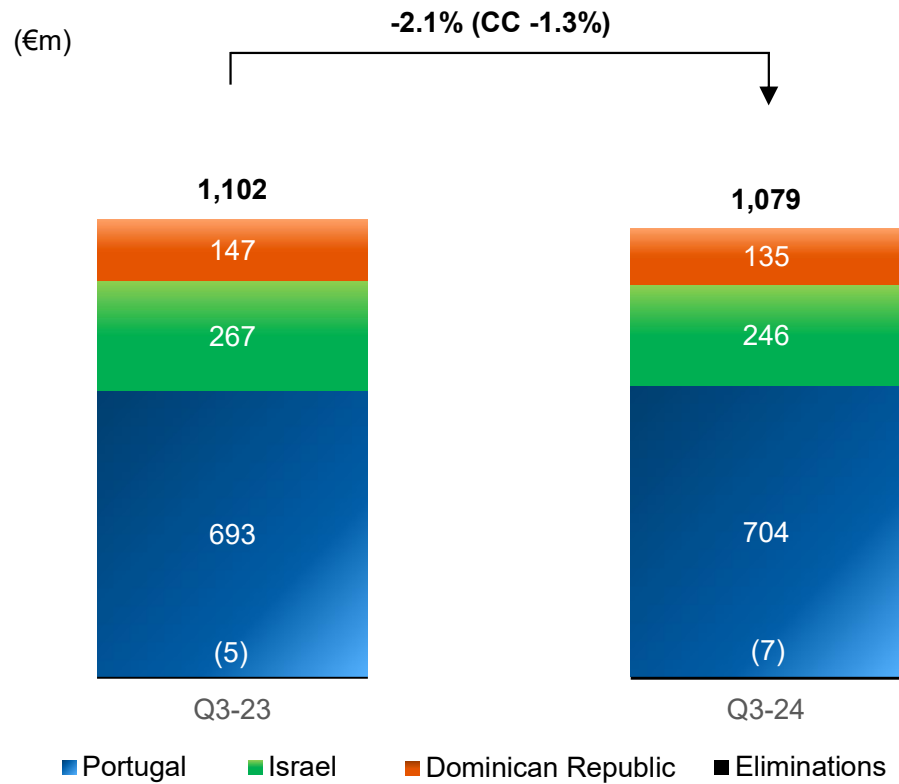
- Total revenue declined by -1.3% YoY on a constant currency basis (-2.1% reported)
- Total EBITDA declined by -3.8% YoY on a constant currency basis (-5.0% reported)
- Total OpFCF declined by -0.8% YoY on a constant currency basis (-2.4% reported)

Outbrain to acquire Teads in a \$1 billion transaction consisting of \$725 million cash, \$25 million deferred cash, \$105 million convertible preferred stock and 35 million shares of common stock (representing a value of approximately \$182 million based on a closing share price of \$5.20 as of November 25, 2024)

Net leverage of 5.3x on an LTM basis at the end of Q3 2024, €1.03 billion pro forma liquidity and 82% of debt at fixed interest rate

FY 2024 landing (pro forma for the sale of Teads & for the carve out of Geodesia): EBITDA in the €1.6 billion area, OpFCF in the €800 million area
Target leverage of 4.0x to 4.5x net debt to EBITDA

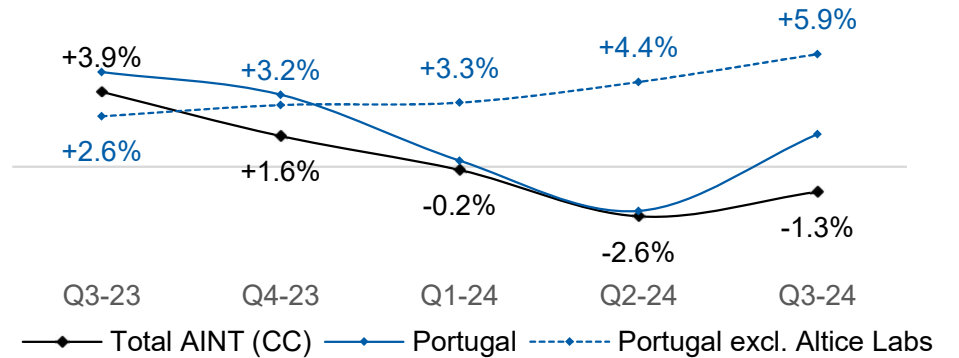
Altice International Pro Forma Revenue Trends



Q3 2024 revenue trends YoY

- Total: -2.1% (CC -1.3%)
 - Portugal: +1.7%
 - Israel: -7.8% (CC -7.8%)
 - Dominican Republic: -8.4% (CC -2.2%)

Revenue growth evolution YoY (CC)



For footnotes see slide 17

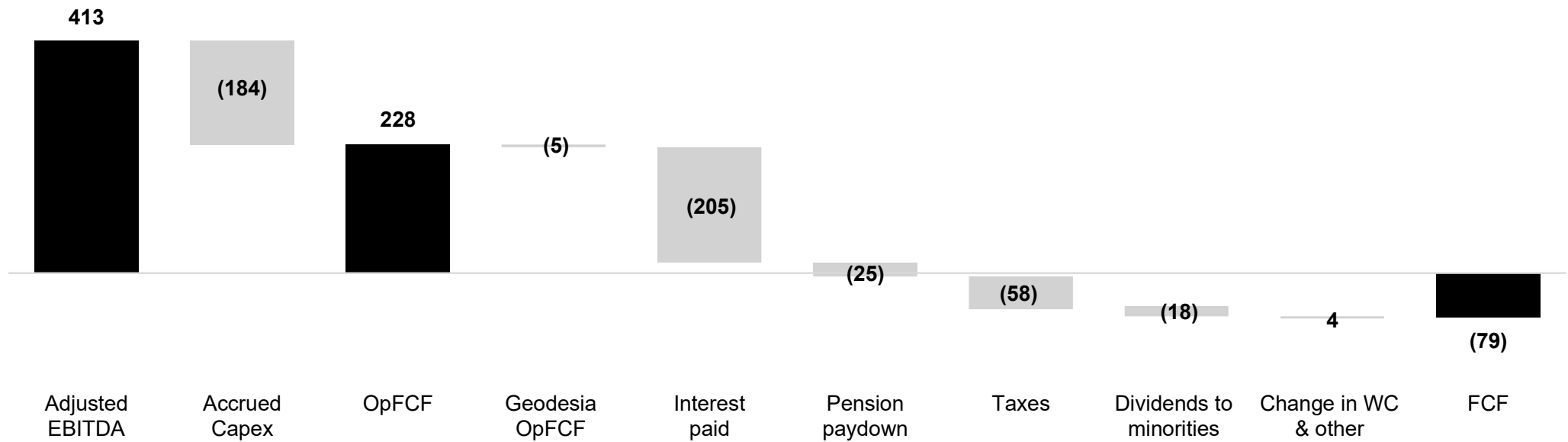
Altice International Pro Forma Financials

€m	Q3-23	Q3-24	Growth YoY Reported	Growth YoY Constant FX
Portugal	693	704	+1.7%	+1.7%
Israel	267	246	-7.8%	-7.8%
Dominican Republic	147	135	-8.4%	-2.2%
Eliminations & other	-5	-7	-	-
Revenue	1,102	1,079	-2.1%	-1.3%
Portugal	271	258	-4.5%	-4.5%
Israel	87	85	-1.9%	-1.7%
Dominican Republic	78	72	-7.6%	-1.4%
Eliminations & other	-1	-3	-	-
Adjusted EBITDA	434	413	-5.0%	-3.8%
Portugal	109	100	-7.7%	-7.7%
Israel	70	65	-7.0%	-6.9%
Dominican Republic	23	19	-16.4%	-10.7%
Eliminations & other	1	-	-	-
Accrued Capex	200	184	-8.0%	-7.4%
Portugal	162	158	-2.4%	-2.4%
Israel	17	20	+19.1%	+20.2%
Dominican Republic	55	53	-4.0%	+2.4%
Eliminations & other	-	-3	-	-
Total OpFCF	234	228	-2.4%	-0.8%

For footnotes see slide 17

Q3 2024 Free Cash Flow

(€m)



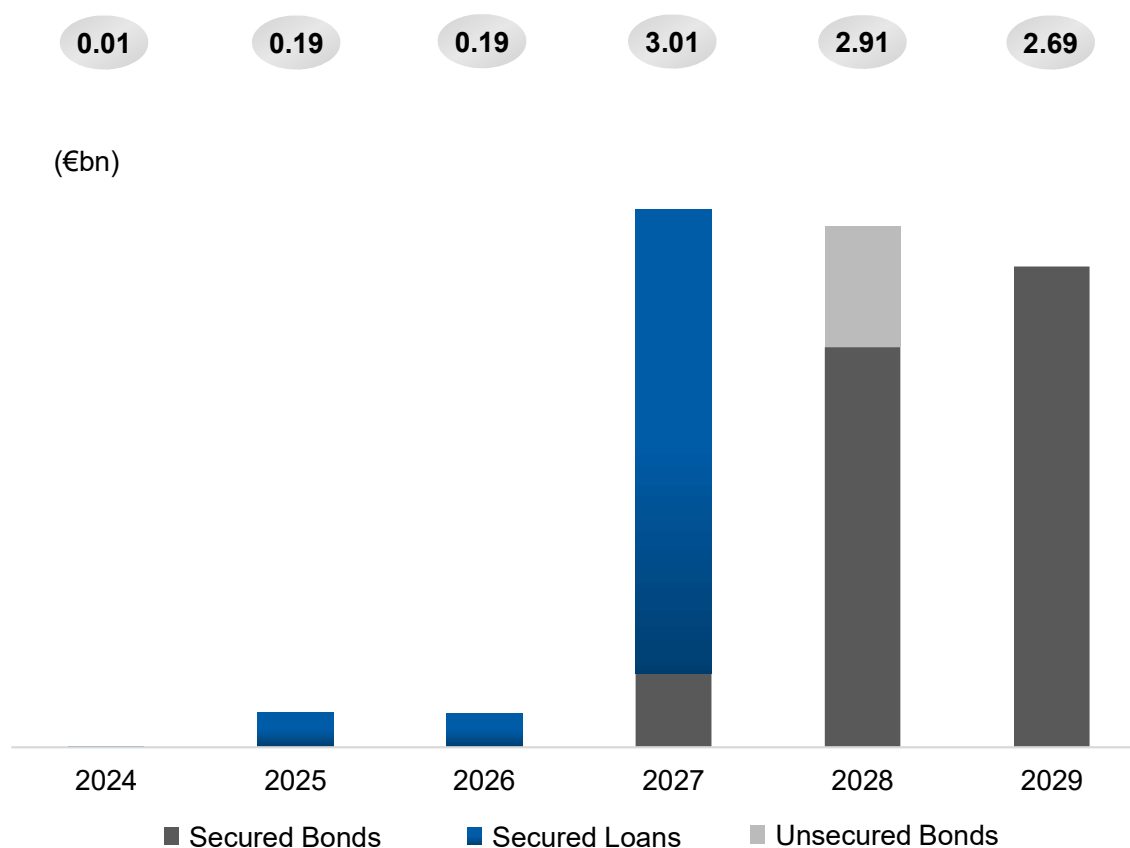
For footnotes see slide 17

Pro Forma Capital Structure and Debt Maturity

Altice International	
Net debt	€8,580m
WAL	3.6 years
WACD	5.7%
Fixed interest	82%
Net leverage (LTM)	5.3x
Liquidity	€1.03bn

Unsecured	
Net debt	€675m
WAL	3.3 years
WACD	4.8%

Secured	
Net debt	€7,905m
WAL	3.6 years
WACD	5.8%



For footnotes see slide 17

Guidance

2024 Landing

- EBITDA ~€1.6 billion (pro forma for the sale of Teads and the carve out of Geodesia)
- OpFCF of ~€800 million (pro forma for the sale of Teads and the carve out of Geodesia)

Target Leverage

Target leverage of 4.0 to 4.5x net debt to EBITDA

Q&A

Appendix

Altice Portugal Financials

€m	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24
Portugal excluding Geodesia	679	680	693	704	681	664	704
Geodesia	21	38	49	43	23	41	44
Revenue	699	718	742	747	704	705	748
Portugal excluding Geodesia	245	247	271	244	258	247	258
Geodesia	1	7	10	13	1	5	(4)
Adjusted EBITDA	245	254	281	258	259	252	254
Portugal excluding Geodesia	109	118	109	147	99	94	100
Geodesia	2	2	2	0	1	1	0
Accrued Capex	111	120	110	147	99	95	101
Portugal excluding Geodesia	136	129	162	98	160	153	158
Geodesia	(1)	5	9	13	(0)	4	(5)
Total OpFCF	134	134	171	111	160	157	153

For footnotes see slide 17

Reconciliation to Swap Adjusted Debt as of September 30, 2024

€m	Q1-24 Actual	Q2-24 Actual	Q3-24 Actual	Q3-24 Pro Forma
Total Debenture and Loans from Financial Institutions	9,934	9,830	9,762	9,762
Value of debenture and loans from financial Institutions in foreign currency converted at closing FX rate	-7,088	-7,004	-6,337	-6,337
Value of debenture and loans from financial institutions in foreign currency converted at hedged rate	7,161	7,058	6,520	6,520
Transaction costs	112	107	103	103
Pro forma for redemption, defeasance or otherwise discharge of the €600 million 2025 SSN	-	-	-	-600
Pro forma for the repayment of drawn RCF with proceeds from the sale of Teads	-	-	-	-450
Total Swap Adjusted Value of Debenture and Loans from Financial Institutions	10,119	9,991	10,048	8,998
Finance lease liabilities and other debt	25	26	31	31
Gross Debt Consolidated	10,144	10,017	10,079	9,029
Cash and cash equivalents	-225	-177	-171	-171
Restricted cash	-19	-34	-56	-56
Cash collateralized for redemption, defeasance or otherwise discharge of the €600 million 2.25% 2025 SSN	-600	-600	-600	-
Pro forma for proceeds from sale of Teads (excludes proceeds for repayment of drawn RCF)	-	-	-	-222
Net Debt Consolidated	9,301	9,206	9,253	8,580

For footnotes see slide 17

Leverage Reconciliation as of September 30, 2024

€m	Actual	Pro Forma
Gross Debt Consolidated	10,079	9,029
Cash and cash equivalents	-171	-171
Restricted cash	-56	-56
Cash collateralized for redemption, defeasance or otherwise discharge of the €600 million 2.25% 2025 SSN	-600	-
Pro forma for proceeds from sale of Teads (excludes proceeds used for repayment of drawn RCF as above)	-	-222
Net Debt Consolidated	9,253	8,580
LTM EBITDA Consolidated	1,647	1,632
Net Leverage	5.6x	5.3x
L2QA EBITDA Consolidated	1,640	1,638
Net Leverage	5.6x	5.2x

For footnotes see slide 17

Reconciliation to Unaudited GAAP Measures

€m	Q1-24	Q2-24	Q3-24
Revenue - Financial Statements	1,097	1,095	1,123
Purchasing and subcontracting costs	-307	-303	-337
Other operating expenses	-177	-180	-178
Staff costs and employee benefits	-160	-158	-158
Total	452	454	450
Rental expense operating lease	-42	-42	-42
Share based expense	-	-	-
Adjusted EBITDA - Financial Statements	410	412	408
Depreciation, amortisation and impairment	-292	-295	-266
Other expenses and income	-5	-11	-22
Rental expense operating lease	42	42	42
Share based expense	-	-	-
Operating profit – Financial Statements	155	149	162
Pro forma sale of Geodesia (Revenue)	-23	-41	-44
Revenue – investor presentation	1,074	1,054	1,079
Pro forma sale of Geodesia (EBITDA)	-1	-5	4
Adjusted EBITDA – investor presentation	410	406	413
Capital expenditure (accrued) - Financial Statements	268	208	218
IRU (Israel)	-61	-22	-34
Pro forma sale of Geodesia (Capex)	-1	-1	-
Capital expenditure (accrued) - Investor Presentation	206	185	184

For footnotes see slide 17

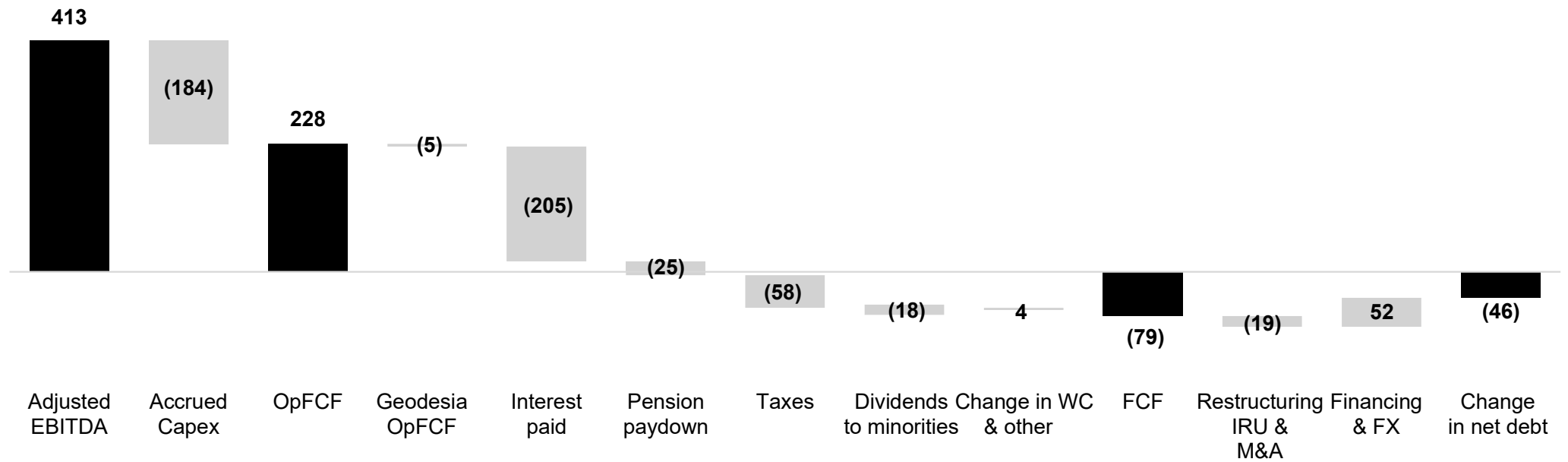
Cash Reconciliation as of September 30, 2024

€m	Actual
Altice International cash and cash equivalents - excluding Teads & restricted cash	214
Teads cash and cash equivalents	82
Cash and cash equivalents – as of January 1, 2024 (including Teads)	296
Net cash used in continuing operations	-131
Net cash provided by discontinued operations	67
Effects of exchange rate changes on the balance of cash held in foreign currencies	-4
Cash classified as held for sale (Teads cash and cash equivalents)	-58
Net change in cash and cash equivalents – as of September 30, 2024	-126
Altice International cash and cash equivalents - excluding Teads & restricted cash	171
Teads cash and cash equivalents	-
Cash and cash equivalents – as of September 30, 2024 (excluding Teads)	171

For footnotes see slide 17

Q3 2024 Free Cash Flow and Change in Net Debt

(€m)



For footnotes see slide 17

Footnotes

<p>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 in the Condensed Interim Consolidated Financial Statements were classified as held for sale as per the provisions of IFRS 5 <i>Non-Current Assets Held for Sale and Discontinued Operations</i> (please refer to note 3.4 of the Condensed Interim Consolidated Financial Statements). 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 of the Condensed Interim Consolidated Financial Statements). Prior period figures were revised (please refer to note 14 of the Condensed Interim Consolidated Financial Statements). This presentation is presented in accordance with the Condensed Interim Consolidated Financial Statements.</p> <p>In addition, financial and statistical information as presented in this presentation is pro forma for the carve out of Geodesia (FTTH construction activity in Germany).</p>	All slides
<p>€1.03 billion liquidity includes €0.58 billion of undrawn revolvers and €0.45 billion of cash. The cash position as shown is pro forma for the redemption, defeasance or otherwise discharge of the outstanding €600 million 2.25% 2025 Senior Secured Notes and pro forma for the proceeds of the sale of Teads (total estimated consideration is \$1 billion, pro forma adjustments include a \$725 million cash payment at closing and a \$25 million deferred cash payment). Assumed exchange rate EUR:USD of 1.1148</p>	Slides 3, 7
<p>Accrued Capex for Israel excludes accruals related to the acquisition of an additional tranche of the indefeasible right of use ("IRU") signed with IBC for an amount of €33.6 million in Q3 2024</p>	Slides 3, 5, 6, 8, 14, 16
<p>Net debt excludes operating lease liabilities recognized under IFRS 16</p> <p>Adjusted EBITDA for leverage purposes is presented pro forma for the sale of Geodesia (€15 million on an LTM basis, €2 million on an L2QA basis)</p>	Slides 3, 7, 12, 13
<p>FCF excludes spectrum and significant litigation paid and received</p>	Slides 6, 16
<p>Total Altice International actual net debt as shown excludes Teads cash and cash equivalents and Teads overdraft</p>	Slides 3, 7, 12, 13
<p>Total Altice International pro forma net debt is presented pro forma for the redemption, defeasance or otherwise discharge of the outstanding €600 million 2.25% 2025 Senior Secured Notes and pro forma for the proceeds of the sale of Teads (total estimated consideration is \$1 billion, pro forma adjustments include a \$725 million cash payment at closing and a \$25 million deferred cash payment). Assumed exchange rate EUR:USD of 1.1148</p>	Slides 3, 7, 12, 13
<p>Maturity profile as shown excludes other debt and leases of €31 million, shown net of swaps and pro forma for €450 million repayment of the revolving credit facility</p>	Slide 7