

Altice International Q4 & FY 2023 results

March 13, 2024



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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.

Q4 2023 Summary

FY 2023 guidance achieved: Altice International revenue, EBITDA and OpFCF growth on a constant currency and reported basis

- Total revenue grew by +5.7% YoY on a constant currency basis (+2.2% reported)
- Total EBITDA grew by +7.2% YoY on a constant currency basis (+3.6% reported)
- Total OpFCF grew by +16.9% YoY on a constant currency basis (+14.2% reported)

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

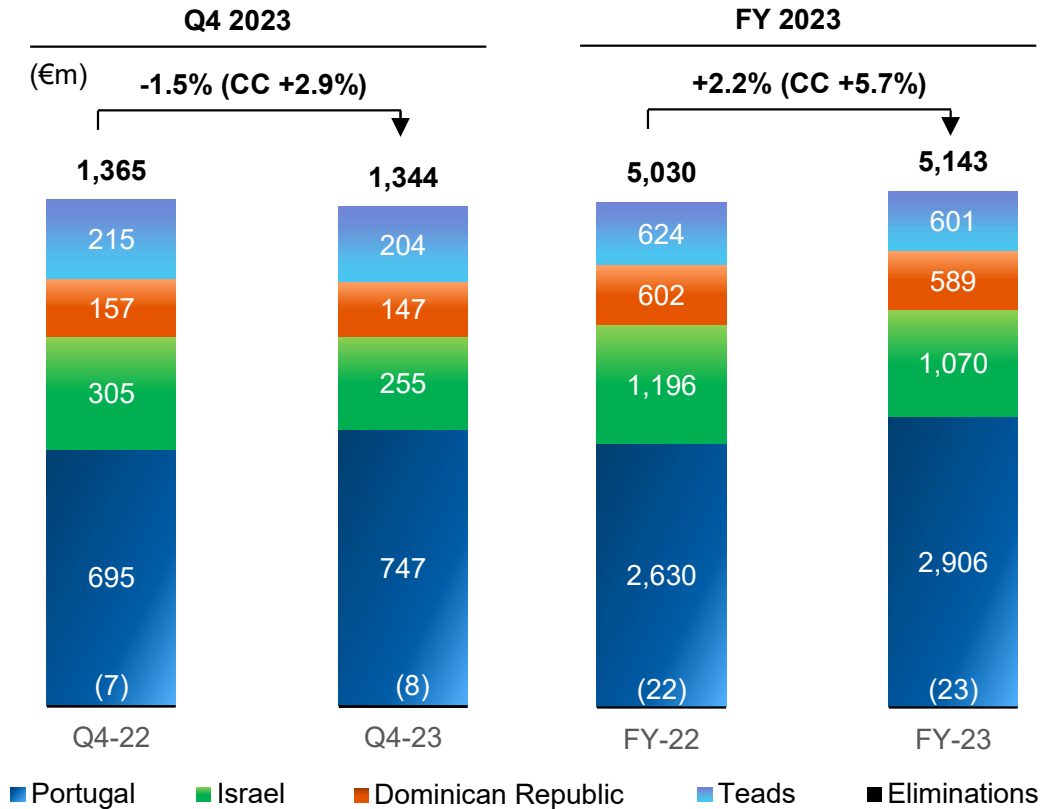
\$375 million Senior Secured Notes issued maturing in July 2027

Net leverage of 4.5x on an L2QA basis at the end of Q4 2023, €0.8 billion liquidity and 80% of debt at fixed interest rate

Guidance:

- **FY 2024: revenue and EBITDA growth YoY, absolute operating free cash flow in excess of €1 billion**
- **Target leverage of 4.0x to 4.5x net debt to EBITDA**

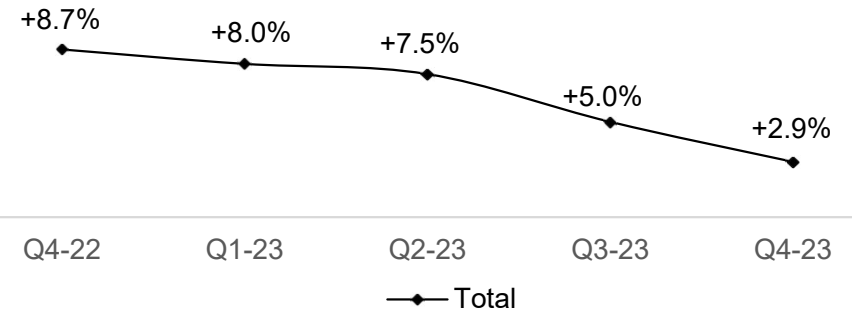
Altice International Revenue Trends



Q4 2023 revenue trends YoY

- Total: -1.5% (CC +2.9%)
- Portugal: +7.5%
- Israel: -16.6% (CC -3.7%)
- Dominican Republic: -6.4% (CC +2.8%)
- Teads: -5.5% (CC -2.4%)

Revenue growth evolution YoY (CC)



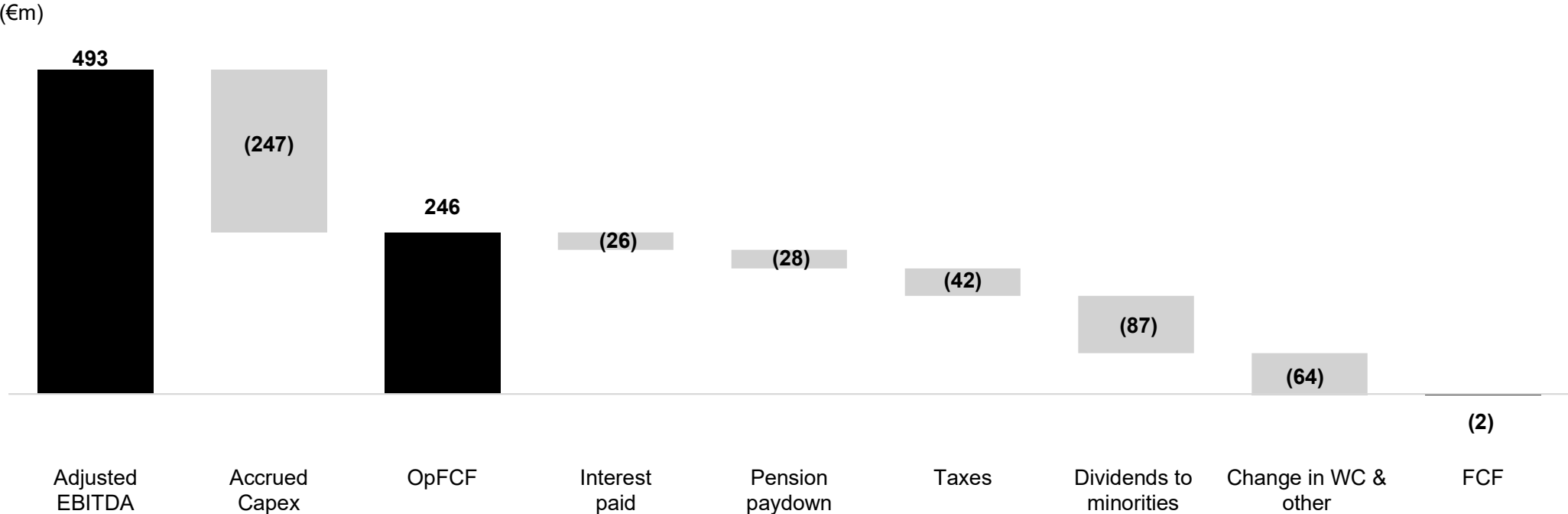
For footnotes see slide 16

Altice International Financials

€m	Q4-22	Q4-23	Growth YoY Reported	Growth YoY Constant FX	FY-22	FY-23	Growth YoY Reported	Growth YoY Constant FX
Portugal	695	747	+7.5%	+7.5%	2,630	2,906	+10.5%	+10.5%
Israel	305	255	-16.6%	-3.7%	1,196	1,070	-10.6%	+0.9%
Dominican Republic	157	147	-6.4%	+2.8%	602	589	-2.2%	+2.3%
Teads	215	204	-5.5%	-2.4%	624	601	-3.7%	-2.1%
Eliminations & Other	-7	-8	-	-	-22	-23	-	-
Revenue	1,365	1,344	-1.5%	+2.9%	5,030	5,143	+2.2%	+5.7%
Portugal	218	258	+17.9%	+17.9%	906	1,038	+14.5%	+14.5%
Israel	108	84	-22.3%	-10.3%	409	353	-13.7%	-2.7%
Dominican Republic	81	77	-5.6%	+3.8%	312	313	+0.5%	+5.1%
Teads	85	75	-11.5%	-9.8%	172	157	-8.7%	-5.9%
Eliminations & Other	-2	-1	-	-	-8	-6	-	-
Adjusted EBITDA	490	493	+0.5%	+4.9%	1,790	1,855	+3.6%	+7.2%
Portugal	143	147	+2.6%	+2.6%	483	488	+1.1%	+1.1%
Israel	81	72	-10.9%	+2.6%	321	281	-12.7%	-1.5%
Dominican Republic	35	26	-25.9%	-17.9%	140	119	-14.6%	-10.7%
Teads	8	3	n.m.	n.m.	14	12	n.m.	n.m.
Eliminations & Other	2	-	-	-	-6	-3	-	-
Accrued Capex	268	247	-7.9%	-2.8%	951	897	-5.7%	-1.4%
Portugal	75	111	+46.9%	+46.9%	424	550	+29.9%	+29.9%
Israel	27	12	-56.1%	-48.7%	87	72	-17.6%	-7.0%
Dominican Republic	46	51	+9.9%	+20.4%	172	194	+12.7%	+17.8%
Teads	78	73	-6.1%	-4.3%	158	145	-8.3%	-5.4%
Eliminations & Other	-4	-1	-	-	-2	-3	-	-
Total OpFCF	222	246	+10.6%	+14.3%	839	958	+14.2%	+16.9%

For footnotes see slide 16

Q4 2023 Free Cash Flow



For footnotes see slide 16

Pro Forma Capital Structure and Debt Maturity

Altice International

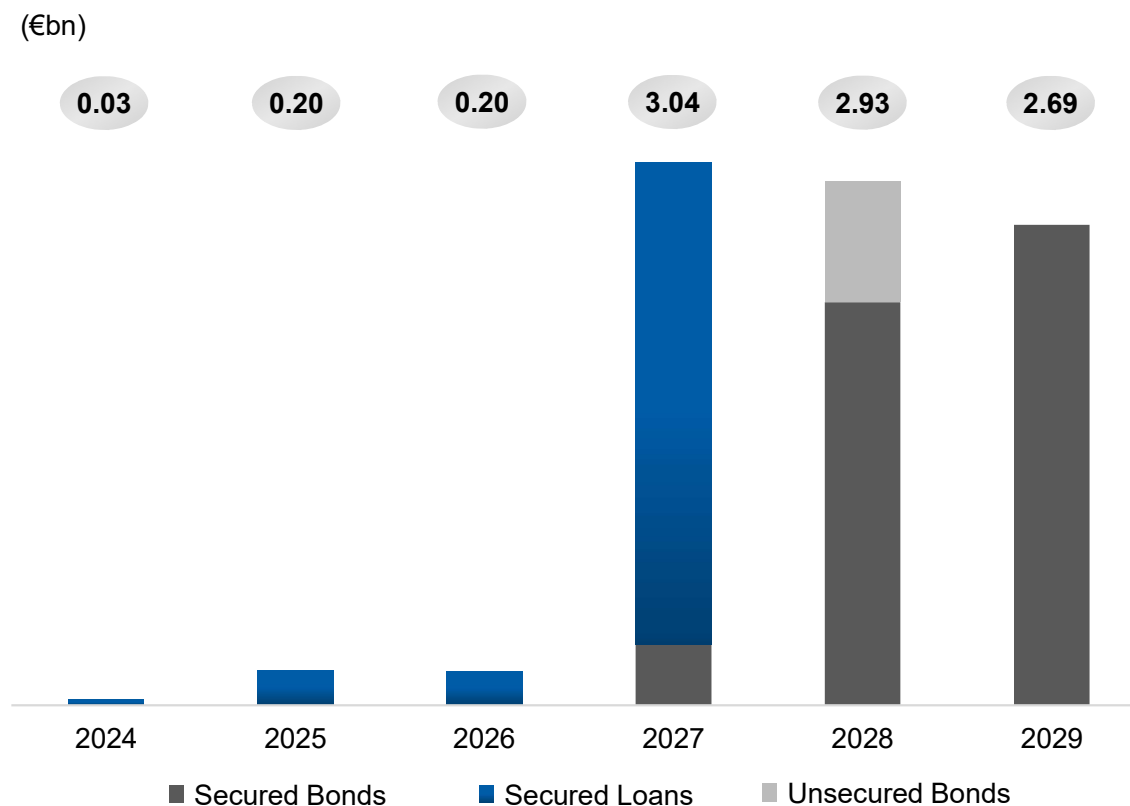
Net debt	€8,789m
WAL	4.3 years
WACD	5.8%
Fixed interest	80%
Net leverage	4.5x
Liquidity	€0.8bn

Unsecured

Net debt	€675m
WAL	4.0 years
WACD	4.8%

Secured





Net debt	€8,114m
WAL	4.3 years
WACD	5.9%



For footnotes see slide 16

Guidance

2023 Achievements

- Total revenue growth of +5.7% YoY on a constant currency basis (*reported +2.2%*) 
- Total EBITDA growth of +7.2% YoY on a constant currency basis (*reported +3.6%*) 
- OpFCF growth of +16.9% YoY on a constant currency basis (*reported +14.2%*) 
- Ending net leverage of 4.5x 

2024 Guidance

- FY 2024: revenue and EBITDA growth YoY, absolute OpFCF in excess of €1 billion
- Target leverage of 4.0x to 4.5x net debt to EBITDA

Q&A

Appendix

ESG Key Highlights – Focus on Portugal

2023 Achievements

- Definition of the 2030 Sustainability Strategy for Altice Portugal
- In Portugal, 428 335 reconditioned electrical and electronic equipment
- Strengthening of measures to improve diversity, inclusion, and non-discrimination
- Promotion of digital inclusion through expansion of high-speed connectivity throughout geographies
- 73% purchase volume with suppliers in Portugal

Commitments

- Reduce GHG emissions in each geography
- Altice Portugal committed to reducing GHG emissions by joining the Science Based Targets (SBTi) initiative
- Protection of most vulnerable groups regarding digital content access, privacy and safety
- Further promote digital inclusion through expansion of high-speed connectivity
- Altice Portugal joined the Anti-Corruption Call to Action, launched by the United Nations Global Compact

Ambitions

- Net zero emissions target by 2050 throughout geographies. By 2030, Altice Portugal undertakes a 90% reduction in carbon emissions compared to 2019
- Altice Portugal has national target for gender equality of 40% of women in top management and first-line management positions by 2030
- Continued guarantee of high quality service through investments in very high speed communication networks (e.g. FastFiber and IBC)
- Promote gender equality and equal opportunities

Reconciliation to Swap Adjusted Debt as of December 31, 2023

€m	Actual	Pro Forma ¹
Total Debenture and Loans from Financial Institutions	9,427	9,427
Value of debenture and loans from financial Institutions in foreign currency converted at closing FX rate	-6,796	-6,796
Value of debenture and loans from financial institutions in foreign currency converted at hedged rate	6,931	6,931
Transaction costs	108	108
Pro forma for redemption, defeasance or otherwise discharge of the €600 million 2.25% 2025 SSN	-	-600
Pro forma for the issuance of \$375 million 9.625% senior secured notes maturing in July 2027	-	339
Pro forma for the repayment of RCF	-	-339
Total Swap Adjusted Value of Debenture and Loans from Financial Institutions	9,669	9,069
Finance lease liabilities and other debt	28	28
Gross Debt Consolidated	9,697	9,097
Cash and restricted cash	-311	-308
Cash collateralized for redemption, defeasance or otherwise discharge of the €600 million 2.25% 2025 SSN	-600	-
Net Debt Consolidated	8,786	8,789

For footnotes see slide 16

Leverage Reconciliation as of December 31, 2023

€m	Actual	Pro Forma ¹
Gross Debt Consolidated	9,697	9,097
Cash and restricted cash	-311	-308
Cash collateralized for redemption, defeasance or otherwise discharge of the €600 million 2.25% 2025 SSN	-600	-
Net Debt Consolidated	8,786	8,789
LTM EBITDA Consolidated	1,855	1,855
Net Leverage	4.7x	4.7x
L2QA EBITDA Consolidated	1,937	1,937
Net Leverage	4.5x	4.5x

For footnotes see slide 16

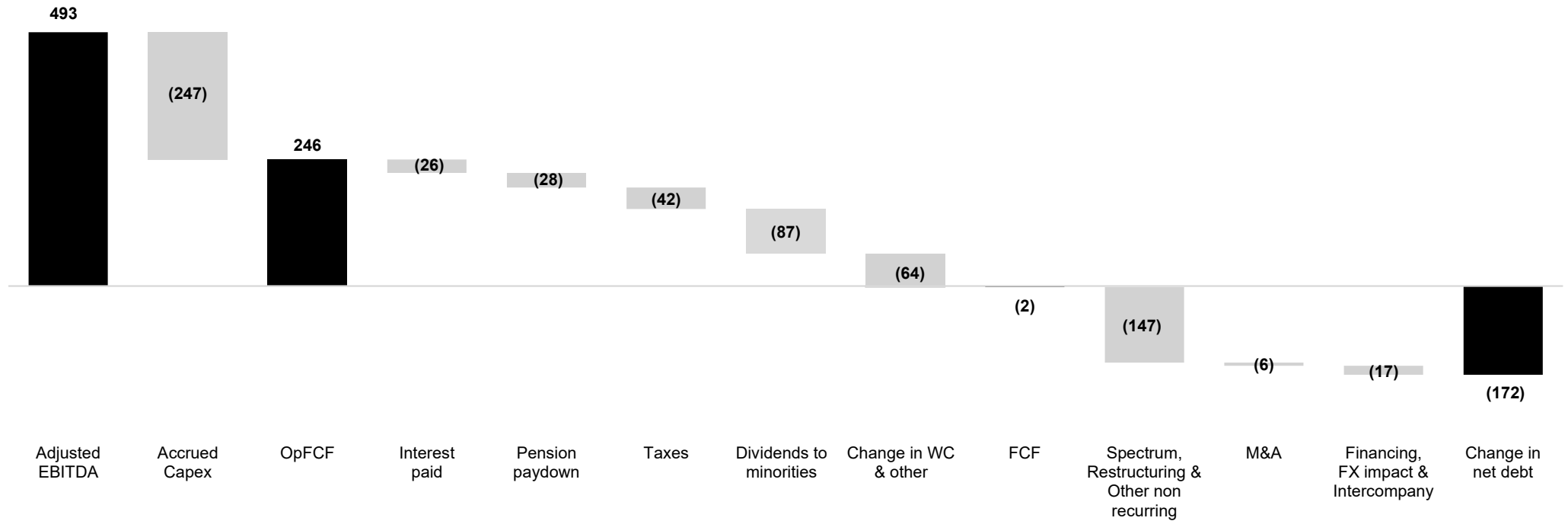
Non-GAAP Reconciliation to Unaudited GAAP Measures

€m	Q1-23	Q2-23	Q3-23	Q4-23	FY-23
Revenue - Financial Statements	1,234	1,277	1,288	1,344	5,143
Purchasing and subcontracting costs	-333	-341	-331	-335	-1,341
Other operating expenses	-245	-255	-258	-280	-1,037
Staff costs and employee benefits	-184	-183	-182	-209	-757
Total	472	498	517	520	2,007
Rental expense operating lease	-41	-42	-42	-44	-169
Share based expense	-	-	-	17	17
Adjusted EBITDA - Financial Statements & Investor Presentation	430	456	476	493	1,855
Depreciation, amortisation and impairment	-282	-287	-286	-314	-1,169
Other expenses and income	-2	-235	-10	-38	-284
Rental expense operating lease	41	42	42	44	169
Share based expense	-	-	-	-17	-17
Operating profit/(loss)	188	-23	222	168	554
Capital expenditure (accrued) - Financial Statements	283	231	223	271	1,007
IRU (Israel)	-53	-15	-18	-24	-110
Capital expenditure (accrued) - Investor Presentation	230	215	205	247	897
Operating free cash flow (OpFCF) - Investor Presentation	200	241	271	246	958

For footnotes see slide 16

Q4 2023 Free Cash Flow and Change in Net Debt

(€m)



For footnotes see slide 16

Footnotes

<p>€0.8 billion liquidity includes €0.5 billion of undrawn revolvers and €0.3 billion of cash. The cash position as shown is pro forma the redemption, defeasance or otherwise discharge of the outstanding €600 million 2.25% 2025 Senior Secured Notes and pro forma for the issuance at Altice Financing S.A. of \$375 million 9.625% senior secured notes maturing in July 2027</p>	<p>Slides 3, 7</p>
<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 €24.0 million in Q4 2023 and €109.9 million for FY 2023</p>	<p>Slides 3, 5, 6, 14, 15</p>
<p>Net debt excludes operating lease liabilities recognized under IFRS 16</p>	<p>Slides 3, 7, 12, 13</p>
<p>FCF excludes spectrum and significant litigation paid and received</p>	<p>Slides 6, 15</p>
<p>Maturity profile as shown excludes other debt and leases of €28 million and is shown net of swaps Total Altice International net debt 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 issuance at Altice Financing S.A. of \$375 million 9.625% senior secured notes maturing in July 2027</p>	<p>Slide 7</p>