

# **Altice International S.à r.l.**



## **Condensed Interim Consolidated Financial Statements**

**As of and for the three-month period ended  
March 31, 2024**

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| <b>Interim Consolidated Statement of Income<br/>(€m)</b>                                    | <b>Notes</b> | <b>Three months ended<br/>March 31, 2024</b> | <b>Three months ended<br/>March 31, 2023</b> |
|---|--------------|--|--|
| <b>Revenues</b>   | <b>4</b>     | <b>1,212.6</b>                               | <b>1,234.4</b>                               |
| Purchasing and subcontracting costs   | 4            | (307.2)                                      | (333.2)                                      |
| Other operating expenses  | 4            | (239.4)                                      | (245.4)                                      |
| Staff costs and employee benefits   | 4            | (218.6)                                      | (184.0)                                      |
| Depreciation, amortization and impairment   | 4            | (296.5)                                      | (282.4)                                      |
| Other (expenses) and income   | 4            | (5.7)  | (1.6)  |
| <b>Operating profit / (loss)</b>  | <b>4</b>     | <b>145.2</b>                                 | <b>187.8</b>                                 |
| Interest relative to gross financial debt   | 11           | (170.4)                                      | (137.2)                                      |
| Realized and unrealized (losses) / gains on derivative instruments linked to financial debt | 11           | 132.7  | 4.1  |
| Other financial expenses  | 11           | (263.8)                                      | (43.0)                                       |
| Finance income  | 11           | 88.2   | 128.6  |
| Net result on extinguishment and remeasurement of financial liabilities                     | 11           | -  | -  |
| <b>Finance costs, net</b>   | <b>11</b>    | <b>(213.3)</b>                               | <b>(47.5)</b>                                |
| Share of earnings / (loss) of associates and joint ventures                                 |              | (3.8)  | (3.6)  |
| <b>Profit / (loss) before income tax</b>  |              | <b>(71.9)</b>                                | <b>136.7</b>                                 |
| Income tax benefit / (expense)  | 10           | (38.3)                                       | (38.2)                                       |
| <b>Profit / (loss) for the period</b>   |              | <b>(110.2)</b>                               | <b>98.5</b>                                  |
| <i>Attributable to equity holders of the parent</i>   |              | <i>(127.4)</i>                               | <i>81.0</i>                                  |
| <i>Attributable to non-controlling interests</i>  |              | <i>17.2</i>                                  | <i>17.5</i>                                  |

| <b>Interim Consolidated Statement of Comprehensive Income<br/>(€m)</b>   | <b>Three months ended<br/>March 31, 2024</b> | <b>Three months ended<br/>March 31, 2023</b> |
|--|--|--|
| <b>Profit/(loss) for the period</b>                                      | <b>(110.2)</b>                               | <b>98.5</b>                                  |
| <b>Other comprehensive income / (loss)</b>                               |  |  |
| <b>Items that may be reclassified subsequently to profit or loss</b>     |  |  |
| Exchange differences on translating foreign operations                   | 4.2  | (13.7)                                       |
| Related taxes  | -  | -  |
| <b>Item that will not be reclassified subsequently to profit or loss</b> |  |  |
| Change of fair value of equity instruments at fair value through OCI     | -  | (2.1)  |
| Actuarial gain / (loss)  | 1.3  | (11.2)                                       |
| Related taxes  | (0.3)  | 2.4  |
| <b>Total other comprehensive income / (loss)</b>                         | <b>5.2</b>                                   | <b>(24.6)</b>                                |
| <b>Total comprehensive income / (loss) for the period</b>                | <b>(105.0)</b>                               | <b>73.9</b>                                  |
| <i>Attributable to equity holders of the parent</i>                      | <i>(122.3)</i>                               | <i>56.7</i>                                  |
| <i>Attributable to non-controlling interests</i>                         | <i>17.3</i>                                  | <i>17.2</i>                                  |

The accompanying notes on pages 6 to 23 form an integral part of these condensed interim consolidated financial statements.

**Altice International S.à r.l.**  
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| Interim Consolidated Statement of Financial Position<br>(€m)                 | Notes | As of<br>March 31, 2024 | As of<br>December 31, 2023<br>(Revised *) |
|--|-------|-------------------------|---|
| <b>Non-current assets</b>  |       |                         |   |
| Goodwill   | 5     | 3,331.1                 | 3,323.5                                   |
| Intangible assets  |       | 1,000.5                 | 976.7                                     |
| Property, plant & equipment  |       | 3,609.5                 | 3,630.6                                   |
| Right-of-use assets  |       | 805.0                   | 792.0                                     |
| Contract costs   |       | 122.7                   | 121.0                                     |
| Investment in associates and joint ventures                                  |       | 30.3                    | 34.0                                      |
| Financial assets   | 6     | 4,297.9                 | 3,893.5                                   |
| Deferred tax assets  |       | 396.3                   | 388.9                                     |
| Other non-current assets   |       | 163.7                   | 165.0                                     |
| <b>Total non-current assets</b>  |       | <b>13,757.0</b>         | <b>13,325.2</b>                           |
| <b>Current assets</b>  |       |                         |   |
| Inventories  |       | 277.3                   | 265.8                                     |
| Contract assets  |       | 43.0                    | 44.1                                      |
| Trade and other receivables  |       | 1,199.5                 | 1,304.2                                   |
| Current tax assets   |       | 35.0                    | 31.2                                      |
| Financial assets   | 6     | 164.8                   | 154.8                                     |
| Cash and cash equivalents  |       | 305.0                   | 296.2                                     |
| Restricted cash  |       | 618.9                   | 614.9                                     |
| Assets classified as held for sale   |       | -                       | -   |
| <b>Total current assets</b>  |       | <b>2,643.5</b>          | <b>2,711.2</b>                            |
| <b>Total assets</b>  |       | <b>16,400.5</b>         | <b>16,036.4</b>                           |
| <b>Equity</b>  |       |                         |   |
| Issued capital   | 7.1   | 309.3                   | 309.3                                     |
| Other reserves   | 7.2   | (242.3)                 | (247.4)                                   |
| Retained earnings  | 7     | 22.9                    | 132.1                                     |
| <b>Equity attributable to equity holders of the parent</b>                   |       | <b>89.9</b>             | <b>194.0</b>                              |
| Non-controlling interests  | 7.3   | 21.2                    | 22.1                                      |
| <b>Total equity</b>  |       | <b>111.1</b>            | <b>216.1</b>                              |
| <b>Non-current liabilities</b>   |       |                         |   |
| Long-term borrowings, financial liabilities and related hedging instruments  | 8     | 9,516.9                 | 9,668.6                                   |
| Other financial liabilities  | 8.6   | 1,200.4                 | 1,197.8                                   |
| Non-current lease liabilities  | 8.6   | 953.8                   | 937.5                                     |
| Provisions   |       | 857.4                   | 888.8                                     |
| Deferred tax liabilities   |       | 59.9                    | 67.0                                      |
| Non-current contract liabilities   |       | 41.6                    | 41.4                                      |
| Other non-current liabilities  |       | 294.8                   | 240.9                                     |
| <b>Total non-current liabilities</b>   |       | <b>12,924.8</b>         | <b>13,042.0</b>                           |
| <b>Current liabilities</b>   |       |                         |   |
| Short-term borrowings, financial liabilities and related hedging instruments | 8     | 647.2                   | 36.0                                      |
| Other financial liabilities  | 8.6   | 455.9                   | 518.7                                     |
| Current lease liabilities  | 8.6   | 102.4                   | 94.7                                      |
| Trade and other payables   |       | 1,583.0                 | 1,557.1                                   |
| Contract liabilities   |       | 228.9                   | 234.0                                     |
| Current tax liabilities  |       | 69.0                    | 51.3                                      |
| Provisions   |       | 251.6                   | 257.9                                     |
| Other current liabilities  |       | 26.6                    | 28.6                                      |
| Liabilities directly associated with assets classified as held for sale      |       | -                       | -   |
| <b>Total current liabilities</b>   |       | <b>3,364.6</b>          | <b>2,778.3</b>                            |
| <b>Total liabilities</b>   |       | <b>16,289.4</b>         | <b>15,820.3</b>                           |
| <b>Total equity and liabilities</b>  |       | <b>16,400.5</b>         | <b>16,036.4</b>                           |

(\*) 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 6 to 23 form an integral part of these condensed interim consolidated financial statements.*

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| Interim Consolidated Statement of Changes in Equity (€m) | Number of shares on issue<br>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   |
|--|-------------------------------------|---------------|-------------------|------------------------------|--------------------------------|-------------------|---|---------------------------|----------------|
| <b>Equity at January 1, 2024</b>                         | <b>30,925,700,000</b>               | <b>309.3</b>  | <b>132.1</b>      | <b>(133.8)</b>               | -                              | <b>(113.6)</b>    | <b>194.0</b>  | <b>22.1</b>               | <b>216.1</b>   |
| Profit / (loss) for the period                           |                                     | -             | (127.4)           | -                            | -                              | -                 | (127.4)   | 17.2                      | (110.2)        |
| Other comprehensive income / (loss)                      |                                     | -             | -                 | 4.1                          | -                              | 1.0               | 5.1   | 0.1                       | 5.2            |
| <b>Comprehensive income / (loss)</b>                     |                                     | -             | <b>(127.4)</b>    | <b>4.1</b>                   | -                              | <b>1.0</b>        | <b>(122.3)</b>  | <b>17.3</b>               | <b>(105.0)</b> |
| Dividends paid   |                                     | -             | -                 | -                            | -                              | -                 | -   | (18.0)                    | (18.0)         |
| Share based payment <sup>1</sup>                         |                                     | -             | 19.4              | -                            | -                              | -                 | 19.4  | -                         | 19.4           |
| Other  |                                     | -             | (1.2)             | -                            | -                              | -                 | (1.2)   | (0.2)                     | (1.4)          |
| <b>Equity at March 31, 2024</b>                          | <b>30,925,700,000</b>               | <b>309.3</b>  | <b>22.9</b>       | <b>(129.7)</b>               | -                              | <b>(112.6)</b>    | <b>89.9</b>   | <b>21.2</b>               | <b>111.1</b>   |

<sup>1</sup> 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<br>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   |
|--|-------------------------------------|---------------|-------------------|------------------------------|--------------------------------|-------------------|---|---------------------------|----------------|
| <b>Equity at January 1, 2023</b>                         | <b>30,925,700,000</b>               | <b>309.3</b>  | <b>1,089.5</b>    | <b>(102.0)</b>               | <b>5.6</b>                     | <b>(70.8)</b>     | <b>1,231.6</b>  | <b>22.2</b>               | <b>1,253.8</b> |
| Profit / (loss) for the period                           |                                     | -             | 81.0              | -                            | -                              | -                 | 81.0  | 17.5                      | 98.5           |
| Other comprehensive income / (loss)                      |                                     | -             | -                 | (13.3)                       | (2.1)                          | (8.9)             | (24.3)  | (0.3)                     | (24.6)         |
| <b>Comprehensive income / (loss)</b>                     |                                     | -             | <b>81.0</b>       | <b>(13.3)</b>                | <b>(2.1)</b>                   | <b>(8.9)</b>      | <b>56.7</b>   | <b>17.2</b>               | <b>73.9</b>    |
| Dividends by share premiums redemption <sup>1</sup>      |                                     | -             | (320.0)           | -                            | -                              | -                 | (320.0)   | -                         | (320.0)        |
| Share based payment                                      |                                     | -             | -                 | -                            | -                              | -                 | -   | -                         | -              |
| Other  |                                     | -             | (0.2)             | -                            | -                              | -                 | (0.2)   | 2.0                       | 1.8            |
| <b>Equity at March 31, 2023</b>                          | <b>30,925,700,000</b>               | <b>309.3</b>  | <b>850.3</b>      | <b>(115.3)</b>               | <b>3.5</b>                     | <b>(79.7)</b>     | <b>968.1</b>  | <b>41.4</b>               | <b>1,009.5</b> |

<sup>1</sup> 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 6 to 23 form an integral part of these condensed interim consolidated financial statements.*

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| Interim Consolidated Statement of Cash Flows                                       | Note  | Three months ended<br>March 31, 2024 | Three months ended<br>March 31, 2023 |
|--|-------|--------------------------------------|--------------------------------------|
| (€m)   |       |                                      |                                      |
| <b>Profit / (loss) for the period</b>  |       | <b>(110.2)</b>                       | <b>98.5</b>                          |
| <i>adjustments for:</i>  |       |                                      |                                      |
| Share of (gain) / loss of associates and joint ventures                            |       | 3.8                                  | 3.6                                  |
| Depreciation, amortization and impairment  |       | 296.5                                | 282.4                                |
| Other non-cash operating gains / (losses), net <sup>1</sup>                        |       | (1.6)                                | 16.1                                 |
| Finance costs / (income), net recognised in the statement of income                | 11    | 213.3                                | 47.5                                 |
| Income tax expense / (benefit) recognised in the statement of income               | 10    | 38.3                                 | 38.2                                 |
| Pension plan liability payments  |       | (21.6)                               | (23.4)                               |
| Income tax paid  |       | (29.8)                               | (25.3)                               |
| Changes in working capital <sup>2</sup>  |       | 130.0                                | 35.0                                 |
| <b>Net cash provided by operating activities</b>                                   |       | <b>518.7</b>                         | <b>472.6</b>                         |
| Payments to acquire tangible and intangible assets and contract costs              | 4.3.5 | (238.4)                              | (241.8)                              |
| Proceeds from sale of tangible and intangible assets                               |       | 1.5                                  | 1.5                                  |
| Payments for acquisition of consolidated entities, net of cash acquired            |       | 1.1                                  | (22.2)                               |
| Advances paid to group companies (principal and interest) <sup>3,4</sup>           | 3.3   | (389.5)                              | (178.0)                              |
| Transfers from restricted cash   |       | (4.0)                                | 2.4                                  |
| Proceeds / (payments) from other investing activities                              |       | (0.4)                                | (11.1)                               |
| <b>Net cash used in investing activities</b>                                       |       | <b>(629.7)</b>                       | <b>(449.2)</b>                       |
| Dividend paid to shareholders <sup>3</sup>   | 3.3   | -                                    | (320.0)                              |
| Proceeds from issuance of debt instruments   | 8.2   | 950.9                                | 450.5                                |
| Payments to redeem debt instruments  | 8.2   | (528.6)                              | (90.9)                               |
| Payment from the acquisition of minority stake                                     |       | (8.0)                                | (12.4)                               |
| Proceeds related to payments made to suppliers through factoring arrangements      |       | 73.6                                 | 125.8                                |
| Payments made to factoring companies   |       | (105.5)                              | (142.7)                              |
| Lease payment (principal) related to ROU   |       | (26.2)                               | (26.8)                               |
| Lease payment (interest) related to ROU  |       | (20.7)                               | (19.7)                               |
| Interest paid <sup>5</sup>   |       | (192.9)                              | (117.2)                              |
| Dividends paid to non-controlling interests  |       | (18.0)                               | -                                    |
| Other cash used by financing activities  |       | (7.7)                                | (8.4)                                |
| <b>Net cash from / (used in) financing activities</b>                              |       | <b>116.9</b>                         | <b>(161.8)</b>                       |
| Classification of cash as held for sale  |       | -                                    | -                                    |
| Effects of exchange rate changes on the balance of cash held in foreign currencies |       | 2.9                                  | 0.1                                  |
| <b>Net change in cash and cash equivalents</b>                                     |       | <b>8.8</b>                           | <b>(138.3)</b>                       |
| Cash and cash equivalents at beginning of the period                               |       | 296.2                                | 428.2                                |
| <b>Cash and cash equivalents at end of the period</b>                              |       | <b>305.0</b>                         | <b>289.9</b>                         |

- 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 three months ended March 31, 2024, the line includes advances paid by the Company to Altice Luxembourg (please refer to note 3.3).
- 4 For the three months ended March 31, 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).
- 5 Interest paid on debt includes interest received from / paid on interest rate derivatives.

*The accompanying notes on pages 6 to 23 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 March 31, 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.

## **2. Accounting policies**

### **2.1. Basis of preparation**

These condensed interim consolidated financial statements of the Group as of March 31, 2024 and for the three-month period then ended (the “condensed interim consolidated financial statements”) were approved by the Board of Managers and authorized for issue on May 28, 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:

- 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:

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

*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:

- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7), effective on or after January 1, 2025;
- 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; and
- IFRS 18 *Presentation and disclosure in Financial Statements*, not yet adopted in the European Union.

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 March 31, 2024, there were no changes in the key areas of judgments and estimates.

**3. Significant events**

The following events occurred during the three-month period ended March 31, 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**

There was no significant change in the consolidation scope during the three-month period ended March 31, 2024.



### **3.2. Acquisitions and disposals in the prior period**

There was no significant change in the consolidation scope during the three-month period ended March 31, 2023.

### **3.3. Other significant events**

#### *Distribution and advances to the parent company*

In the first quarter of 2024, the Company made advances to its parent company Altice Luxembourg for an amount of €389.5 million.

In the first quarter of 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 €178 million by way of additional loans.

## **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). Teads is also subject to business seasonality and yearly revenue is skewed towards the fourth quarter. 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.
- **Teads:** Provides digital advertising solutions. Publishers use Teads' technology to create engaging video and display advertising experiences on their website and in their Apps.
- **Others:** Corporate entities are reported under "Others".

### **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.

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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;
- Business services: revenues from B2B customers, wholesale and other revenues; and
- Media: media and advertisement revenues in Teads.

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

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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<br>March 31, 2024<br>(€m) | Portugal     | Israel       | Dominican<br>Republic | Teads        | Others       | Inter-<br>segment<br>elimination | Total          |
|--|--------------|--------------|-----------------------|--------------|--------------|----------------------------------|----------------|
| <b>Revenues</b>                                      | <b>703.7</b> | <b>263.1</b> | <b>138.8</b>          | <b>115.5</b> | -            | <b>(8.5)</b>                     | <b>1,212.6</b> |
| Purchasing and subcontracting costs                  | (193.8)      | (99.7)       | (19.8)                | -            | -            | 6.1                              | (307.2)        |
| Other operating expenses                             | (98.9)       | (53.0)       | (24.3)                | (62.3)       | (1.6)        | 0.7                              | (239.4)        |
| Staff costs and employee benefit expenses            | (127.6)      | (23.9)       | (9.1)                 | (58.2)       | -            | 0.2                              | (218.6)        |
| <b>Total</b>   | <b>283.4</b> | <b>86.5</b>  | <b>85.6</b>           | <b>(5.0)</b> | <b>(1.6)</b> | <b>(1.5)</b>                     | <b>447.4</b>   |
| Share-based expense                                  | -            | -            | -                     | 19.4         | -            | -                                | 19.4           |
| Rental expense operating lease <sup>1</sup>          | (24.4)       | (9.3)        | (8.5)                 | (1.4)        | -            | -                                | (43.6)         |
| <b>Adjusted EBITDA</b>                               | <b>259.0</b> | <b>77.2</b>  | <b>77.1</b>           | <b>13.0</b>  | <b>(1.6)</b> | <b>(1.5)</b>                     | <b>423.2</b>   |
| Depreciation, amortisation and impairment            | (170.7)      | (83.6)       | (38.0)                | (4.2)        | -            | -                                | (296.5)        |
| Share-based expense <sup>2</sup>                     | -            | -            | -                     | (19.4)       | -            | -                                | (19.4)         |
| Other (expenses) and income                          | (7.3)        | (1.1)        | (0.1)                 | (0.6)        | 3.4          | -                                | (5.7)          |
| Rental expense operating lease <sup>1</sup>          | 24.4         | 9.3          | 8.5                   | 1.4          | -            | -                                | 43.6           |
| <b>Operating profit / (loss)</b>                     | <b>105.4</b> | <b>1.8</b>   | <b>47.5</b>           | <b>(9.8)</b> | <b>1.8</b>   | <b>(1.5)</b>                     | <b>145.2</b>   |

| For the three months ended<br>March 31, 2023<br>(€m) | Portugal     | Israel       | Dominican<br>Republic | Teads        | Others       | Inter-<br>segment<br>elimination | Total          |
|--|--------------|--------------|-----------------------|--------------|--------------|----------------------------------|----------------|
| <b>Revenues</b>                                      | <b>699.4</b> | <b>279.3</b> | <b>146.6</b>          | <b>115.5</b> | <b>0.2</b>   | <b>(6.6)</b>                     | <b>1,234.4</b> |
| Purchasing and subcontracting costs                  | (217.3)      | (94.7)       | (25.4)                | -            | -            | 4.2                              | (333.2)        |
| Other operating expenses                             | (99.3)       | (60.1)       | (25.0)                | (61.0)       | (0.5)        | 0.5                              | (245.4)        |
| Staff costs and employee benefit expenses            | (114.8)      | (23.2)       | (9.4)                 | (36.7)       | -            | 0.1                              | (184.0)        |
| <b>Total</b>   | <b>268.0</b> | <b>101.3</b> | <b>86.8</b>           | <b>17.8</b>  | <b>(0.3)</b> | <b>(1.8)</b>                     | <b>471.8</b>   |
| Share-based expense                                  | -            | -            | -                     | -            | -            | -                                | -              |
| Rental expense operating lease <sup>1</sup>          | (22.8)       | (8.7)        | (8.6)                 | (1.3)        | -            | -                                | (41.4)         |
| <b>Adjusted EBITDA</b>                               | <b>245.2</b> | <b>92.6</b>  | <b>78.2</b>           | <b>16.5</b>  | <b>(0.3)</b> | <b>(1.8)</b>                     | <b>430.4</b>   |
| Depreciation, amortisation and impairment            | (162.5)      | (81.0)       | (35.2)                | (3.7)        | -            | -                                | (282.4)        |
| Share-based expense                                  | -            | -            | -                     | -            | -            | -                                | -              |
| Other (expenses) and income                          | 8.0          | (8.0)        | 0.1                   | (0.7)        | (1.0)        | -                                | (1.6)          |
| Rental expense operating lease <sup>1</sup>          | 22.8         | 8.7          | 8.6                   | 1.3          | -            | -                                | 41.4           |
| <b>Operating profit / (loss)</b>                     | <b>113.5</b> | <b>12.3</b>  | <b>51.7</b>           | <b>13.4</b>  | <b>(1.3)</b> | <b>(1.8)</b>                     | <b>187.8</b>   |

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.

2 This line corresponds to the new PSAR Plan implemented in Teads signed in October 2023.

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-month periods ended March 31, 2024 and 2023 are provided in the following table:

| Other (expenses) and income<br>(€m)  | For the three months<br>ended<br>March 31, 2024 | For the three months<br>ended<br>March 31, 2023 |
|--|---|---|
| Restructuring costs (including termination employee benefit expenses/(income)) | (0.8)   | (1.5)   |
| Disputes and litigation  | 1.9   | 9.5   |
| Net gain on sale of interest in assets and associates                          | 4.6   | 1.1   |
| Deal fees  | (0.3)   | (0.3)   |
| Management fees  | (0.4)   | (0.4)   |
| Other, net   | (10.7)  | (10.0)  |
| <b>Other (expenses) and income</b>   | <b>(5.7)</b>                                    | <b>(1.6)</b>                                    |

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*Disputes and litigation*

For the three-month period ended March 31, 2023, this includes mainly the reversal of a portion of the provision for the Portuguese Competition Authority (PCA) investigation in Portugal for an amount of €14 million (MEO/NOWO PCA litigation) (please refer to note 13.1.1).

*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.

| <b>Reconciliation of profit / (loss)<br/>from continuing operations to Adjusted EBITDA<br/>(€m)</b> | <b>For the three months ended<br/>March 31, 2024</b> | <b>For the three months ended<br/>March 31, 2023</b> |
|---|--|--|
| <b>Profit / (loss) for the period from continuing operations</b>                                    | <b>(110.2)</b>                                       | <b>98.5</b>  |
| Income tax expense / (benefit)  | 38.3   | 38.2   |
| Share of (gain) / loss of associates and joint ventures   | 3.8  | 3.6  |
| Finance costs / (income), net   | 213.3  | 47.5   |
| <b>Operating profit / (loss)</b>  | <b>145.2</b>   | <b>187.8</b>   |
| Depreciation, amortization and impairment   | 296.5  | 282.4  |
| Share based expense   | 19.4   | -  |
| Other expenses and (income)   | 5.7  | 1.6  |
| Rental expense operating lease  | (43.6)   | (41.4)   |
| <b>Adjusted EBITDA</b>  | <b>423.2</b>   | <b>430.4</b>   |

*4.3.4. Revenues by activity*

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

| <b>For the three months ended<br/>March 31, 2024<br/>(€m)</b> | <b>Portugal</b> | <b>Israel</b> | <b>Dominican<br/>Republic</b> | <b>Teads</b> | <b>Others</b> | <b>Total</b>   |
|---|-----------------|---------------|-------------------------------|--------------|---------------|----------------|
| Fixed   | 186.3           | 117.9         | 25.5                          | -            | -             | 329.7          |
| Mobile  | 126.4           | 55.9          | 81.9                          | -            | -             | 264.2          |
| Residential service   | 312.7           | 173.8         | 107.4                         | -            | -             | 593.9          |
| Residential equipment   | 32.1            | 23.0          | 6.7                           | -            | -             | 61.8           |
| <b>Total Residential</b>                                      | <b>344.8</b>    | <b>196.8</b>  | <b>114.1</b>                  | <b>-</b>     | <b>-</b>      | <b>655.7</b>   |
| Business services   | 358.9           | 66.3          | 24.7                          | -            | -             | 449.9          |
| Media   | -               | -             | -                             | 115.5        | -             | 115.5          |
| <b>Total standalone revenues</b>                              | <b>703.7</b>    | <b>263.1</b>  | <b>138.8</b>                  | <b>115.5</b> | <b>-</b>      | <b>1,221.1</b> |
| Intersegment elimination                                      | (8.4)           | -             | -                             | (0.1)        | -             | (8.5)          |
| <b>Total consolidated</b>                                     | <b>695.3</b>    | <b>263.1</b>  | <b>138.8</b>                  | <b>115.4</b> | <b>-</b>      | <b>1,212.6</b> |

| <b>For the three months ended<br/>March 31, 2023<br/>(€m)</b> | <b>Portugal</b> | <b>Israel</b> | <b>Dominican<br/>Republic</b> | <b>Teads</b> | <b>Others</b> | <b>Total</b>   |
|---|-----------------|---------------|-------------------------------|--------------|---------------|----------------|
| Fixed   | 179.2           | 133.0         | 28.3                          | -            | -             | 340.5          |
| Mobile  | 122.5           | 61.6          | 83.4                          | -            | -             | 267.5          |
| Residential service   | 301.7           | 194.6         | 111.7                         | -            | -             | 608.0          |
| Residential equipment   | 33.6            | 22.5          | 7.2                           | -            | -             | 63.3           |
| <b>Total Residential</b>                                      | <b>335.3</b>    | <b>217.1</b>  | <b>118.9</b>                  | <b>-</b>     | <b>-</b>      | <b>671.3</b>   |
| Business services   | 364.1           | 62.2          | 27.7                          | -            | 0.2           | 454.2          |
| Media   | -               | -             | -                             | 115.5        | -             | 115.5          |
| <b>Total standalone revenues</b>                              | <b>699.4</b>    | <b>279.3</b>  | <b>146.6</b>                  | <b>115.5</b> | <b>0.2</b>    | <b>1,241.0</b> |
| Intersegment elimination                                      | (6.4)           | -             | -                             | (0.2)        | -             | (6.6)          |
| <b>Total consolidated</b>                                     | <b>693.0</b>    | <b>279.3</b>  | <b>146.6</b>                  | <b>115.3</b> | <b>0.2</b>    | <b>1,234.4</b> |

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The table below provides the standalone and consolidated revenues in accordance with IFRS 15 *Revenue from Contracts with Customers* for the three-month periods ended March 31, 2024 and 2023.

| Revenues split IFRS 15<br>(€m)                 | For the three months ended<br>March 31, 2024 | For the three months ended<br>March 31, 2023 |
|--|--|--|
| Fixed residential                              | 329.7  | 340.5  |
| Mobile residential                             | 264.2  | 267.5  |
| Business services                              | 417.8  | 422.2  |
| <b>Total telecom excluding equipment sales</b> | <b>1,011.7</b>                               | <b>1,030.2</b>                               |
| Equipment sales                                | 93.9   | 95.3   |
| Media  | 115.5  | 115.5  |
| <b>Total standalone revenues</b>               | <b>1,221.1</b>                               | <b>1,241.0</b>                               |
| Intersegment elimination                       | (8.5)  | (6.6)  |
| <b>Total consolidated</b>                      | <b>1,212.6</b>                               | <b>1,234.4</b>                               |

#### 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 three months ended<br>March 31, 2024<br>(€m)                         | Portugal     | Israel <sup>1</sup> | Dominican<br>Republic | Teads      | Others   | Eliminations | Total         |
|--|--------------|---------------------|-----------------------|------------|----------|--------------|---------------|
| Capital expenditure – accrued  | 99.4         | 140.5               | 29.4                  | 2.8        | -        | (1.7)        | <b>270.4</b>  |
| Capital expenditure - working capital items                                  | 36.5         | (72.2)              | (4.6)                 | -          | -        | 8.3          | <b>(32.0)</b> |
| <b>Payments to acquire tangible and intangible assets and contract costs</b> | <b>135.9</b> | <b>68.3</b>         | <b>24.8</b>           | <b>2.8</b> | <b>-</b> | <b>6.6</b>   | <b>238.4</b>  |

1. The capital expenditure - accrued for Israel includes an amount of €61.0 million related to the indefeasible right of use ("IRU") signed with IBC.

| For the three months ended<br>March 31, 2023<br>(€m)                         | Portugal     | Israel <sup>1</sup> | Dominican<br>Republic | Teads      | Others   | Eliminations | Total         |
|--|--------------|---------------------|-----------------------|------------|----------|--------------|---------------|
| Capital expenditure – accrued  | 110.8        | 134.1               | 36.7                  | 3.2        | -        | (1.9)        | <b>282.9</b>  |
| Capital expenditure - working capital items                                  | 16.3         | (49.8)              | (7.6)                 | -          | -        | -            | <b>(41.1)</b> |
| <b>Payments to acquire tangible and intangible assets and contract costs</b> | <b>127.1</b> | <b>84.3</b>         | <b>29.1</b>           | <b>3.2</b> | <b>-</b> | <b>(1.9)</b> | <b>241.8</b>  |

1. The capital expenditure - accrued for Israel includes an amount of €52.9 million related to the indefeasible right of use ("IRU") signed with IBC.

#### 4.3.6. Operating Free Cash Flow

| For the three months ended<br>March 31, 2024<br>(€m) | Portugal     | Israel        | Dominican<br>Republic | Teads       | Others       | Eliminations | Total          |
|--|--------------|---------------|-----------------------|-------------|--------------|--------------|----------------|
| Adjusted EBITDA                                      | 259.0        | 77.2          | 77.1                  | 13.0        | (1.6)        | (1.5)        | <b>423.2</b>   |
| Capital expenditure – accrued                        | (99.4)       | (140.5)       | (29.4)                | (2.8)       | -            | 1.7          | <b>(270.4)</b> |
| <b>Operating free cash flow (OpFCF)</b>              | <b>159.6</b> | <b>(63.3)</b> | <b>47.7</b>           | <b>10.2</b> | <b>(1.6)</b> | <b>0.2</b>   | <b>152.8</b>   |

| For the three months ended<br>March 31, 2023<br>(€m) | Portugal     | Israel        | Dominican<br>Republic | Teads       | Others       | Eliminations | Total          |
|--|--------------|---------------|-----------------------|-------------|--------------|--------------|----------------|
| Adjusted EBITDA                                      | 245.2        | 92.6          | 78.2                  | 16.5        | (0.3)        | (1.8)        | <b>430.4</b>   |
| Capital expenditure – accrued                        | (110.8)      | (134.1)       | (36.7)                | (3.2)       | -            | 1.9          | <b>(282.9)</b> |
| <b>Operating free cash flow (OpFCF)</b>              | <b>134.4</b> | <b>(41.5)</b> | <b>41.5</b>           | <b>13.3</b> | <b>(0.3)</b> | <b>0.1</b>   | <b>147.5</b>   |

## 5. Goodwill

Goodwill is tested at the level of each GCGU ("Group Cash-Generating Unit") 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, 2023. 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

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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. Therefore, no updated impairment testing was performed, nor any impairment recorded, for the three-month period ended March 31, 2024.

## 6. Financial assets

| Financial assets<br>(€m)                    | As of<br>March 31, 2024 | As of<br>December 31, 2023 |
|---|-------------------------|----------------------------|
| Derivative financial assets                 | 201.8                   | 166.0                      |
| Loans and receivables                       | 4,136.4                 | 3,753.7                    |
| Call options with non-controlling interests | 15.9                    | 15.9                       |
| Other financial assets                      | 108.6                   | 112.7                      |
| <b>Total</b>                                | <b>4,462.7</b>          | <b>4,048.3</b>             |
| <i>Current</i>                              | <i>164.8</i>            | <i>154.8</i>               |
| <i>Non-current</i>                          | <i>4,297.9</i>          | <i>3,893.5</i>             |

### 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 March 31, 2024. The total asset position as of March 31, 2024 was €201.8 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 March 31, 2024, loans and receivables of the Group, net of impairment were €4,136.4 million (gross amount of €4,254.7 million and impairment of €118.3 million). The Group's loans and receivables as of March 31, 2024 consisted of loans of the Company (€4,247.0 million) granted to related parties of the Company (mainly Altice Luxembourg and Altice UK). In March 2024, the loan granted by the Company to Altice UK was extended until October 2026.

Advances paid to Group companies included in investing activities in the consolidated statement of cash flows for the three-month period March 31, 2024 amounted to €389.5 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 March 31, 2024. Please also refer to note 9.1.

## 7. Shareholders' equity

| Equity attributable to owners of the Company<br>(€m) | Notes | As of<br>March 31, 2024 | As of<br>December 31, 2023 |
|--|-------|-------------------------|----------------------------|
| Issued capital                                       | 7.1   | 309.3                   | 309.3                      |
| Other reserves                                       | 7.2   | (242.3)                 | (247.4)                    |
| Retained earnings                                    |       | 22.9                    | 132.1                      |
| <b>Total</b>   |       | <b>89.9</b>             | <b>194.0</b>               |

### 7.1. Issued capital

For the three-month period ended March 31, 2024, there were no changes in the issued capital of the Company. Total issued capital of the Company as at March 31, 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<br>(€m)                                  | March 31, 2024 |             |                | December 31, 2023 |             |                |
|---|----------------|-------------|----------------|-------------------|-------------|----------------|
|   | Pre-tax amount | Tax effect  | Net amount     | Pre-tax amount    | Tax effect  | Net amount     |
| Actuarial gains and losses                              | (141.9)        | 29.3        | (112.6)        | (143.2)           | 29.6        | (113.6)        |
| <b>Items not reclassified to profit or loss</b>         | <b>(141.9)</b> | <b>29.3</b> | <b>(112.6)</b> | <b>(143.2)</b>    | <b>29.6</b> | <b>(113.6)</b> |
| Currency translation reserve                            | (129.7)        | -           | (129.7)        | (133.8)           | -           | (133.8)        |
| <b>Items potentially reclassified to profit or loss</b> | <b>(129.7)</b> | <b>-</b>    | <b>(129.7)</b> | <b>(133.8)</b>    | <b>-</b>    | <b>(133.8)</b> |
| <b>Total</b>  | <b>(271.6)</b> | <b>29.3</b> | <b>(242.3)</b> | <b>(277.0)</b>    | <b>29.6</b> | <b>(247.4)</b> |

## 7.3. Variation in non-controlling interests

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

| Variations in non-controlling interests<br>(€m) | Altice Technical Services | FastFiber   | Other         | Group         |
|---|---------------------------|-------------|---------------|---------------|
| <b>Opening balance at January 1, 2023</b>       | <b>(40.9)</b>             | <b>81.0</b> | <b>(17.9)</b> | <b>22.2</b>   |
| (Loss)/gain for the period                      | 0.2                       | 68.0        | 10.0          | <b>78.2</b>   |
| Other comprehensive income                      | (1.3)                     | -           | 0.2           | <b>(1.1)</b>  |
| Dividends                                       | -                         | (80.0)      | (0.5)         | <b>(80.5)</b> |
| Other   | -                         | -           | 3.3           | <b>3.3</b>    |
| <b>Closing at December 31, 2023</b>             | <b>(42.0)</b>             | <b>69.0</b> | <b>(4.9)</b>  | <b>22.1</b>   |
| (Loss)/gain for the period                      | -                         | 17.4        | (0.2)         | <b>17.2</b>   |
| Other comprehensive income                      | 0.1                       | -           | -             | <b>0.1</b>    |
| Dividends                                       | -                         | (17.2)      | (0.8)         | <b>(18.0)</b> |
| Other   | -                         | (0.3)       | 0.1           | <b>(0.2)</b>  |
| <b>Closing at March 31, 2024</b>                | <b>(41.9)</b>             | <b>68.9</b> | <b>(5.8)</b>  | <b>21.2</b>   |

The main change in non-controlling interests ("NCI") as of March 31, 2024 was the net income attributable to the non-controlling interests for the three-month period ended March 31, 2024 of €17.2 million and dividends paid to non-controlling interest for the three-month period ended March 31, 2024 of €18.0 million, mainly related to FastFiber.

## 8. Borrowings, other financial liabilities and lease liabilities

| Borrowings, other financial liabilities and lease liabilities<br>(€m)              | Notes | March 31, 2024  | December 31, 2023<br>(Revised *) |
|--|-------|-----------------|----------------------------------|
| <b>Long term borrowings, financial liabilities and related hedging instruments</b> |       | <b>9,516.9</b>  | <b>9,668.6</b>                   |
| - Debentures   | 8.1   | 5,914.5         | 6,097.4                          |
| - Loans from lenders   | 8.1   | 3,388.8         | 3,298.4                          |
| - Derivative financial instruments   | 8.3   | 213.6           | 272.8                            |
| <b>Other non-current financial liabilities</b>                                     | 8.6   | <b>1,200.4</b>  | <b>1,197.8</b>                   |
| <b>Lease liabilities non-current</b>   | 8.6   | <b>953.8</b>    | <b>937.5</b>                     |
| <b>Non-current liabilities</b>   |       | <b>11,671.1</b> | <b>11,803.9</b>                  |
| <b>Short term borrowing, financial liabilities and related hedging instruments</b> |       | <b>647.2</b>    | <b>36.0</b>                      |
| - Debentures   | 8.1   | 599.4           | -                                |
| - Loans from lenders   | 8.1   | 31.0            | 30.8                             |
| - Derivative financial instruments   | 8.3   | 16.8            | 5.2                              |
| <b>Other financial liabilities</b>   | 8.6   | <b>455.9</b>    | <b>518.7</b>                     |
| - Other financial liabilities  |       | 295.9           | 327.0                            |
| - Bank overdraft   |       | 24.2            | 6.2                              |
| - Accrued interest   |       | 135.8           | 185.5                            |
| <b>Lease liabilities current</b>   | 8.6   | <b>102.4</b>    | <b>94.7</b>                      |
| <b>Current liabilities</b>   |       | <b>1,205.5</b>  | <b>649.4</b>                     |
| <b>Total</b>   |       | <b>12,876.6</b> | <b>12,453.3</b>                  |

(\*) revised, please refer to note 2.2.1.

### 8.1. Debentures and loans from lenders

| Debentures and loans from lenders<br>(€m) | Notes | March 31,<br>2024 | December 31,<br>2023 |
|---|-------|-------------------|----------------------|
| Debentures                                | 8.1.1 | 6,513.9           | 6,097.4              |
| Loans from lenders                        | 8.1.2 | 3,419.8           | 3,329.2              |
| <b>Total</b>                              |       | <b>9,933.7</b>    | <b>9,426.6</b>       |

#### 8.1.1. Debentures

| Maturity of debentures<br>(€m) | Less than<br>one year | One year<br>or more | March 31,<br>2024 | December 31,<br>2023 |
|--------------------------------|-----------------------|---------------------|-------------------|----------------------|
| Altice Financing               | 599.4                 | 5,240.3             | 5,839.7           | 5,423.3              |
| Altice Finco                   | -                     | 674.2               | 674.2             | 674.1                |
| <b>Total</b>                   | <b>599.4</b>          | <b>5,914.5</b>      | <b>6,513.9</b>    | <b>6,097.4</b>       |

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

| Instrument<br>(€m, unless stated<br>otherwise) | Issuer           | Face<br>value<br>in<br>millions | Coupon | Year of<br>maturity | March 31, 2024          |                 | December 31, 2023       |                 |
|--|------------------|---------------------------------|--------|---------------------|-------------------------|-----------------|-------------------------|-----------------|
|  |                  |                                 |        |                     | Fair value <sup>1</sup> | Carrying amount | Fair value <sup>1</sup> | Carrying amount |
| Senior unsecured notes                         | Altice Finco     | €675                            | 4.75%  | 2028                | 459.4                   | 675.0           | 559.3                   | 675.0           |
| Senior secured notes                           | Altice Financing | €600                            | 2.25%  | 2025                | 573.7                   | 600.0           | 582.6                   | 600.0           |
| Senior secured notes                           | Altice Financing | \$375                           | 9.63%  | 2027                | 332.0                   | 347.6           | -                       | -               |
| Senior secured notes                           | Altice Financing | \$1,200                         | 5.00%  | 2028                | 914.6                   | 1,112.2         | 986.2                   | 1,084.7         |
| Senior secured notes                           | Altice Financing | €1,100                          | 3.00%  | 2028                | 897.8                   | 1,100.0         | 980.1                   | 1,100.0         |
| Senior secured notes                           | Altice Financing | \$2,050                         | 5.75%  | 2029                | 1,519.2                 | 1,900.1         | 1,637.3                 | 1,852.9         |
| Senior secured notes                           | Altice Financing | €805                            | 4.25%  | 2029                | 656.1                   | 805.0           | 712.9                   | 805.0           |
| <i>Transaction costs</i>                       |                  |                                 |        |                     | -                       | (26.0)          | -                       | (20.2)          |
| <b>Total value of bonds</b>                    |                  |                                 |        |                     | <b>5,352.8</b>          | <b>6,513.9</b>  | <b>5,458.4</b>          | <b>6,097.4</b>  |
| <i>Of which due within one year</i>            |                  |                                 |        |                     | -                       | 599.4           | -                       | -               |
| <i>Of which due after one year</i>             |                  |                                 |        |                     | 5,352.8                 | 5,914.5         | -                       | 6,097.4         |

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

#### 8.1.2. Loans from lenders

| Maturity of loans from lenders<br>(€m) | Less than<br>one year | One year<br>or more | March 31,<br>2024 | December 31,<br>2023 |
|--|-----------------------|---------------------|-------------------|----------------------|
| Altice Financing (including RCF)       | 31.0                  | 3,388.8             | 3,419.8           | 3,329.2              |
| <b>Total</b>                           | <b>31.0</b>           | <b>3,388.8</b>      | <b>3,419.8</b>    | <b>3,329.2</b>       |

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

| Term loans and<br>revolving credit facilities<br><br>Type | Borrower         | Curren-<br>cy | Year of<br>maturity | March 31, 2024 |                | December 31, 2023 (Revised *) |                 |
|---|------------------|---------------|---------------------|----------------|----------------|-------------------------------|-----------------|
|   |                  |               |                     | Face value     | Face value     | Face value                    | Carrying amount |
| Term loan   | Altice Financing | USD           | 2027                | 1,384.5        | 1,468.2        | 1,353.5                       | 1,435.3         |
| Term loan   | Altice Financing | USD           | 2026                | 121.9          | 121.9          | 119.1                         | 119.1           |
| Term loan   | Altice Financing | USD           | 2025                | 172.5          | 172.5          | 168.6                         | 168.6           |
| Term loan   | Altice Financing | EUR           | 2027                | 766.1          | 798.0          | 786.0                         | 800.0           |
| Term loan   | Altice Financing | EUR           | 2027                | 427.4          | 445.6          | 428.1                         | 446.8           |
| Term loan   | Altice Financing | EUR           | 2026                | 49.2           | 49.2           | 49.3                          | 49.3            |
| RCF   | Altice Financing | EUR           | 2027                | 450.0          | 450.0          | 398.0                         | 398.0           |
| <i>Transaction costs</i>                                  |                  |               |                     |                | (85.6)         |                               | (87.9)          |
| <b>Total value of loans</b>                               |                  |               |                     | <b>3,371.6</b> | <b>3,419.8</b> | <b>3,302.6</b>                | <b>3,329.2</b>  |
| <i>Of which due within one year</i>                       |                  |               |                     |                | 31.0           | -                             | 30.8            |
| <i>Of which due after one year</i>                        |                  |               |                     |                | 3,388.8        | -                             | 3,298.4         |

(\*) revised, please refer to note 2.2.1.



## 8.2. Financing activities

### 8.2.1. Financing activities during the three-month period ended March 31, 2024

#### 8.2.1.1. 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 10%. The transaction closed on March 15, 2024.

#### 8.2.1.2. Drawing and repayment of the Altice Financing Revolving Credit Facility

During the first quarter of 2024, the Group drew €52.0 million of the Altice Financing Revolving Credit Facility (drawdown of €400.0 million and repayment of €348.0 million). A total of €128.2 million remained undrawn as of March 31, 2024.

### 8.2.2. Financing activities during the three-month period ended March 31, 2023

#### 8.2.2.1. Drawing and repayment of the Altice Financing Revolving Credit Facility

During the first quarter of 2023, the Group drew €360.5 million of the Altice Financing Revolving Credit Facility (drawdown of €450.5 million and repayment of €90.0 million).

#### 8.2.2.2. Swaps renegotiation

Following the amended and extended term loan refinancing closed in December 2022, the Group renegotiated some swaps to extend the maturity date to 2027 and to adjust the rate. The characteristics of the derivatives are presented in note 8.2.3.

### 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<br>Maturity           | Notional amount<br>due from<br>counterparty<br>(millions) | Notional amount<br>due to<br>counterparty<br>(millions) | Interest rate due from<br>counterparty | Interest rate due to<br>counterparty |
|------------------------------|---|---|--|--------------------------------------|
| <b>Altice Financing S.A.</b> |   |   |  |                                      |
| 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                     | USD 350   | EUR 306   | 6m SOFR+0.00%                          | 6m EURIBOR-0.04%                     |
| 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 1,200   | EUR 1,154   | 5.00%                                  | 3.13%                                |
| August 2029                  | USD 1,925   | EUR 1,776   | 5.75%                                  | 4.73%                                |
| 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.

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

| Entity<br>Maturity           | Notional amount<br>due from<br>counterparty<br>(millions) | Notional amount<br>due to<br>counterparty<br>(millions) | Interest rate due from<br>counterparty | Interest rate due to<br>counterparty | Accounting<br>treatment |
|------------------------------|---|---|--|--------------------------------------|-------------------------|
| <b>Altice Financing S.A.</b> |   |   |  |                                      |                         |
| October 2026                 | EUR 750   | EUR 750   | 3m EURIBOR+0.00%                       | 1.75%                                | FVTPL                   |
| October 2025                 | EUR 250   | EUR 250   | 3m EURIBOR+0.00%                       | 3.65%                                | FVTPL                   |

### 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<br>(€m)   | March 31,<br>2024 | December 31,<br>2023 |
|---|-------------------|----------------------|
| <b>Debentures and loans from lenders</b>                                      | <b>9,933.7</b>    | <b>9,426.6</b>       |
| Transaction costs   | 111.6             | 108.1                |
| <b>Total (including transaction costs)</b>                                    | <b>10,045.3</b>   | <b>9,534.7</b>       |
| Conversion of debentures and loans in foreign currency (at closing spot rate) | (7,087.6)         | (6,796.4)            |
| Conversion of debentures and loans in foreign currency (at hedged rates)      | 7,161.3           | 6,931.2              |
| <b>Total swap adjusted debt</b>   | <b>10,119.0</b>   | <b>9,669.5</b>       |
| Finance lease liabilities and other debt                                      | 38.2              | 27.5                 |
| <b>Gross debt</b>   | <b>10,157.2</b>   | <b>9,697.0</b>       |
| Cash and cash equivalents   | (305.0)           | (296.2)              |
| Restricted cash   | (618.9)           | (614.9)              |
| <b>Net financial debt</b>   | <b>9,233.3</b>    | <b>8,785.9</b>       |

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<br>(€m) | March 31,<br>2024 | December 31,<br>2023 |
|---|-------------------|----------------------|
| Financial liabilities   | 12,876.6          | 12,453.3             |
| Derivative assets   | (201.8)           | (166.0)              |
| Cash and cash equivalents   | (305.0)           | (296.2)              |
| Restricted cash   | (618.9)           | (614.9)              |
| <b>Net financial liabilities - consolidated statement of financial position</b> | <b>11,750.9</b>   | <b>11,376.2</b>      |
| <i>Reconciliation:</i>  |                   |                      |
| Transaction costs   | 111.6             | 108.1                |
| Rate impact derivative instruments  | 45.1              | 22.8                 |
| Lease liabilities excluding financial leases                                    | (1,055.9)         | (1,032.0)            |
| Reverse factoring and securitization  | (265.6)           | (297.6)              |
| Accrued interest  | (135.8)           | (185.5)              |
| Mandatory Convertible Notes Portugal  | (911.6)           | (911.6)              |
| Mandatory Convertible Notes Altice Luxembourg                                   | (266.1)           | (261.4)              |
| Put options with non-controlling interests                                      | (4.7)             | (4.7)                |
| Deposits received   | -                 | (0.4)                |
| Debt on share purchase  | (7.7)             | (8.1)                |
| Other debt and liabilities  | (26.9)            | (19.9)               |
| <b>Net financial debt</b>   | <b>9,233.3</b>    | <b>8,785.9</b>       |

### 8.5. Available credit facilities

| Available credit facilities<br>(€m) | Total facility | Drawn        |
|-------------------------------------|----------------|--------------|
| Altice Financing S.A.               | 578.2          | 450.0        |
| <b>Revolving credit facilities</b>  | <b>578.2</b>   | <b>450.0</b> |

## 8.6. Other financial liabilities and lease liabilities

| Other financial liabilities<br>(€m)           | March 31, 2024 |                |                | December 31, 2023 |                |                |
|---|----------------|----------------|----------------|-------------------|----------------|----------------|
|   | Current        | Non-current    | Total          | Current           | Non-current    | Total          |
| Lease liabilities                             | 102.4          | 953.8          | 1,056.2        | 94.7              | 937.5          | 1,032.2        |
| Reverse factoring                             | 265.6          | -              | 265.6          | 297.6             | -              | 297.6          |
| Accrued interest                              | 135.8          | -              | 135.8          | 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                                | 24.2           | -              | 24.2           | 6.2               | -              | 6.2            |
| Mandatory Convertible Notes Altice Portugal   | -              | 911.6          | 911.6          | -                 | 911.6          | 911.6          |
| Mandatory Convertible Notes Altice Luxembourg | -              | 266.1          | 266.1          | -                 | 261.4          | 261.4          |
| Debt on share purchase                        | 7.7            | 13.7           | 21.4           | 8.1               | 21.1           | 29.2           |
| Other debt and liabilities                    | 17.9           | 9.0            | 26.9           | 16.6              | 3.3            | 19.9           |
| <b>Total</b>                                  | <b>558.3</b>   | <b>2,154.2</b> | <b>2,712.5</b> | <b>613.4</b>      | <b>2,135.3</b> | <b>2,748.7</b> |

The current portion of other financial liabilities amounts to €558.3 million as at March 31, 2024, a decrease of €55.1 million compared to December 31, 2023. The non-current portion of other financial liabilities amounts to €2,154.2 million as at March 31, 2024, a slight increase of €18.9 million compared to December 31, 2023. 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 decrease in reverse factoring liability as of March 31, 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 March 31, 2024 is the consequence of coupon timing, as for Altice Financing and Altice Finco, the main interest payments are due in the first and third quarters of the year.

### 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 €911.6 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 €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

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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 March 31, 2024, the non-current portion amounts to €266.1 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<br>(€m) | March 31, 2024  |                 | December 31, 2023(Revised *) |                 |
|---|-----------------|-----------------|------------------------------|-----------------|
|   | Carrying value  | Carrying value  | Carrying value               | Fair value      |
| Cash and cash equivalents                               | 305.0           | 305.0           | 296.2                        | 296.2           |
| Restricted cash   | 618.9           | 618.9           | 614.9                        | 614.9           |
| Derivatives   | 46.8            | 46.8            | 36.3                         | 36.3            |
| Call options on non-controlling interests               | 15.9            | 15.9            | 15.9                         | 15.9            |
| Loans and receivables with group companies              | 5.1             | 5.1             | 1.6                          | 1.6             |
| Other financial assets                                  | 97.0            | 97.0            | 101.0                        | 101.0           |
| <b>Current financial assets</b>                         | <b>1,088.7</b>  | <b>1,088.7</b>  | <b>1,065.9</b>               | <b>1,065.9</b>  |
| Derivatives   | 155.0           | 155.0           | 129.7                        | 129.7           |
| Equity instruments at fair value through OCI            | -               | -               | -                            | -               |
| Loans and receivables with group companies              | 4,131.3         | 4,351.6         | 3,752.1                      | 3,869.6         |
| Other financial assets                                  | 11.6            | 11.6            | 11.7                         | 11.7            |
| <b>Non-current financial assets</b>                     | <b>4,297.9</b>  | <b>4,518.2</b>  | <b>3,893.5</b>               | <b>4,011.0</b>  |
| Short term borrowings and financial liabilities         | 630.4           | 630.4           | 30.8                         | 30.8            |
| Derivatives   | 16.8            | 16.8            | 5.2                          | 5.2             |
| Lease liabilities                                       | 102.4           | 102.4           | 94.7                         | 94.7            |
| Reverse factoring                                       | 265.6           | 265.6           | 297.6                        | 297.6           |
| Accrued interest  | 135.8           | 135.8           | 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                             | 49.8            | 49.8            | 30.9                         | 30.9            |
| <b>Current financial liabilities</b>                    | <b>1,205.5</b>  | <b>1,205.5</b>  | <b>649.4</b>                 | <b>649.4</b>    |
| Long term borrowings and financial liabilities          | 9,303.3         | 8,612.8         | 9,395.8                      | 8,652.9         |
| Derivatives   | 213.6           | 213.6           | 272.8                        | 272.8           |
| Lease liabilities                                       | 953.8           | 953.8           | 937.5                        | 937.5           |
| Mandatory Convertible Notes Portugal                    | 911.6           | 911.6           | 911.6                        | 911.6           |
| Mandatory Convertible Notes Altice Luxembourg           | 266.1           | 266.1           | 261.4                        | 261.4           |
| Other financial liabilities                             | 22.7            | 22.7            | 24.8                         | 24.8            |
| <b>Non-current financial liabilities</b>                | <b>11,671.1</b> | <b>10,980.6</b> | <b>11,803.9</b>              | <b>11,061.0</b> |

(\*) revised, please refer to note 2.2.1.

During the three-month period ended March 31, 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.

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| Fair value measurement<br>(€m)                   | Fair value Hierarchy | Valuation technique     | March 31,<br>2024 | December 31,<br>2023 |
|--|----------------------|-------------------------|-------------------|----------------------|
| <b>Financial Liabilities</b>                     |                      |                         |                   |                      |
| Derivative financial instruments                 | Level 2              | Discounted cash flows   | 230.4             | 278.0                |
| Minority Put Option - Intelcia Portugal Inshore  | Level 3              | Discounted cash flows   | 4.7               | 4.7                  |
| <b>Financial Assets</b>                          |                      |                         |                   |                      |
| Derivative financial instruments                 | Level 2              | Discounted cash flows   | 201.8             | 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<br>(€m)  | Three months ended<br>March 31, 2024 | Three months ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Profit / (loss) before income tax and share of earnings of associates and joint ventures | (68.1)                               | 140.3                                |
| Income tax benefit / (expense)   | (38.3)                               | (38.2)                               |
| <b>Effective tax rate</b>  | <b>(56%)</b>                         | <b>27%</b>                           |

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 €38.3 million for the three-month period ended March 31, 2024, reflecting a negative effective tax rate of 56% compared to an expense tax expense of €38.2 million for the three-month period ended March 31, 2023, reflecting an effective tax rate of 27%. The non recognition of deferred tax assets related to tax losses, as well as the effect of permanent differences, had the effect of lowering the Group's effective tax rate for the three-month period ended March 31, 2024.

### 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 is related to the interest expenses deductibility. HOT is disputing the tax assessment and 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 costs, net**

| <b>Finance costs, net<br/>(€m)</b>   | <b>Three months ended<br/>March 31, 2024</b> | <b>Three months ended<br/>March 31, 2023</b> |
|--|--|--|
| <b>Interest relative to gross financial debt</b>   | <b>(170.4)</b>                               | <b>(137.2)</b>                               |
| <b>Realized and unrealized (losses) / gains on derivative instruments linked to financial debt</b> | <b>132.7</b>                                 | <b>4.1</b>                                   |
| Interest on lease liabilities  | (21.0)                                       | (19.9)                                       |
| Net foreign exchange losses  | (120.0)                                      | -  |
| Other  | (122.8)                                      | (23.1)                                       |
| <b>Other financial expenses</b>  | <b>(263.8)</b>                               | <b>(43.0)</b>                                |
| Interest income  | 86.1   | 74.8   |
| Net foreign exchange gains   | -  | 50.8   |
| Other financial income   | 2.1  | 3.0  |
| <b>Finance income</b>  | <b>88.2</b>                                  | <b>128.6</b>                                 |
| <b>Net result on extinguishment and remeasurement of financial liabilities</b>                     | <b>-</b>                                     | <b>-</b>                                     |
| <b>Net finance income / (costs)</b>  | <b>(213.3)</b>                               | <b>(47.5)</b>                                |

The finance costs, net for the three-month period ended March 31, 2024 was €213.3 million compared to net finance costs, net of €47.5 million for the same period in 2023.

The change was mainly attributed to:

- higher interest rates related to the gross financial debt following the refinancing closed in 2022 and 2023;
- higher realized and unrealized gains on derivative instruments of €132.7 million compared to gains of €4.1 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 €120.0 million compared to gains of €50.8 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 three-month period ended March 31, 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 three-month period ended March 31, 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

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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.

The deadline to submit MEO's allegations regarding the AIO action is June 5, 2024. MEO will challenge the allegations of the AIO and the evidence on which they are based. Based on its internal and external legal counsels,

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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 March 31, 2024.

**14. Events after the reporting period**

There was no event subsequent to the balance sheet date that had an impact on these condensed interim consolidated financial statements.