



Rating Action: Moody's Ratings assigns first-time Baa2 issuer rating to PPF Telecom Holdings; outlook stable

18 Sep 2026

Madrid, September 18, 2026 -- Moody's Ratings (Moody's) has today assigned a first-time Baa2 long-term issuer rating to PPF Telecom Holdings B.V. (PPF Telecom Holdings or the company, formerly called PPF TMT Holdco 2 B.V.). The outlook is stable.

RATINGS RATIONALE

The Baa2 rating reflects: (1) the company's market-leading positions in Czech telecommunications through its full ownership of CETIN Group N.V. (CETIN, Baa2 stable), the Czech Republic's leading fixed and mobile infrastructure provider, and O2 Czech Republic A.S. (O2), the country's leading converged telecommunications operator; (2) strong and improving profitability, with Moody's-adjusted EBITDA margins of 50.4% in 2025, ranking among the highest in the European telecom peer group; (3) moderate leverage, with Moody's-adjusted debt/EBITDA of 2.58x at year-end 2025 and our expectation of a relatively stable leverage around 2.5x through 2030; (4) high revenue visibility underpinned by long-term take-or-pay contracts, most critically the Master Service Agreement between CETIN and O2, with an initial 10-year contract extendable to 30 years with price indexation and renewal mechanisms linked to asset replacement value; and (5) a materially strengthened PPF Group a.s. (PPF Group), also reflecting the group's strategic repositioning toward developed European economies and away from higher-risk markets.

These positive credit considerations are partially offset by the following constraints: (1) PPF Telecom Holdings is a holding company with no independent cash-generating capacity and relies entirely on dividends upstreamed from its operating subsidiaries to service its obligations; (2) its small scale, with revenue approaching EUR 2 billion in 2025; (3) modest retained cash flow, constrained by rising dividend distributions as EBITDA grows and the company targets leverage in line with its financial policy, with Moody's-adjusted RCF/net debt of 22% at year-end 2025, projected to decline to approximately 17% by 2028 as dividend distributions increase; (4) the concentrated private ownership structure, which introduces potential event risk, including changes in capital allocation and/or financial policy.

"We view the Czech telecommunications market as relatively stable with rational competitive dynamics, also underpinned by a consolidated three-player structure. O2 benefits from operating in a supportive macroeconomic environment, also reflected in the Czech Republic's sovereign rating of Aa3 stable", says Carlos Winzer, a Moody's Ratings Senior Vice President and lead analyst for PPF Telecom Holdings.

The company's consolidated Moody's-adjusted EBITDA margins expanded from 45% in 2023 to 50% in 2025, reflecting the operating leverage inherent in the infrastructure-heavy business model, cost discipline and the subscription-based revenue mix. Revenue grew 7.5% in 2025, approaching EUR 2 billion, supported by pricing actions, increasing data usage and the FTTH rollout. We expect modest organic revenue growth of 1.5% to 2.0% annually over the medium term, broadly in line with inflation, with revenues reaching slightly above EUR 2 billion by 2028. EBITDA margins are projected to remain at approximately 50% to 51.5% through 2030.

Moody's-adjusted debt/EBITDA of 2.58x at year-end 2025 compares favorably to several higher-rated European peers and is projected to remain at approximately 2.5x under our projections through 2030. Management's own leverage calculations, based on consolidated EBITDAaL of EUR 905 million, show net leverage of 2.32x as of year-end 2025, well below the stated net leverage ceiling of 2.5x and in line with the

communicated comfort zone of 2.25x to 2.5x. However, the dividend trajectory — from EUR 229 million in 2025 to approximately EUR 411 million in 2028 — is the main constraint on cash flow coverage and the principal driver of the weakening RCF/net debt profile. Moody's-adjusted free cash flow is projected to turn negative from 2027 onward, resulting from incremental debt issuance in line with the company's financial policy target and driving total adjusted debt from EUR 2,547 million in 2025 to EUR 2,798 million by 2030. These considerations are balanced by growth in Moody's-adjusted EBITDA, which we project will increase from EUR 989 million in 2025 to EUR 1,037 million by 2030. They are also mitigated by the company's flexible dividend policy, under which distributions remain subject to capital expenditure funding requirements and the maintenance of leverage targets.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONSIDERATIONS

Governance considerations are a key factor in the rating. PPF Telecom Holdings is ultimately controlled by PPF Group and the concentrated private ownership structure limits external oversight of capital allocation decisions. The rising dividend trajectory, with dividends representing approximately 48.5% of FFO by 2030, compared with 30.5% in 2025. Exposure to environmental and social risks exists but have less influence on the rating.

LIQUIDITY

PPF Telecom Holdings' liquidity profile is adequate. At the current rating level, we expect the company to maintain adequate liquidity to support all cash needs, including debt maturities, well ahead of maturity dates, such that reliance on accessing the capital markets is limited to a window of at least 12 to 18 months ahead of any maturity. The company had cash and cash equivalents of EUR 159 million as of December 2025. CETIN's EUR 500 million Eurobond maturing in April 2027 is fully backstopped by an undrawn EUR 500 million facility due May 2028. At the O2 level, the CZK 8.1 billion (EUR 328 million equivalent) term loan matures in November 2028 with an extension option. CETIN a.s. maintains a small CZK 500 million (EUR 20 million equivalent) revolving credit facility due January 2027 with an extension option. The most significant liquidity event on the horizon is the EUR 1,417 million term loan at PPF Telecom Holdings, which matures in December 2029 with an extension option. Management intends to gradually refinance this term loan with the objective of diversifying and extending the maturity profile either through bank loan or holdco-level bond issuance depending on market conditions. CETIN's EUR 500 million Eurobond maturing in April 2027 is also intended to be refinanced at the holdco-level. The absence of a committed revolving credit facility at the PPF Telecom Holdings level currently constrains our liquidity assessment.

We understand that management intends to establish a liquidity facility once PPF Telecom Holdings' debt maturities enter the 12-to-18-month refinancing window described above.

RATIONALE FOR STABLE OUTLOOK

The stable outlook reflects our expectation that PPF Telecom Holdings will maintain its established market positions in Czech telecommunications, continue to deliver steady revenue and EBITDA growth, and sustain Moody's-adjusted debt/EBITDA at approximately 2.5x. The outlook incorporates our view that the company will maintain adequate liquidity and address the EUR 1,417 million term loan maturity in December 2029 well ahead of schedule, and that financial policy will remain broadly balanced, with shareholder distributions managed at a level consistent with the Baa2 rating category. The outlook also assumes that the broader PPF Group credit profile will remain solid and will not constrain the telecom perimeter.

FACTORS THAT COULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATING

Upward rating pressure could develop if the company demonstrates a sustained improvement in credit metrics, supported by a track record of prudent financial policy and moderate shareholder distributions. Specifically, upward pressure could develop if Moody's-adjusted debt/EBITDA declines below 2.25x and Moody's-adjusted retained cash flow/net debt improves above 25%, both on a sustained basis. An upgrade would also require the company to generate consistently positive free cash flow after dividends, make progress toward strengthening committed liquidity arrangements, once the refinancing of the PPF Telecom Holdings debt has been completed.

Downward rating pressure could develop if operating performance weakens as a result of competitive pressures, market share erosion or a reduction in cash flow generation across operating subsidiaries, or if the company increases leverage as a result of acquisitions or shareholder distributions. Credit metrics that could trigger a downgrade include Moody's-adjusted debt/EBITDA increasing above 3.0x, Moody's-adjusted retained cash flow/net debt declining below 15% with no prospect of recovery, or the interest coverage ratio remaining sustainably below 2.5x. A material deterioration in the company's liquidity position, a failure to address the December 2029 term loan maturity in a timely manner, or a weakening in the credit quality of the broader PPF Group could also exert downward pressure.

PRINCIPAL METHODOLOGY

The principal methodology used in this rating was Telecommunications Service Providers published in December 2025 and available at <https://ratings.moody.com/rmc-documents/455791>. Alternatively, please see the Rating Methodologies page on <https://ratings.moody.com> for a copy of this methodology.

The net effect of any adjustments applied to rating factor scores or scorecard outputs under the primary methodology(ies), if any, was not material to the ratings addressed in this announcement.

COMPANY PROFILE

PPF Telecom Holdings is a Dutch-registered entity, 100% owned by PPF Group, a Czechia-registered holding company. It directly owns 100% of CETIN Group N.V. and, through PPF Comco N.V., 100% of O2 Czech Republic A.S. CETIN operates more than 6,300 owned mobile sites and 2,700 shared sites, has passed 4.7 million homes with its fixed network including 1.2 million FTTH/B homes, and maintains 1.323 million active connections across a fibre backbone and aggregation network spanning 71,800 kilometers. These operations are underpinned by long-term take-or-pay contracts which provide strong revenue visibility. O2 generates approximately 75% of CETIN's domestic revenue, with T-Mobile as the other leading contracted counterparty.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on <https://ratings.moody.com/rating-definitions>.

For any affected securities or rated entities receiving direct credit support/credit substitution from another entity or entities subject to a credit rating action (the supporting entity), and whose ratings may change as a result of a credit rating action as to the supporting entity, the associated regulatory disclosures will relate to the supporting entity. Exceptions to this approach may be applicable in certain jurisdictions.

For ratings issued on a program, series, category/class of debt or security, certain regulatory disclosures applicable to each rating of a subsequently issued bond or note of the same series, category/class of debt, or security, or pursuant to a program for which the ratings are derived exclusively from existing ratings, in accordance with Moody's rating practices, can be found in the most recent Credit Rating Announcement related to the same class of Credit Rating.

For provisional ratings, the Credit Rating Announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating.

Moody's does not always publish a separate Credit Rating Announcement for each Credit Rating assigned in the Anticipated Ratings Process or Subsequent Ratings Process.

This rating is solicited. Please refer to Moody's Policy for Designating and Assigning Unsolicited Credit Ratings available on its website <https://ratings.moody.com>.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the

related rating outlook or rating review.

At least one ESG consideration was material to the credit rating action(s) announced and described above. Moody's general principles for assessing environmental, social and governance (ESG) risks in our credit analysis can be found at https://ratings.moody.com/documents/PBC_1462204.

The Global Scale Credit Rating(s) discussed in this Credit Rating Announcement was(were) issued by one of Moody's affiliates outside the UK and is(are) endorsed for use in the UK in accordance with the UK CRA Regulation.

Please see <https://ratings.moody.com> for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the issuer/deal page on <https://ratings.moody.com> for additional regulatory disclosures for each credit rating.

Carlos Winzer
SVP - Ratings

Simone Zampa
Exec Dir - Ratings

Releasing Office:
Moody's Investors Service Espana, S.A.
Calle Principe de Vergara, 131, 6 Planta
Madrid, 28002
Spain
JOURNALISTS: 44 20 7772 5456
Client Service: 44 20 7772 5454

© 2026 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE LEGAL, COMPLIANCE, INVESTMENT, FINANCIAL OR OTHER PROFESSIONAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR

SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating or assessment is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating or assessment process or in preparing its Materials.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating or assessment assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and all MCO entities that issue ratings under the "Moody's Ratings" brand name ("Moody's Ratings"), also maintain policies and procedures to address the independence of Moody's Ratings' credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.ir.moodys.com under the heading "Investor Relations — Corporate Governance — Charter and Governance Documents - Director and Shareholder Affiliation Policy."

Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V., I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., Moody's Local PA Clasificadora de Riesgo S.A., Moody's Local CR Clasificadora de Riesgo S.A., Moody's Local ES S.A. de CV Clasificadora de Riesgo, Moody's Local RD Sociedad Clasificadora de Riesgo S.R.L. and Moody's Local GT S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657 AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.

Additional terms with respect to Second Party Opinions and Net Zero Assessments (as defined in Moody's Ratings Rating Symbols and Definitions): Please note that neither a Second Party Opinion ("SPO") nor a Net Zero Assessment ("NZA") is a "credit rating". The issuance of SPOs and NZAs is not a regulated activity in many jurisdictions, including Singapore. EU: In the European Union, each of Moody's Deutschland GmbH and Moody's France SAS provide services as an external reviewer in accordance with the applicable requirements of the EU Green Bond Regulation. JAPAN: In Japan, development and provision of SPOs and NZAs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.