



21 March 2024

**PPF Telecom Group**

**2023 results**

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# Meet the presenters



## Bales Sharma

*Chief Executive Officer*

*28 years experience in telco*

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- Vodacom South Africa, Managing Director
- Vodafone Idea, India, CEO
- Vodafone Czech Republic, CEO
- Vodafone Malta, CEO



## Lukáš Kubesa

*Financial manager*

*8 years experience in telco, CETIN and PPF,  
15 years in finance*

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- Financial Manager of PPF Telecom Group (since 2018)
- Head of Financial reporting of CETIN (2016-2018)
- Senior financial reporting specialist at Raiffeisenbank CZ (2012-2016)
- Senior Audit Associate at PwC (2009-2012)



## Jan Huk

*Investor Relations*

*15 years experience in telco, O2, CETIN and PPF,  
11 years in investor relations*

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- Investor Relations of PPF Telecom Group (since 2019)
- Investor Relations of CETIN (2015-2018)
- Investor Relations of O2 Czech Republic (2013-2015)
- Various management roles in finance (1994-2013)

# Executive summary

## Strong performance and a new partnership to support further growth

1

### STABLE MARKETS AND 5G ROLLOUT

- Stable markets and competitive landscape in all markets
- 5G rollout underway in 4 countries
- 700+800 MHz auctions in Bulgaria, 1,800 MHz renewal in Slovakia
- Mobile network sharing in Slovakia
- FTTH rollout in Czechia
- Acquisition and integration of Nej.cz in Czechia

**18.1m**

mobile subscribers<sup>1</sup>

**1.4m<sup>2</sup>**

FBB subscribers

2

### STRONG FINANCIAL PERFORMANCE

- Strong growth in revenues
- OPEX pressure continued in high inflationary environment, except for easing on energy prices
- All countries contributed to strong underlying EBITDA growth
- Traffic growth is driving continued investment in network capacity to retain top network positions

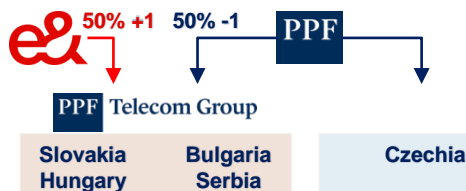
**+8.4%**

EBITDAaL<sup>3</sup>  
y-o-y

3

### FUTURE PARTNERSHIP WITH e&

- To grow PPF's regional leadership further
- e& will gain controlling stake in four markets
- e& will not have stake in Czech assets
- Pending regulatory approvals, customary closing conditions, capital structure and corporate reorganisation



4

### STRONG LIQUIDITY POSITION

- All debts maturing before Jan 2025 are covered
- EUR 600m new term loan (2028), utilised to redeem 2024 Eurobond
- EUR 600m backstop facility for Jan 2025 Eurobond, undrawn
- EUR 250m acquisition facility for the acquisition of Nej.cz
- CETIN Czechia Eurobond repaid by drawing CETIN Group's RFC

**€1.7bn**

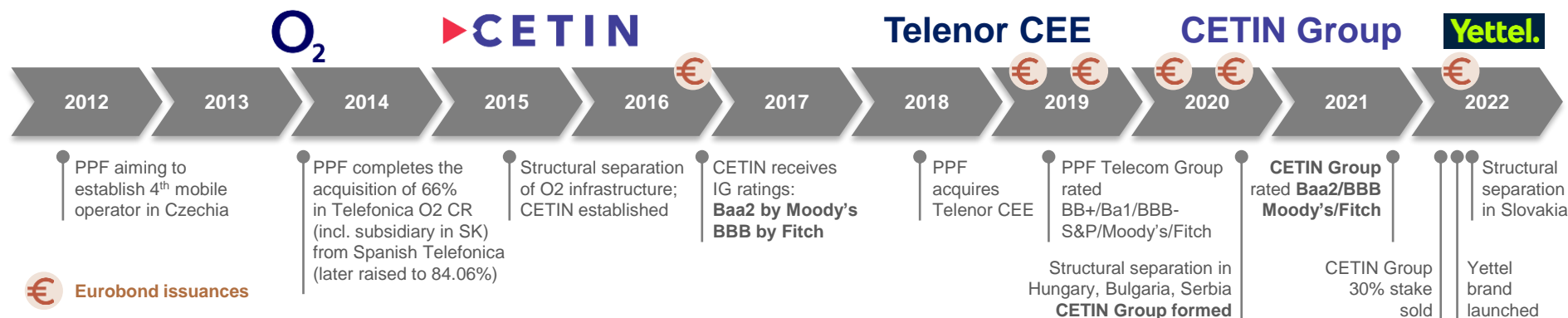
new funding

Source: Company data

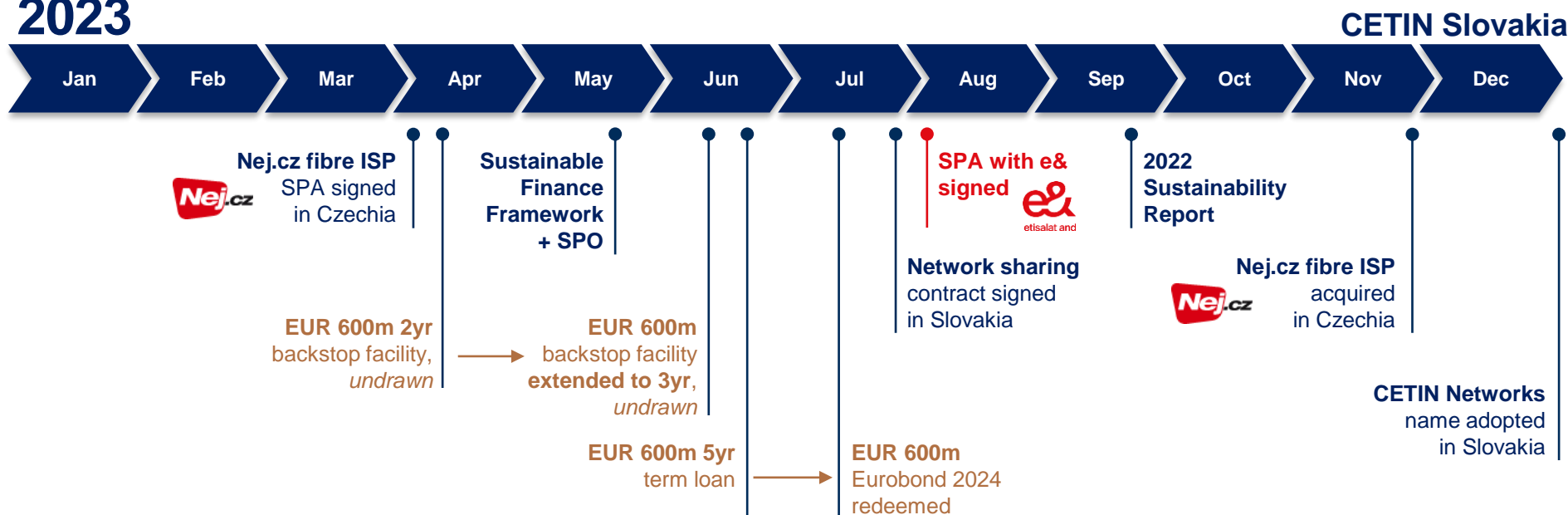
[1] Including M2M subscribers; 15.3m excluding M2M subscribers; [2] Including Nej.cz subscribers, acquired in Dec 2023

[3] Underlying EBITDAaL (EBITDA after leases) is defined as Operating profit excluding depreciation, amortisation and impairments less Depreciation on lease related rights of use less Interest expense on lease liabilities

# PPF track record in telecom and 2023 achievements



## 2023



# Strong and stable position in five markets – Dec 2023

Market leader in CEE region (excl. Poland) with 31% retail market share<sup>1</sup>

2023	Czechia	Slovakia	Hungary	Bulgaria	Serbia	Group
Country population	10.5m	5.5m	9.7m	6.9m	6.8m	39.4m
Operator	O <sub>2</sub>	O <sub>2</sub>	Yettel.	Yettel.	Yettel.	
Mobile subscribers <sup>2</sup>	5,809k	2,303k	3,701k	3,235k	3,028k	18,076k
Fixed broadband subscribers <sup>3</sup>	1,119k	75k	63k	70k	91k	1,417k
Pay TV subscribers	770k	19.6k	28.5k	34.5k	81.3k	934k
Mobile market share <sup>1</sup>	33%	25%	27%	35%	37%	31%
Mobile revenue market position <sup>4</sup>	2	3	2	1	1	
4G	98%	98%	100%	100%	97%	99%
5G population coverage	87%	67%	39%	71%	n/a	55%
Mobile ARPU <sup>5</sup>	EUR 13.7	EUR 11.3	EUR 14.4	EUR 11.6	EUR 10.5	EUR 12.6
Infrastructure	▶ CETIN					
Own mobile sites	6.3k	1.0k	2.8k	2.8k	1.8k	14.7k
Fibre network km	53.3k	5.5k	10.8k	10.5k	8.9k	89.0k
Fibre to the site	36%	15%	24%	30%	38%	30%
Fixed lines rented to operators	1.2m	-	-	-	-	1.2m
Consolidated financials						
EBITDAaL EURm	824	135	221	239	220	1,634
EBITDAaL share	50%	8%	14%	15%	13%	100%



Source: Company data, Analysys Mason

[1] Analysys Mason, Feb 2024; market shares are for 9M2023;

Market share for the CEE region is calculated as weighted average of mobile revenue market share for countries where PPF Telecom Group is active;

[2] including M2M subscribers; pre-paid subscribers reported using 3 months active criterion

[3] DSL, FTTH, and FWA, including Nej.cz

[4] Market position of the commercial operators by mobile revenue market share

[5] Blended ARPU is calculated according to IAS 18 for the last 12 months ending 31 December 2023, excluding M2M accounts

# Regional market overview

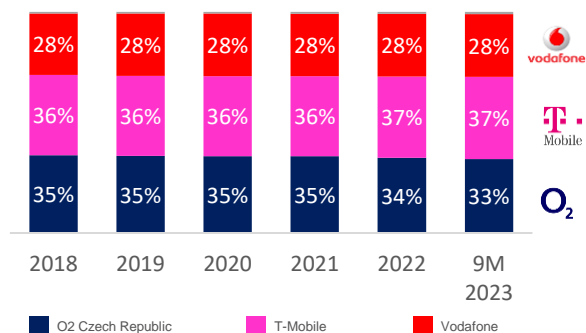
Market structure with three main operators preserved after the wave of 5G auctions



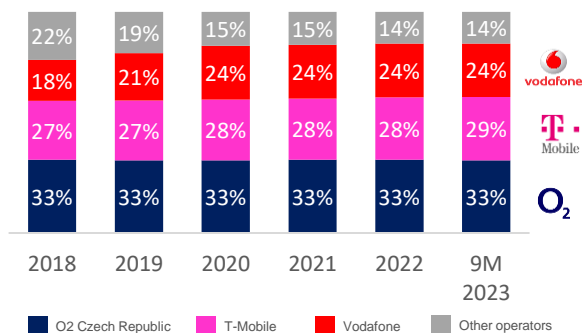
# Mobile revenue market shares

Stable situation in all markets

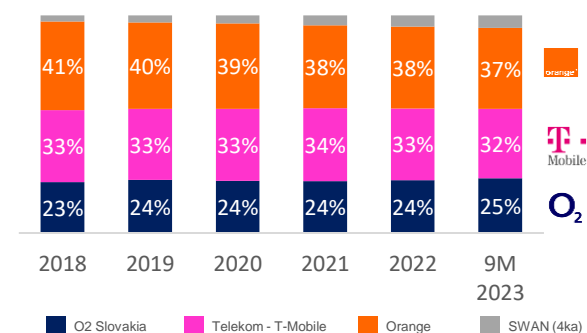
## CZECHIA



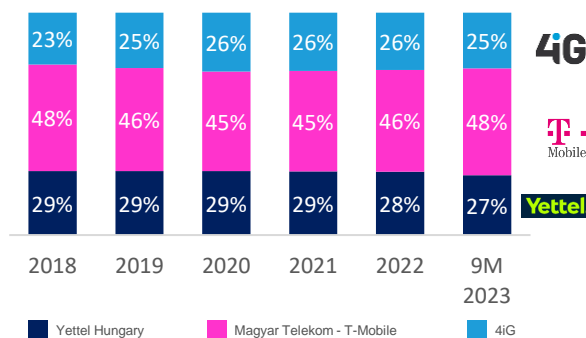
## CZECHIA MOBILE+FIXED



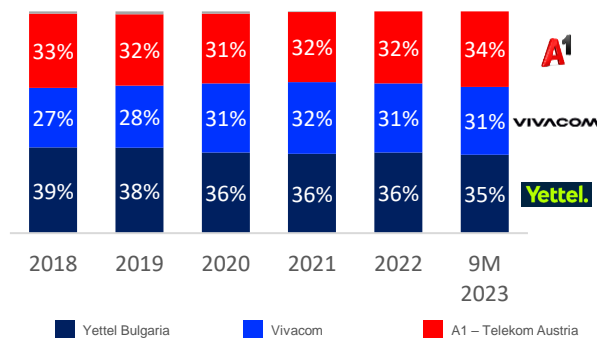
## SLOVAKIA



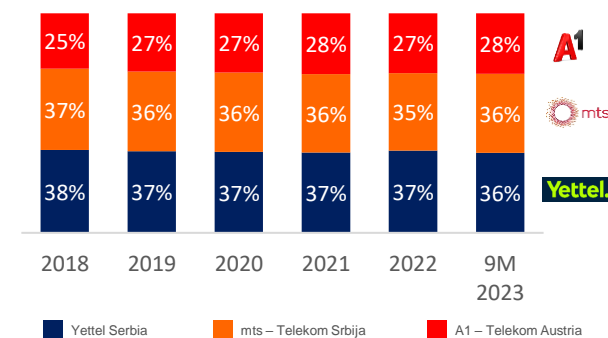
## HUNGARY



## BULGARIA



## SERBIA





# 2023 Commercial update

## O2 Czech Republic and O2 Slovakia

### MOBILE AND FIXED

- Solid growth of customer base across mobile, fixed and TV driven by successful bundling strategy
- Continued momentum in 5G Fixed Wireless Access sales
- Radost (Joy) digital proposition momentum sustained in SK



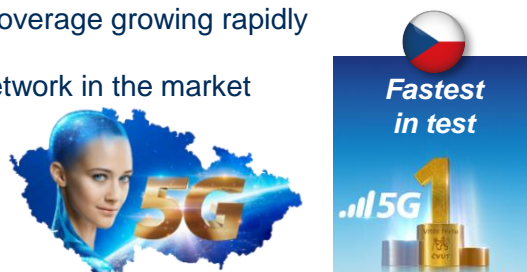
### TV AND OTHER SERVICES

- Continued IPTV growth
- Omnichannel strategy as the key driver of commercial performance



### NETWORK

- Continued 5G rollout, coverage growing rapidly
- Czechia: Fastest 5G network in the market (OOKLA)
- Slovakia: Network sharing



## Yettel Hungary, Bulgaria, and Serbia

### MOBILE AND FIXED

- Steady customer base value growth via upselling and inflationary price adjustments
- IPTV TV rolled out in all YETTEL markets supporting FWA strategy
- Continuous growth of FTTH/TV base of Serbian greenfield FMC

**Yettel.**

### OTHER SERVICES AND INITIATIVES

- Focus on device insurance, bundling wearables on instalments and accessories
- Device recycling campaigns across the region supporting the new brand
- Strong ESG initiative pipeline



### NETWORK

- Umlaut Best in Test in Bulgaria and Serbia
- Fastest network in Hungary based on OOKLA, superior network based on OpenSignal
- 5G roll out in Bulgaria and Hungary continues

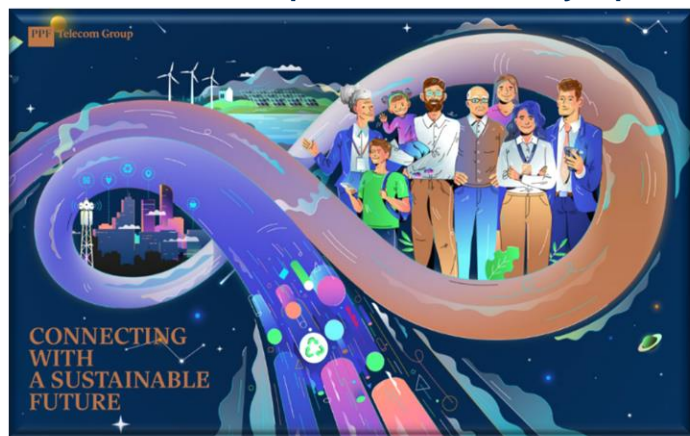


# Sustainability strategy advanced in 2023

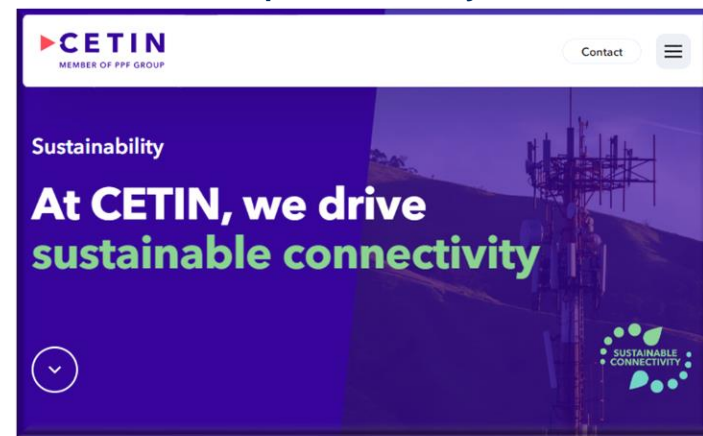
## Connecting with a sustainable future

ENVIRONMENT	PEOPLE	TECHNOLOGY	TRANSPARENCY
<b>Publicly committed to Science Based Targets initiative (SBTi)</b> SBTi target will be set by August 2024 <b>CDP score upgraded to B</b> <b>Reducing GHG emissions</b> Energy efficiency programme delivered savings Serbia: network 100% green Bulgaria: 80% green	<b>Diversity, equity, inclusion</b> Group DEI Policy Leadership training on DEI and unconscious bias <b>Talent development</b> Introduced across all subsidiaries <b>Injuries maintained at zero</b> <b>No non-compliance</b> Health & safety regulations EMF radiation regulations	<b>Tackling the digital divide</b> 98% 4G coverage 55% 5G coverage Awards for network quality FTTH growth in Czechia FWA across the footprint <b>Information security</b> Mobile security solution adoption at 29% Internal Security Operations Centres in all countries	<b>Transparent governance</b> Whistleblowing channel Sustainability training  <b>Sustainable Supply Chain</b> Supplier code of conduct Supplier risk management programme

PPF Telecom Group 2022 Sustainability report



CETIN Group Sustainability micro-site



# Financial and operational results

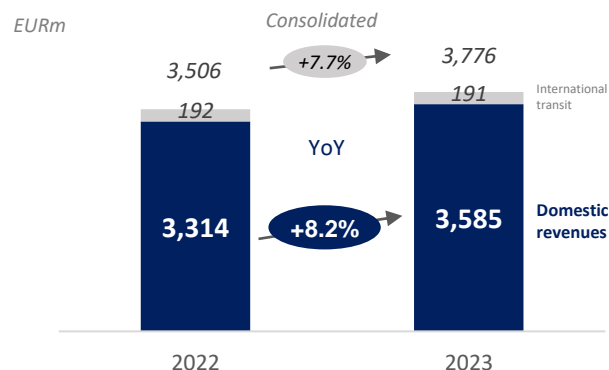
# FY2023 consolidated results highlights

Robust results in all businesses, sound operating cash flows

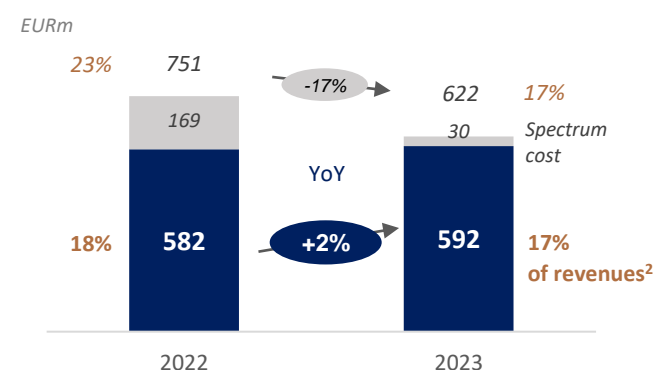
## REVENUES OVERVIEW

EURm	2022	2023	2023 yoy
<b>Consolidated revenues<sup>1</sup></b>	<b>3,506</b>	<b>3,776</b>	<b>7.7%</b>
O2 Czechia	1,393	1,466	5.2%
CETIN CZ excl. transit	546	602	10.3%
O2 + CETIN Slovakia	320	345	7.8%
Yettel + CETIN Hungary	540	617	14.3%
Yettel + CETIN Bulgaria	456	504	10.5%
Yettel + CETIN Serbia	482	509	5.6%
Eliminations and transit	-423	-458	8.3%
<b>Consolid. revenues excl. transit</b>	<b>3,314</b>	<b>3,585</b>	<b>8.2%</b>

## REVENUES



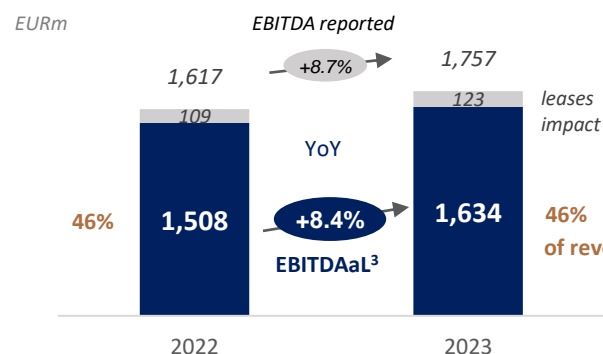
## CAPEX<sup>4</sup>



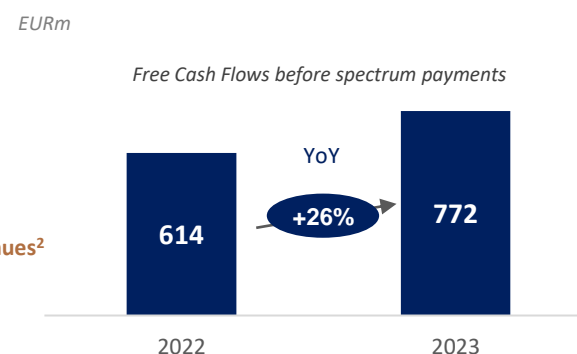
## EBITDAaL<sup>3</sup> OVERVIEW

EURm	2022	2023	2023 yoy
<b>EBITDAaL<sup>3</sup></b>	<b>1,508</b>	<b>1,634</b>	<b>8.4%</b>
O2 Czechia	435	449	3.2%
CETIN CZ	338	375	10.9%
O2 + CETIN Slovakia	128	135	5.5%
Yettel + CETIN Hungary	185	221	19.5%
Yettel + CETIN Bulgaria	228	239	4.8%
Yettel + CETIN Serbia	199	220	10.6%
<b>EBITDA reported</b>	<b>1,617</b>	<b>1,757</b>	<b>8.7%</b>

## EBITDA



## FREE CASH FLOWS AFTER LEASES<sup>5</sup>



[1] Revenues + other income

[2] Revenues excluding transit

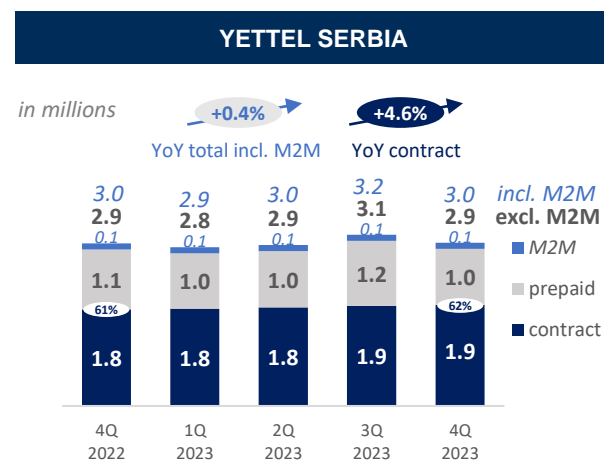
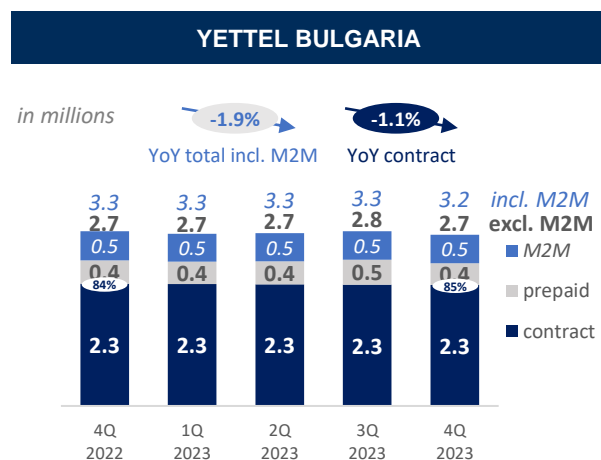
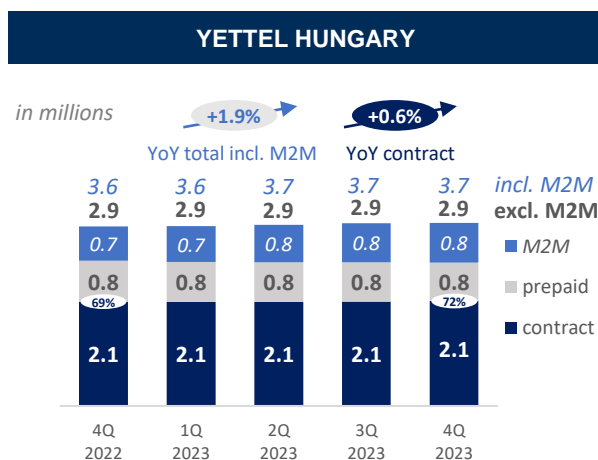
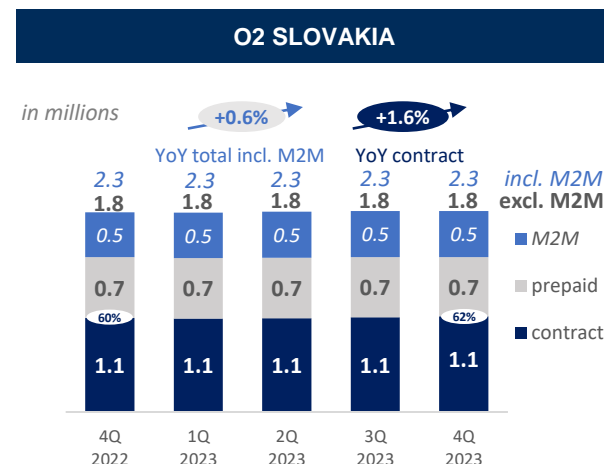
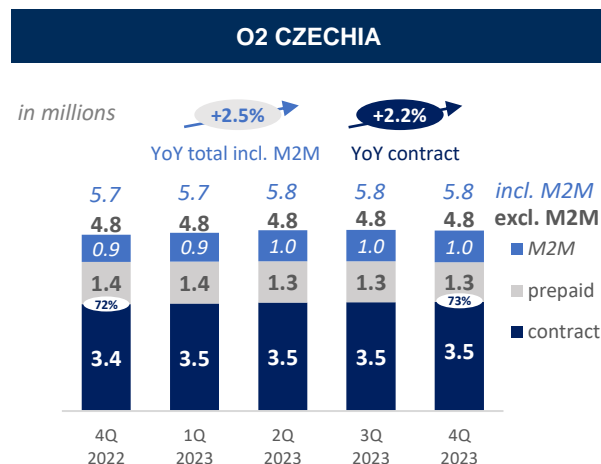
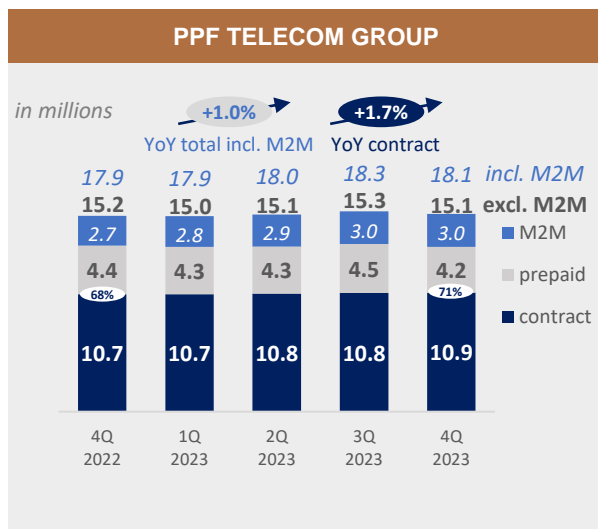
[3] EBITDAaL (EBITDA after leases) is defined as Operating profit excluding depreciation, amortisation and impairments less Depreciation on lease related rights of use less Interest expense on lease liabilities

[4] CAPEX represents additions to property, plant and equipment and intangible assets

[5] Free cash flows after leases represent Net cash from operating activities less Cash used for Purchase of PPE and intangible assets and Proceeds from disposals of PPE and intangible assets and Lease payments; cash flows related to acquisition and funding of Nej.cz are excluded

# Mobile market dynamics

## Sustainable growth in contract customer base



Note: Pre-paid subscribers are reported using 3 months active criterion.

# Mobile ARPU in PPF Telecom Group business units

Partial impact of inflationary price increases in Hungary and Bulgaria

## O2 CZECHIA

in EUR

+4.4% YoY blended EUR  
2.1% YoY blended CZK

13.3 13.3 13.7 14.0 13.8

4Q 2022 1Q 2023 2Q 2023 3Q 2023 4Q 2023

## O2 SLOVAKIA

in EUR

+3.5% YoY blended EUR

11.4 10.8 11.3 11.6 11.6

4Q 2022 1Q 2023 2Q 2023 3Q 2023 4Q 2023

## YETTEL HUNGARY

in EUR

+18% YoY blended EUR  
+15% YoY blended HUF

12.0 12.8 15.1 15.0 14.9

4Q 2022 1Q 2023 2Q 2023 3Q 2023 4Q 2023

## YETTEL BULGARIA

in EUR

+11% YoY blended EUR  
+11% YoY blended BGN

10.6 11.2 11.6 11.7 11.8

4Q 2022 1Q 2023 2Q 2023 3Q 2023 4Q 2023

## YETTEL SERBIA

in EUR

+1.2% YoY blended EUR  
+1.0% YoY blended RSD

10.4 10.2 10.6 10.7 10.6

4Q 2022 1Q 2023 2Q 2023 3Q 2023 4Q 2023

blended

Source: Company data

Note: ARPU calculation excludes inbound roaming and M2M revenues

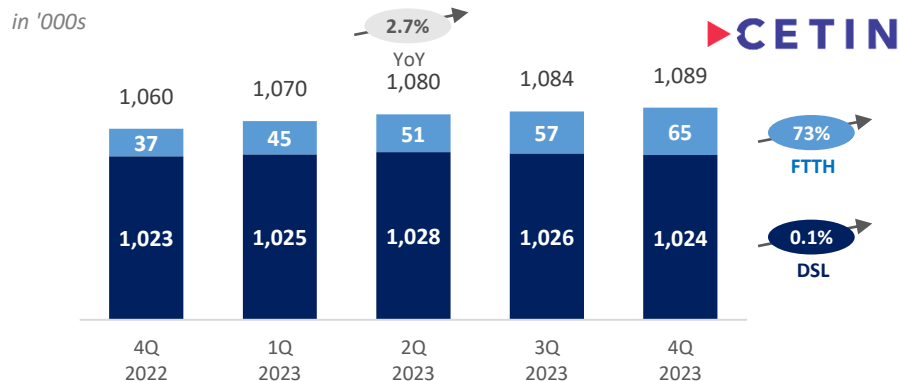
% YoY growth in EUR

% YoY growth in local currency

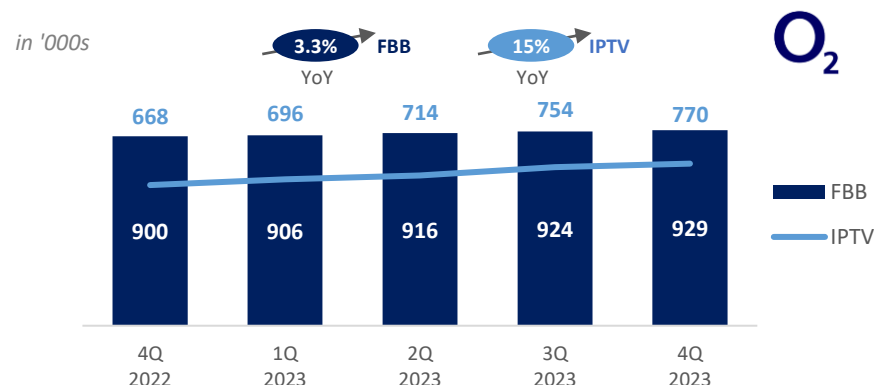
# Fixed services

## FTTH investments in Czechia, growing fixed presence in other countries

### CETIN CZECHIA WHOLESALE FBB SUBSCRIPTIONS



### O2 CZECHIA BROADBAND<sup>1</sup> AND PAY TV<sup>2</sup> SUBSCRIPTIONS

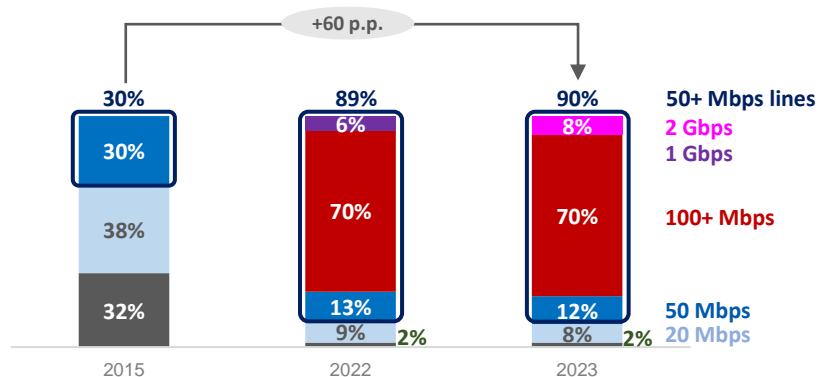


[1] Cable (ADSL, VDSL, fibre) and wireless (4G LTE, WTTx)

[2] IPTV and OTT, incl. prepaid O2 TV Sport Pack online + O2 TV HBO and Sport Pack

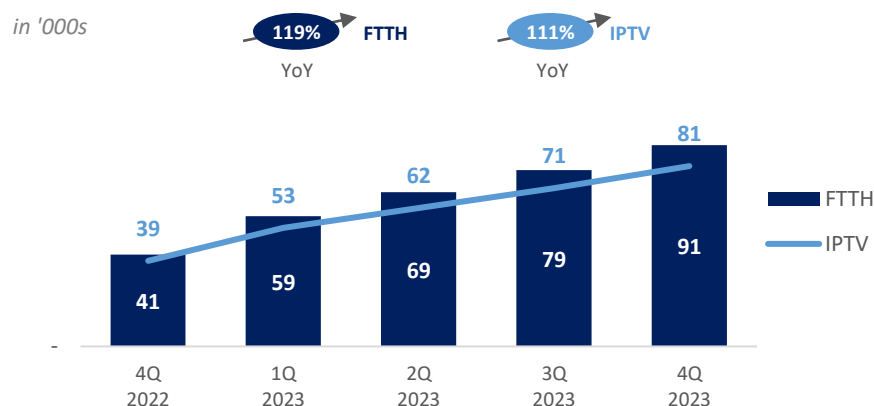
### CETIN CZECHIA FIXED NETWORK MODERNISATION

- Upgrading xDSL via FFTc/FTTB/FTTH














### FIXED SERVICES IN SERBIA

- FTTH access through the network of Telekom Srbija via a wholesale contract



# Spectrum auctions timeline

5G auction in Serbia likely to be put back further

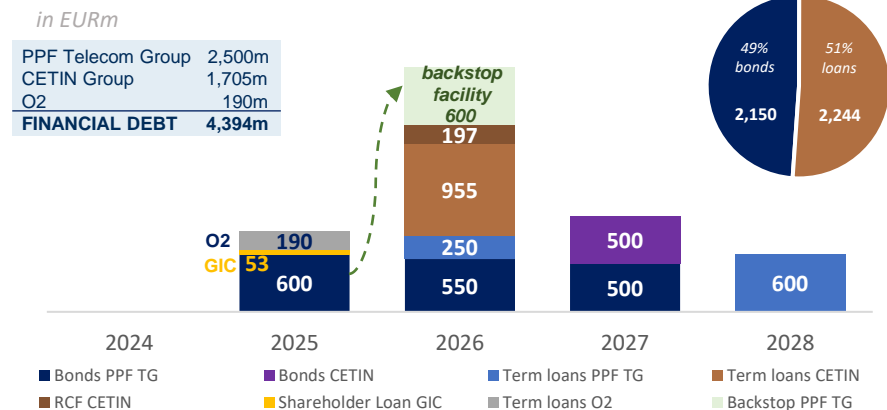
	2020	2021	2022	2023	NOW 2024	2025
<b>Czechia</b> 	 <b>700 MHz 3,500 MHz auction</b> EUR 53m cost	<b>2,100 MHz renewal</b> EUR 24m cost			<b>900 MHz 1,800 MHz renewal</b>	
<b>Slovakia</b> 	 <b>700 MHz 900 MHz 1,800 MHz auction</b> EUR 33m cost		<b>3,600 MHz renewal</b> from Sep 2025 EUR 17m cost	<b>1,800 MHz renewal</b> from 2026 EUR 8m cost	<b>900 MHz 2,100 MHz renewal</b>	
<b>Hungary</b> 	 <b>700 MHz 2,100 MHz 3,600 MHz auction</b> EUR 100m cost	<b>900 MHz 1,800 MHz renewal</b> EUR 153m cost				
<b>Bulgaria</b> 		<b>900 MHz 1,800 MHz renewal</b> EUR 23m cost <b>2,100 MHz 2,600 MHz auctions</b> EUR 3.3m cost <b>3,700 MHz auction</b>  EUR 2.1m cost		 <b>700 MHz 800 MHz auction</b> EUR 22m cost	<b>additional 1,800 MHz auction</b>	
<b>Serbia</b> 					 <b>700 MHz 2,600 MHz 3,600 MHz auction</b>	likely to move to early 2025



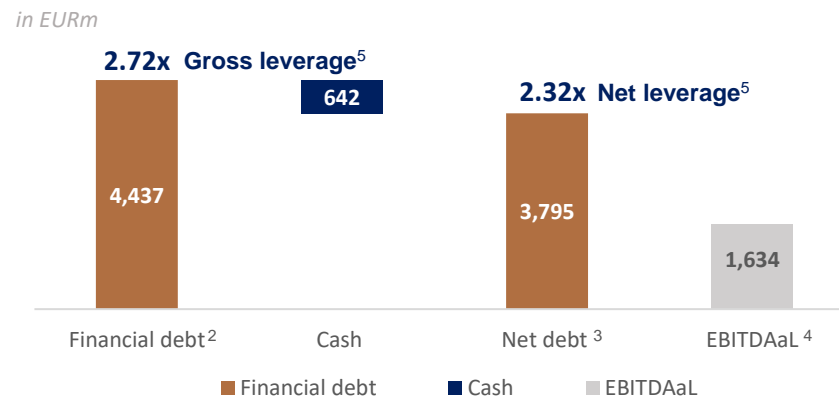
# Key credit metrics

## Maturity further extended; net leverage preserved

### NOMINAL FINANCIAL DEBT<sup>1</sup> PROFILE AS OF 31-DEC-2023



### CONSOLIDATED NET LEVERAGE RATIO<sup>5</sup> AS OF 31-DEC-2023



### BONDS

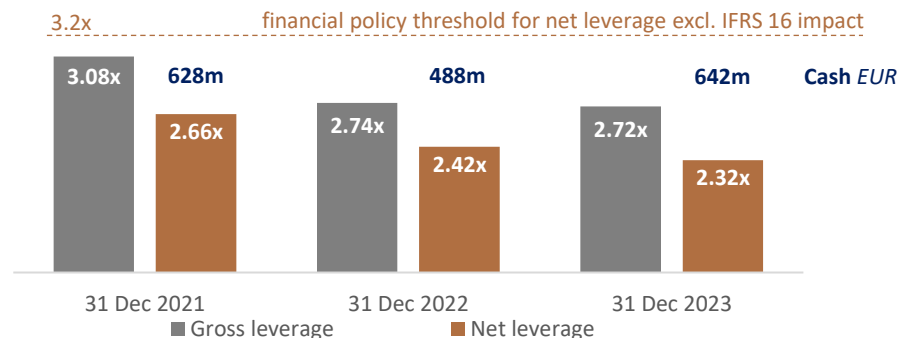
**CETIN Group** - investment grade Baa2 / BBB (Moody's / FitchRatings)

- Eurobond EUR 500m, 5 years, due Apr 2027, 3.125% p.a.

**PPF Telecom Group** - crossover rating BB+ / Ba1 / BBB- (S&P / M / F)

- Eurobond EUR 600m, 5 years, due Jan 2025, 2.125% p.a.
- Eurobond EUR 550m, 7 years, due Mar 2026, 3.125% p.a.
- Eurobond EUR 500m, 7 years, due Sep 2027, 3.250% p.a.

### 2023 LEVERAGE<sup>5</sup> DYNAMICS



Source: PPF Telecom Group internal data, PPF Telecom Group consolidated financial statements for 2021, 2022, and 2023

[1] Outstanding principal amounts, excluding RCF and overdraft facilities; CZK-denominated debt converted with EUR/CZK rate of 24.724

[2] Financial debt = amount due to banks and debt securities issued, including amortised legal fees/bank fees and accrued interest, excluding IFRS 16 impact

[3] Net debt = Gross debt (excluding IFRS 16 impact) less Cash and cash equivalents and other highly liquid assets

[4] EBITDAaL (EBITDA after leases) is defined as Operating profit excluding depreciation, amortisation and impairments less Depreciation on lease related rights of use less Interest expense on lease liabilities

[5] Consolidated gross leverage ratio = consolidated Gross debt / EBITDA for the last twelve months preceding 31 December 2023, excluding IFRS 16 impact

Consolidated net leverage ratio = consolidated Gross debt less Cash and cash equivalents / EBITDA for the last twelve months preceding 31 December 2023, excluding IFRS 16 impact

Contingent NCI Put Option is not part of the financial debt

# Q&A TIME

# Appendices

# Appendix - Key financial metrics

Sound results, recurring earnings growing in all businesses

EURm	2021	2022	2023	2023 yoy
<b>Consolidated revenues</b>	<b>3,336</b>	<b>3,506</b>	<b>3,776</b>	<b>7.7%</b>
O2 Czechia	1,294	1,393	1,466	5.2%
O2 Slovakia <sup>1</sup>	305	324	349	7.7%
Yettel Hungary	545	541	615	13.7%
Yettel Bulgaria	427	456	503	10.3%
Yettel Serbia	472	481	509	5.8%
CETIN Group excl. transit	806	894	1,032	15.4%
Czechia	477	546	602	10.3%
Hungary	128	131	175	33.6%
Bulgaria	103	114	134	17.5%
Serbia <sup>2</sup>	99	103	121	17.5%
CETIN Networks Slovakia	n/a	81	93	14.8%
Eliminations	-720	-856	-982	14.7%
International transit revenues	207	192	191	-0.5%
<b>Cons. revenues (excl. transit)</b>	<b>3,129</b>	<b>3,314</b>	<b>3,585</b>	<b>8.2%</b>

<b>EBITDA after leases</b>	<b>1,463</b>	<b>1,508</b>	<b>1,634</b>	<b>8.4%</b>
O2 Czechia	408	435	449	3.2%
O2 Slovakia <sup>1</sup>	124	76	75	-1.3%
Yettel Hungary	128	104	120	15.4%
Yettel Bulgaria	129	153	147	-3.9%
Yettel Serbia	139	132	139	5.3%
CETIN Group	534	561	649	15.7%
Czechia	313	338	375	10.9%
Hungary	85	81	101	24.7%
Bulgaria	70	75	92	22.7%
Serbia <sup>2</sup>	66	67	81	20.9%
CETIN Networks Slovakia	n/a	52	60	15.4%
<b>EBITDA reported</b>	<b>1,569</b>	<b>1,617</b>	<b>1,757</b>	<b>8.7%</b>

EURm	2021	2022	2023	2023 yoy
<b>CAPEX (incl. spectrum)</b>	<b>520</b>	<b>751</b>	<b>622</b>	<b>-17.2%</b>
O2 Czechia	83	68	82	20.6%
O2 Slovakia <sup>1</sup>	59	45	22	-51.1%
Yettel Hungary	16	171	27	-84.2%
Yettel Bulgaria	41	31	56	80.6%
Yettel Serbia	24	33	30	-9.1%
CETIN Group	299	369	376	1.9%
Czechia	185	223	221	-0.9%
Hungary	44	61	81	32.8%
Bulgaria	49	51	39	-23.5%
Serbia <sup>2</sup>	21	34	35	2.9%
CETIN Networks Slovakia	n/a	48	29	-39.6%
<b>FCF after lease payments<sup>3</sup></b>	<b>710</b>	<b>451</b>	<b>748</b>	<b>+66%</b>

Source: PPF Telecom Group audited consolidated financial statements for the year ended 31 December 2023;

EBITDA<sub>AL</sub> (EBITDA after leases) is defined as Operating profit excluding depreciation, amortisation and impairments less Depreciation on lease related rights of use less Interest expense on lease liabilities.

[1] In 2021, O2 Slovakia was consolidated with CETIN Networks Slovakia

[2] Montenegro operations divested in December 2021

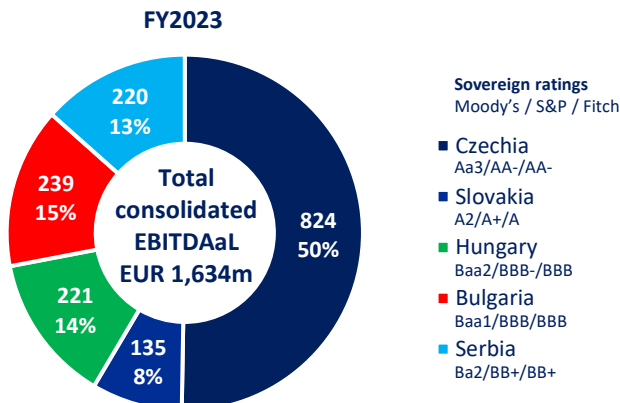
[3] Net cash flows from operating activities less CAPEX paid and proceeds from sale of assets less cash payments for principals and interest of lease liabilities; cash flows related to acquisition and funding of Nej.cz are excluded

# Diversification of PPF Telecom Group

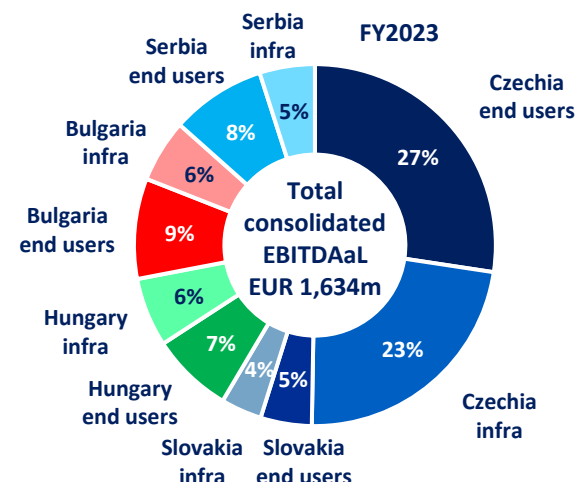
Regionally balanced portfolio with half of the business in Czechia

## GEOGRAPHICAL DISTRIBUTION OF EBITDAaL

in EURm

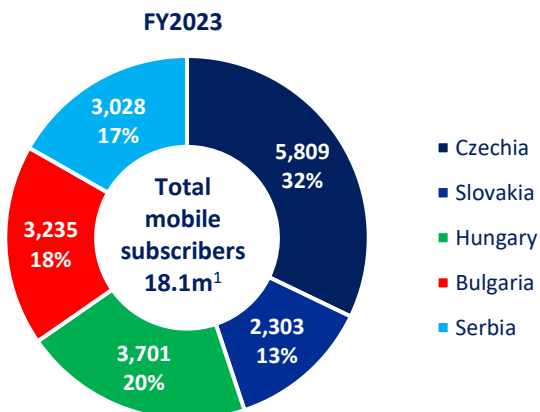


## DISTRIBUTION OF EBITDAaL BY COUNTRY AND BUSINESS



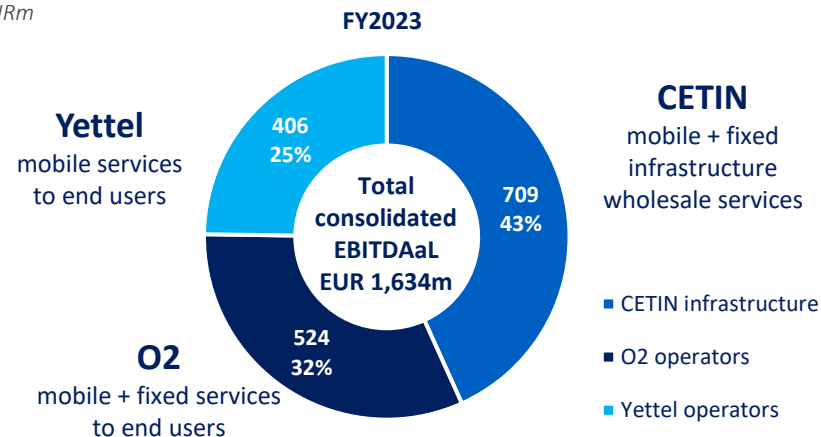
## MOBILE SUBSCRIBERS<sup>1</sup> BY SEGMENT

in 000's



## EBITDAaL BY TYPE OF BUSINESS

in EURm

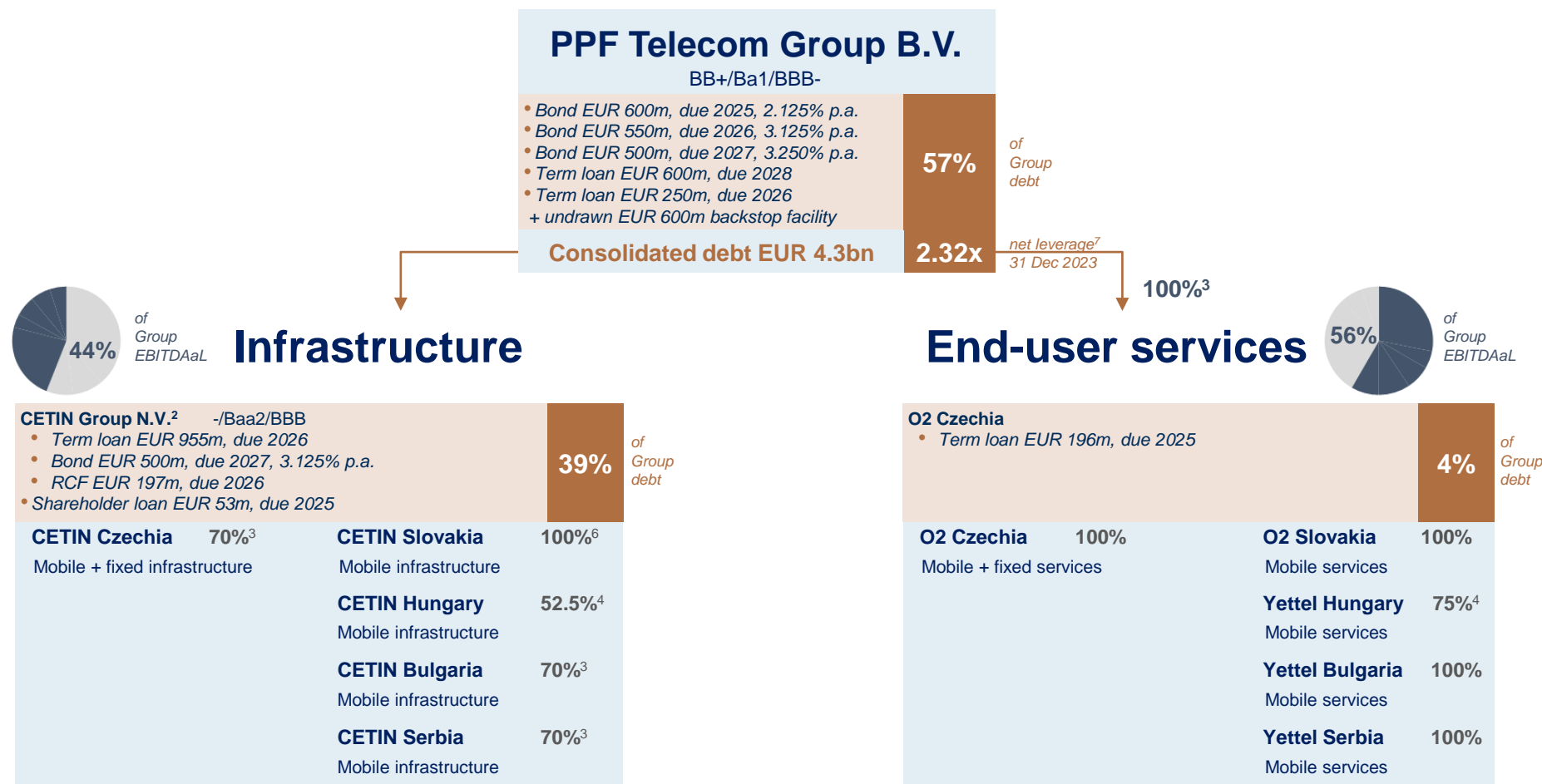


Source: PPF Telecom Group B.V. Consolidated financial statements for 2023

[1] Including M2M subscribers; 15.3m excluding M2M subscribers

# PPF Telecom Group corporate structure as of Mar '24

A cluster of market-leading CEE telecom retail and infrastructure assets<sup>1</sup>



Source: Company data

[1] The chart represents a simplified group structure to illustrate main segments within PPF Telecom Group B.V. and financing as of 31 December 2023

[2] 30% stake owned by Roanoke Investment Pte Ltd, a company incorporated in Singapore and an affiliate of GIC Private Limited (Government Of Singapore Investment Corporation)

[3] 30% stake owned by Roanoke Investment Pte Ltd and 70% by PPF Telecom Group B.V., both through CETIN Group N.V. holding company

[4] 22.5% stake owned by Roanoke Investment Pte Ltd and 52.5% by PPF Telecom Group B.V., both through CETIN Group N.V. holding company;

25% stake held by TMT Hungary Holdco B.V., a PPF company outside the perimeter of PPF Telecom Group

[5] 25% stake held by TMT Hungary Holdco B.V., a PPF company outside the perimeter of PPF Telecom Group

[6] O2 Networks Slovakia has changed its company name to CETIN Networks as of 1 January 2024

[7] Consolidated net leverage ratio = consolidated Gross Debt less Cash and cash equivalents / EBITDA for the last twelve months preceding 31 December 2023, excluding IFRS 16 impact

# Financing structure changes

Maturity further extended, new acquisition financing

DECEMBER 2022			DECEMBER 2023			COMMENTARY
<i>in EURm</i>			<i>in EURm</i>			
<b>PPF Telecom Group B.V.</b>	<b>4,489</b>	<b>+294m</b>	<b>PPF Telecom Group B.V.</b>	<b>4,395</b>		<b>PPF Telecom Group consolidated debt</b>
Bond 2024	600		Term loan 2028	600		2024 bond refinanced with a new EUR 600m term loan.
Bond 2025	600		Bond 2025	600		A new EUR 600m backstop facility arranged to cover the 2025 bond.
Bond 2026	550		Bond 2026	550		A new EUR 250m term loan taken on, to partly finance the acquisition of Nej.cz
Bond 2027	500		Bond 2027	500		
			Backstop facility 600m, undrawn			
			Term loan 2026	250		
<b>Total</b>	<b>2,250</b>	<b>+250m</b>	<b>Total</b>	<b>2,500</b>		
<b>CETIN Group N.V.</b>	<b>1,657</b>	<b>+48m</b>	<b>CETIN Group N.V.</b>	<b>1,705</b>		<b>CETIN Group consolidated debt</b>
Bond 2027	500		Bond 2027	500		EUR 197m RCF utilised; proceeds provided to CETIN CZ to repay its last bond at maturity.
Term Loan 2026	511		Term Loan 2026	511		EUR 53m shareholder loan obtained from GIC to partly finance the acquisition of Nej.cz
Term Loan 2026	444		Term Loan 2026	444		
Committed RCF 200m, undrawn			RCF	197		
			Shareholder loan from GIC	53		
<b>Total</b>	<b>1,455</b>	<b>+250m</b>	<b>Total</b>	<b>1,705</b>		
<b>CETIN CZ</b>	<b>202</b>	<b>-202m</b>	<b>CETIN CZ</b>			
Bond 2023	202					
<b>O2 CZ</b>	<b>194</b>	<b>-4m</b>	<b>O2 CZ</b>	<b>190</b>		
Term Loan 2025	194		Term Loan 2025	190		

## Financial policy of PPF Telecom Group:

Net leverage excl. IFRS 16 below 3.2x

Companies below PPF Telecom Group subject to covenants, as amended to capture also CETIN Group N.V. and PPF Comco N.V. interim holding entities:

- O2 CR Group + CETIN Group 2.2x
- Other parts of PPF Telecom Group 1.0x

# Appendix - Group balance sheet highlights

## Increase in assets and debt due to the acquisition of Nej

<i>in EURm</i>	31 Dec 2022	31 Dec 2023	diff.	
<b>Non-current assets</b>	<b>6,553</b>	<b>6,885</b>	<b>+5.1%</b>	+300m acquisition of Nej
• o/w property, plant & equip. + intangible	4,355	4,445	+2.1%	
<b>Current assets</b>	<b>1,321</b>	<b>1,492</b>	<b>+13%</b>	
• o/w cash & other highly liquid assets	488	642	+32%	
<b>TOTAL ASSETS</b>	<b>7,874</b>	<b>8,377</b>	<b>+6.4%</b>	
<b>EQUITY</b>	<b>994</b>	<b>998</b>	<b>+0.4%</b>	+542m net profit 2023, -395m dividend paid, -133m revaluation of Conditional commitment to acquire NCIs
<b>Liabilities</b>	<b>6,880</b>	<b>7,379</b>	<b>+7.3%</b>	
• o/w bonds	2,990	2,180	-27%	600m and eq.197m bonds refinanced with loans
o/w debt to banks	1,145	2,204	+93%	600m, 197m, and 250m new loans
	<b>4,135</b>	<b>4,384</b>	<b>+6%</b>	<b>+300m loans from banks and shareholders</b>
• o/w non-interest bearing liabilities	850	983		Contingent put option for 30% stake in CETIN Group

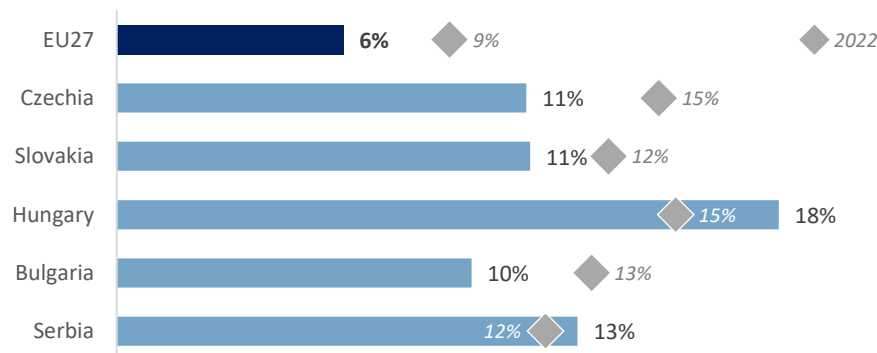


# Inflationary pressures

Continued high inflation in 2023, with stabilisation of energy prices

## INFLATION RATES IN OUR REGION

### Harmonised indices of consumer prices (HICP) 2023 annual inflation rates

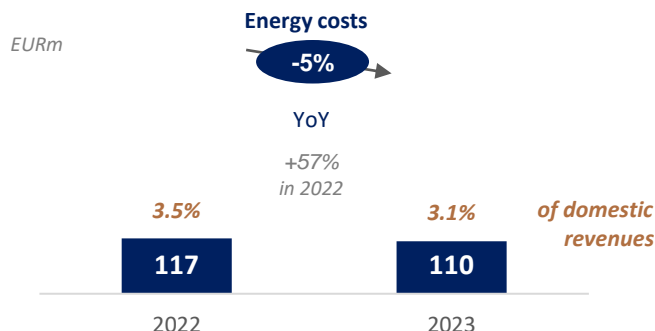


## 2023 DEVELOPMENT

- **In 2023 personnel costs** is the main OPEX line affected by high inflation pressure with yoy growth of 14%
- Energy costs stabilised compared to 2022, but the overall level is unprecedentedly high when the cumulative growth from 2021 is more than 50%
- 5G and network modernisation CAPEX generally covered under long-term contracts with vendors, but implementation and construction works on network modernization projects increased significantly

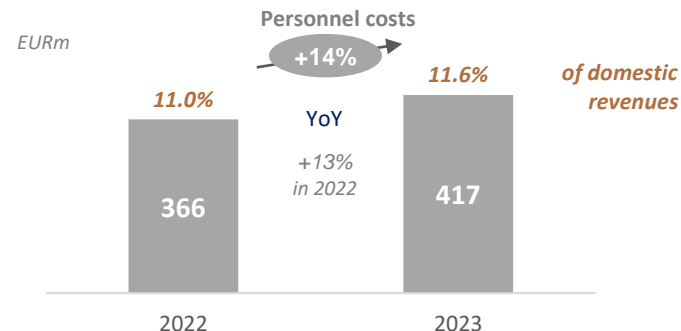
## ENERGY COSTS

### PPF Telecom Group consolidated



## PERSONNEL COSTS

### PPF Telecom Group consolidated



# Spectrum allocations

	band size up to:		2 x 30 MHz	2 x 30 MHz	2 x 35 MHz	2 x 115 MHz	2 x 60 MHz	2 x 80 MHz	70 MHz	2 x 100 MHz	200 MHz	200 MHz	
recent auctions and extensions	410	450	700	800	900	1 800	2 100	FDD 2 600	TDD 2 600	FDD 3 500	TDD 3 500	TDD 3 700	
upcoming auctions													
Czechia					2024								
		Vodafone	2 x 10 MHz	2 x 10 MHz	2 x 10 MHz	2 x 27 MHz	2 x 19.8 MHz	2 x 20 MHz			20 MHz	80 MHz	Vodafone
	3 MHz	Nordic									140 MHz	80 MHz	Nordic
		T-Mobile	2 x 10 MHz	2 x 10 MHz	2 x 12.7 MHz	2 x 20 MHz	2 x 19.8 MHz	2 x 30 MHz	25 MHz	T-Mobile			
	O2	4 MHz	2 x 10 MHz	2 x 10 MHz	2 x 12.4 MHz	2 x 27.8 MHz	2 x 19.8 MHz	2 x 20 MHz	25 MHz		20 MHz	40 MHz	O2
Slovakia					2024	2023	2024						
	Orange	2 x 10 MHz	2 x 10 MHz	2 x 10 MHz	2 x 20 MHz	2 x 20 MHz	2 x 30 MHz		Slovanet	2 x 35 MHz	until Sep 2025	80 MHz	regional
	T-Mobile	2 x 10 MHz	2 x 10 MHz	2 x 10.2 MHz	2 x 18.2 MHz	2 x 20 MHz	2 x 40 MHz	50 MHz			20 MHz	40 MHz	SWAN (4ka)
	O2	2 x 10 MHz	2 x 10 MHz	2 x 14.8 MHz	2 x 18.8 MHz	2 x 20 MHz				2 x 45 MHz	20 MHz	40 MHz	O2
Hungary													
	Vodafone	2 x 10 MHz	2 x 10 MHz	2 x 10 MHz	2 x 20 MHz	2 x 20 MHz	2 x 20 MHz	25 MHz			120 MHz	50 MHz	Vodafone
	T-Mobile	2 x 10 MHz	2 x 10 MHz	2 x 10 MHz	2 x 4.9 MHz	2 x 30 MHz	2 x 25 MHz	2 x 30 MHz	25 MHz		60 MHz	120 MHz	T-Mobile
	Yettel	2 x 5 MHz	2 x 10 MHz	2 x 15 MHz	2 x 20 MHz	2 x 15 MHz	2 x 20 MHz			DIGI	20 MHz	140 MHz	Yettel
Bulgaria						2024							
	A1	2023	2 x 10 MHz	2 x 10 MHz	2 x 11.2 MHz	2 x 10 MHz	2 x 5 MHz	2 x 15 MHz	2 x 20 MHz	2 x 20 MHz		100 MHz	A1
	Vivacom		2 x 10 MHz	2 x 10 MHz	2 x 11.2 MHz	2 x 15 MHz	2 x 20 MHz	2 x 20 MHz				100 MHz	Vivacom
	Yettel		2 x 10 MHz	2 x 10 MHz	2 x 11.2 MHz	2 x 15 MHz	2 x 20 MHz	2 x 20 MHz				100 MHz	Yettel
Serbia													
	mt:s	2025	2 x 10 MHz	2 x 11.2 MHz	2 x 5 MHz	2 x 15 MHz		2025		2025	Slovakia - from Sep 2025	100 MHz	100 MHz
	Vip mobile		2 x 10 MHz	2 x 9.6 MHz	2 x 20 MHz	2 x 15 MHz					Orange	T-Mobile	
	Yettel		2 x 10 MHz	2 x 4.2 MHz	2 x 30 MHz	2 x 15 MHz					100 MHz	100 MHz	O2
											SWAN (4ka)		
	410	450	700	800	900	1 800	2 100	2 600 FDD	2 600 TDD	3 500 FDD	3 500 TDD	3 700 TDD	26

# Sustainability highlights of 2023

1/2

## Sustainability agenda embraced as key strategy enabler

HIGHLIGHTS OF 2023		COMMITMENTS GOING FORWARD	
<b>Publicly committed to Science Based Targets initiative (SBTi);</b> the target will be set by August 2024 <b>CDP upgraded the Group's climate change score to B</b> <b>Reducing greenhouse gas (GHG) emissions</b> Energy efficiency program delivered 17.2 GWh annual savings in network electricity consumption Serbia: network powered 100% by green energy Bulgaria: more than 80% of network electricity is green (photovoltaic) since Sep 2023	ENVIRONMENT	<ul style="list-style-type: none"><li>• Submit our decarbonization targets for validation to SBTi by August 2024 and reduce Scope 1 and 2 emissions by 40% by 2030.</li><li>• Carbon neutrality as per the Paris Agreement (1.5C)</li><li>• Implement waste management action plan with objectives to reuse, resell or recycle 100% of decommissioned equipment by 2025 (CETIN and O2 Networks) and repair, reuse or recycle e-waste to prevent at least 250 tonnes from disposal into landfill (Yettel and O2).</li></ul>	
		<ul style="list-style-type: none"><li>• Maintain a benchmark of no fatal or life-changing injuries</li><li>• Establish a talent development programme to oversee initiatives at our business units to improve diversity in the Group's talent pool and eliminate unconscious bias cultures.</li><li>• Min. 60% participation in annual employee surveys to improve interaction with employees and understand their motivations.</li><li>• Continuously improve customer engagement processes, collect and incorporate feedback, to improve our services and products.</li><li>• Support our communities through employee volunteering, charities and sponsorships.</li></ul>	
<b>Diversity, equity, and inclusion programme</b> Group DEI Policy in place Upskilling senior leadership on diversity and unconscious bias <b>Talent development programme</b> Live across all subsidiaries <b>Severe and fatal injuries maintained at zero level</b> <b>No incidence of non-compliance</b> Health & safety regulations Electromagnetic field (EMF) radiation regulations	PEOPLE		

# Sustainability highlights of 2023

2/2

## Sustainability agenda embraced as key strategy enabler

HIGHLIGHTS OF 2023		COMMITMENTS GOING FORWARD	
<b>Tackling the digital divide</b>  Nationwide mobile networks with <b>98% 4G coverage</b> <b>5G coverage reached 55%</b> ; available in CZ, SK, HU, BG <b>Independent awards</b> for mobile networks quality <b>FTTH lines grew significantly</b> yoy in Czechia <b>FWA</b> available across the footprint  <b>Information security and personal data</b>  Security solution adoption reached 29% of mobile customers Internal Security Operations Centres (SOC) implemented	TECHNOLOGY	<ul style="list-style-type: none"><li>• Achieve availability of 5G connectivity of<ul style="list-style-type: none"><li>• at least 50% of the population by 2024</li><li>• 80% by 2027.</li></ul></li><li>• Deliver security solutions for data protection to at least 20% of the Group's applicable post-paid customers in the consumer segment by 2025.</li><li>• Reach as many people as possible with educational campaigns, advice, information and training to develop digital skills and digital literacy, raise awareness to any potential threats in new technologies. Train at least 500,000 people in digital skills and digital literacy by 2025.</li></ul>	
<b>Sustainability governance structure</b>  Whistleblowing channel introduced in Czechia and at CETIN Group level  Sustainability training introduced for all employees; 96% of senior management completed the training  <b>Sustainable Supply Chain programme</b>  Supplier code of conduct adopted  Supplier risk management program launched	TRANSPARENCY	<ul style="list-style-type: none"><li>• Operate ethically, lawfully, transparently and with integrity.</li><li>• Fully integrate our sustainability strategy into the organization, introduce sustainability training across the Group, with 100% participation by senior management + 50% employees by 2023.</li><li>• By 2024, establish a sustainable supply chain programme with key suppliers to enhance environmental stewardship and social responsibility.</li></ul>	

# Strategic rationale of PPF's partnership with e&

A partnership to grow PPF Telecom Group's regional leadership further

1

## NEW STRONG SHAREHOLDER JOINING FORCES WITH PPF

- PPF joins forces with **new strong majority shareholder e&**, which brings impressive telco presence, best-in-class industry knowledge and access to innovation
- Transaction will allow PPF to:
  - lock-in portion of value generated since acquisition of its telco assets in 2014 and 2018, but at the same time
  - keeping economic exposure via its retained stake to further grow the business, additionally supported by synergies with e&

3

## PPF MANAGEMENT EXPERTISE

- e& and PPF retain Balesh Sharma, current CEO of PPF Telecom Group
- Continuity of the operations is assured
- Partnership to continue drawing from broad expertise of PPF Telecom Group's teams with proven track record in the region:
  - Lean group structure
  - Structural separation of ComCos and NetCos
  - Network sharing

2

## SYNERGIES AND OPERATIONAL ENHANCEMENTS

- Leveraging e&'s expertise in best-in-class digital, IoT, and B2B services
- Enhancing customer offerings and experience, digital and lifestyle products
- Merging know-how in customer value management
- Efficiencies from scope in vendor relationships and procurement, including wholesale and roaming
- Cross-continent learning and career development opportunities for top talents

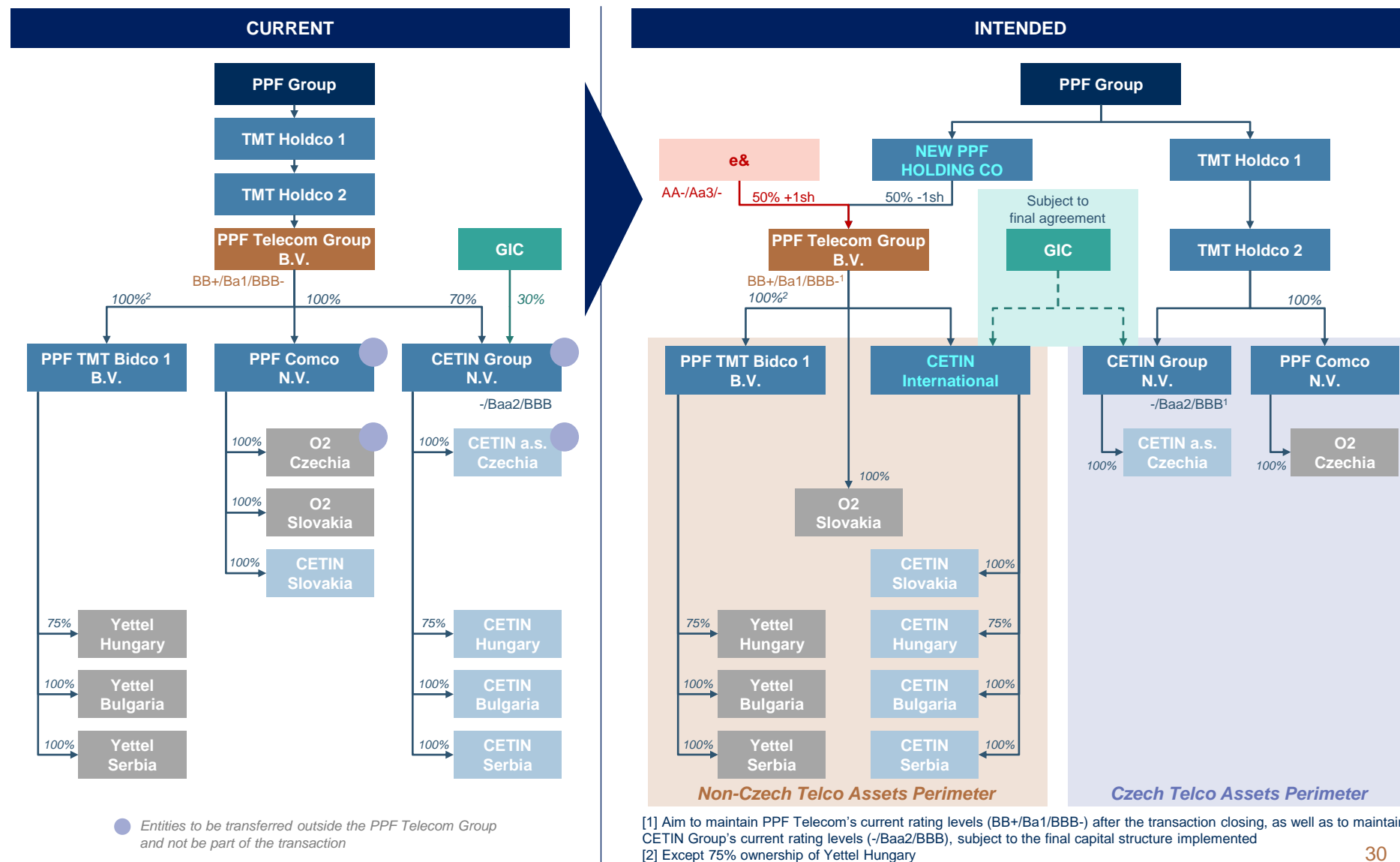
4

## FOUNDATION FOR FURTHER GROWTH

- Shared ambition to build a major telecommunications business in Central and Eastern Europe together with e&
- Gaining the capacity for further expansion of the business,
  - while remaining within the range of the financial policy and
  - with joint aim of e& and PPF to maintain PPF Telecom Group's current ratings

# Intended changes in corporate structure

Subject to customary approvals and reaching agreements with all parties



# PPF Group is an international investment group founded in 1991 in Czechia

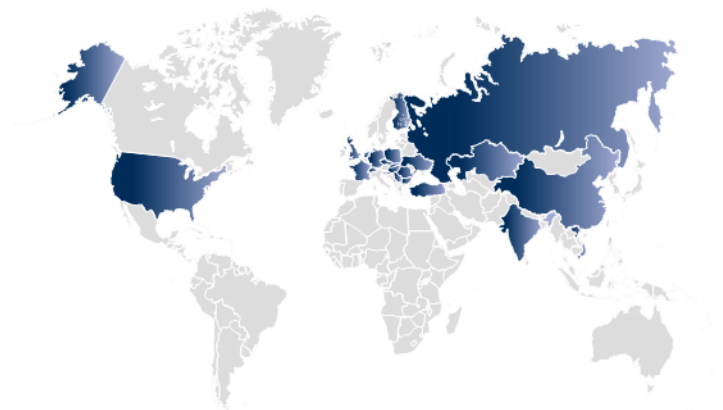
**43.5** billion EUR  
total assets<sup>1</sup>

**9.3** billion EUR  
equity<sup>1</sup>

**1.2** billion EUR  
net income<sup>1</sup>

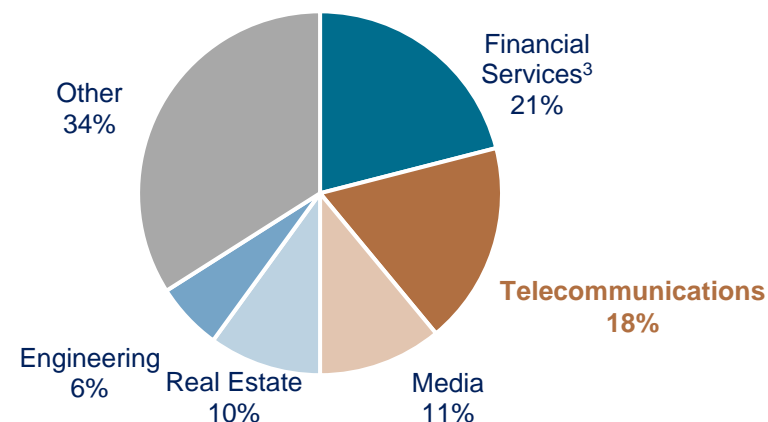
**50 ths.**  
employees<sup>1</sup>

## PPF GROUP OPERATES IN 24 COUNTRIES



Diverse business activities encompassing banking and financial services, telecommunications, media, biotechnology, real estate and engineering

## EQUITY BY SEGMENT<sup>2</sup>



## SHAREHOLDERS



**100%**  
**Renáta Kellnerová and  
descendants of Mr Petr Kellner**  
60% Mrs Renáta Kellnerová

[1] Assets as of 30 June 2023, equity attributable to owners of the parent as of 30 June 2023, net income attributable to owners of the parent for the period of 12 months up to 30 June 2023, average rounded number of employees for the first six months of 2023

[2] Total equity as of 30 June 2023

[3] PPF Financial Holdings + Moneta

# PPF Telecom Group: Key credit highlights

1

## Market leading businesses with strong brand recognition, high quality assets and superior network coverage

- Stable market leading positions across five European markets
- #1 to #2 positions in most retail markets by both revenue and customer share
- Quality brand positioning in all markets
- High quality mobile networks with full coverage
- National fixed network infrastructure in Czechia

2

## Stable markets with positive long-term trends supporting growth

- Predictable regulatory environment in all markets
- Moderate intensity of the competition with stable market shares and ARPU's
- Growing demand for data across our footprint, further accelerated during COVID lockdown period
- Track record of moderate growth in all markets

3

## Diversified, strong and stable cash flow generation

- EBITDA generation well diversified across five countries and between infrastructure and retail
- Group cash conversion rate historically around 50%<sup>1</sup>
- Strong interest coverage ratios at consolidated and at PPF Telecom Group (stand-alone) level

4

## Efficient and innovative corporate structure

- Sustainable model for the infrastructure separated from the commercial companies
- Managerial specialisation, focus and priorities NetCo vs. ComCo
- Potential for infrastructure services wholesaling and network sharing
- Synergies in purchasing, research, infrastructure development and deployment

## Crossover rating from three agencies

### PPF Telecom Group

- **BB+, CreditWatch Positive** S&P
- **Ba1, negative** Moody's
- **BBB-, stable** Fitch

## Four Eurobond issues since 2019

- EUR 600m, 4Y due 2024, 3.500% p.a., repaid early in 2023
- **EUR 600m, 5Y due 2025, 2.125% p.a.**
- **EUR 550m, 7Y due 2026, 3.125% p.a.**
- **EUR 500m, 7Y due 2027, 3.250% p.a.**

## Investment grade infrastructure

### ▶ CETIN Group

- **Baa2, negative** Moody's
- **BBB, Rating Watch Negative** Fitch

## Inaugural Eurobond issue in 2022

- **EUR 500m, 5Y due 2027, 3.125% p.a.**
- 3 Eurobonds (1Y, 5Y, and 7Y) issued in 2016 by CETIN Czechia, a subsidiary of CETIN Group; all repaid at maturities

[1] Cash conversion = Free cash flow / EBITDA; based on unaudited pro forma condensed consolidated financial information for 2017-2018 and Annual Reports 2019-2023





[www.ppftelecom.eu](http://www.ppftelecom.eu)

**THANK YOU FOR YOUR ATTENTION**