



e& PPF Telecom Group B.V.

*Condensed consolidated interim financial statements
for the six months ended 30 June 2025*

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Glossary

AC	- amortised cost
CAPEX	- capital expenditure
CEE	- Central and Eastern Europe
CGU	- cash generating unit
EBITDA	- earnings before interest, tax, depreciation and amortisation
EC	- European Commission
ECL	- expected credit loss
FVOCI	- fair value through other comprehensive income
FVTPL	- fair value through profit or loss
IFRS-AS	- International Financial Reporting Standards – Accounting Standards
NCI	- non-controlling interests
OCI	- other comprehensive income
PPE	- property, plant and equipment
ROU	- right-of-use assets

Condensed consolidated interim statement of income and other comprehensive income

For the six months ended 30 June

In millions of EUR

	Notes	2025	2024
Revenue	E1	1,131	1,023
Other income from non-telecommunication services		-	-
Personnel expenses	E2	(113)	(98)
Other operating expenses	E2	(468)	(428)
Operating profit excluding depreciation, amortisation and impairments		550	497
Depreciation and amortisation	E3	(193)	(162)
Depreciation on lease-related right-of-use assets		(32)	(27)
Amortisation of costs to obtain contracts		(31)	(29)
Impairment loss on PPE and intangible assets		1	(7)
Operating profit		295	272
Interest income		7	11
Net foreign currency gain/(loss)		2	(11)
Interest expense on lease liabilities		(8)	(6)
Other interest expense		(44)	(56)
Other finance costs	E4	(9)	(9)
PROFIT BEFORE TAX		243	201
Income tax expense	E5	(49)	(35)
DISCONTINUED OPERATIONS			
Net profit from discontinued operations		-	111
NET PROFIT FOR THE PERIOD		194	277
Other comprehensive income*			
Currency translation differences		24	(47)
Cash flow hedge – effective portion of changes in fair value		(2)	(3)
Income tax relating to components of other comprehensive income		-	1
Other comprehensive income/(expense), net of tax		22	(49)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		216	228
Net profit attributable to:			
Owners of the Parent		170	232
Non-controlling interests		24	45
Net profit for the period		194	277
Total comprehensive income attributable to:			
Owners of the Parent		192	196
Non-controlling interests		24	32
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		216	228

*Items that are or will be reclassified subsequently to profit or loss.

The notes on pages 8 to 45 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of financial position

In millions of EUR

	Note	30 June 2025	31 December 2024
ASSETS			
Property, plant and equipment	E6	1,048	864
Goodwill	E7.1	1,434	968
Other intangible assets	E7.2	975	811
Right-of-use assets		326	286
Trade and other receivables	E8.1	20	8
Other financial assets	E8	-	-
Contract assets	E8.3	30	29
Costs to obtain contracts		46	36
Other assets	E9	28	44
Deferred tax assets		19	16
Non-current assets		3,926	3,062
Trade and other receivables	E8.1	283	232
Other financial assets	E8	124	74
Contract assets	E8.3	75	71
Costs to obtain contracts		31	22
Inventories	E9	69	67
Other assets	E9	90	52
Current income tax receivables		2	-
Cash and cash equivalents	E10	275	269
Current assets		949	787
TOTAL ASSETS		4,875	3,849
LIABILITIES			
Due to banks	E11	1,566	240
Debt securities issued	E12	498	1,046
Lease liabilities		271	228
Trade and other payables	E13	36	43
Contract liabilities	E8.3	11	3
Provisions	E14	52	44
Deferred tax liabilities		63	30
Financial liabilities		5	-
Non-current liabilities		2,502	1,634
Due to banks	E11	2	1
Debt securities issued	E12	566	629
Lease liabilities		51	57
Trade and other payables	E13	438	444
Contract liabilities	E8.3	30	29
Provisions	E14	31	16
Current income tax liability		28	19
Conditional commitment to acquire NCI's share	E16.4	600	564
Current liabilities		1,746	1,759
TOTAL LIABILITIES		4,248	3,393
Issued capital*	E15	1	1
Share premium	E15	518	518
Other reserves	E16	(791)	(772)
Retained earnings		883	713
Total equity attributable to owners of the Parent		611	460
Non-controlling interests	E17	16	(4)
Total equity		627	456
TOTAL LIABILITIES AND EQUITY		4,875	3,849

*Issued capital is EUR 701 thousand (2024: EUR 701 thousand).

The notes on pages 8 to 45 are an integral part of these condensed consolidated interim financial statements.

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Condensed consolidated interim financial statements for the six months ended 30 June 2025

Condensed consolidated interim statement of changes in equity

In millions of EUR, for the six months ended 30 June 2025

	Issued capital*	Share premium	Translation reserve	Hedging reserve	Other reserves Reserve for puttable instruments	Retained earnings	Attributable to owners of the Parent	Attributable to NCI	Total
Balance as at 1 January 2025	1	518	(208)	0	(564)	713	460	(4)	456
Profit for the period	0	0	0	0	0	170	170	24	194
Currency translation differences	-	-	19	-	-	-	19	-	19
Cash flow hedge – effective portion of changes in fair value	-	-	-	(2)	-	-	(2)	-	(2)
Income tax related to components of OCI	-	-	-	-	-	-	-	-	-
Other comprehensive expense for the period	-	-	19	(2)	-	-	17	-	17
Total comprehensive income	-	-	19	(2)	-	170	187	24	211
Dividends to NCI	-	-	-	-	-	-	-	(4)	(4)
Conditional commitment to acquire NCI's share – change in net present value (refer to E.16.4)	-	-	-	-	(36)	-	(36)	-	(36)
Total transactions with owners	-	-	-	-	(36)	-	(36)	(4)	(40)
Balance as at 30 June 2025	1	518	(189)	(2)	(600)	883	611	16	627

*Issued capital is EUR 701 thousand.

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Condensed consolidated interim financial statements for the six months ended 30 June 2025

In millions of EUR, for the six months ended 30 June 2024

	Issued capital*	Share premium	Other reserves			Retained earnings / (Accumu- lated losses)	Attributable to owners of the Parent	Attributable to NCI	Total
			Translation reserve	Hedging reserve	Reserve for puttable instruments				
Balance as at 1 January 2024	-	1,575	(183)	5	(983)	89	503	495	998
Profit for the period	-	-	-	-	-	232	232	45	277
Currency translation differences	-	-	(34)	-	-	-	(34)	(13)	(47)
Cash flow hedge – effective portion of changes in fair value	-	-	-	(3)	-	-	(3)	-	(3)
Income tax related to components of OCI	-	-	-	1	-	-	1	-	1
Other comprehensive income for the period	-	-	(34)	(2)	-	-	(36)	(13)	(49)
Total comprehensive income	-	-	(34)	(2)	-	232	196	32	228
Dividends to NCI	-	-	-	-	-	-	-	(17)	(17)
Conditional commitment to acquire NCI's share – change in net present value (refer to E.16.4)	-	-	-	-	51	-	51	-	51
Total transactions with owners	-	-	-	-	51	-	51	(17)	34
Balance as at 30 June 2024	-	1,575	(217)	3	(932)	321	750	510	1,260

*Issued capital is EUR 1 thousand.

The notes on pages 8 to 45 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of cash flows

For the six months ended 30 June, prepared using the indirect method

In millions of EUR

	Notes	2025	2024
Cash flows from operating activities			
Net profit for the period (incl. discontinued operations)*		243	348
Adjustments for:			
Depreciation and amortisation	E3	193	340
Depreciation on lease-related right-of-use assets		32	52
Amortisation of costs to obtain contracts		31	42
Impairment losses on current and non-current assets		8	20
Net interest expense		39	97
Loss on financial assets	E4	5	9
Net foreign exchange (gains)/losses		(2)	26
Other expenses not involving movement of cash		2	-
Net operating cash flow before changes in working capital		552	934
Change in financial assets at FVTPL		(50)	(58)
Change in trade and other receivables		(46)	(4)
Change in contract assets		(5)	(10)
Change in inventories and other assets		(9)	(23)
Change in costs to obtain contracts		14	(45)
Change in trade and other payables		(73)	(31)
Change in provisions		(3)	2
Cash flows from operating activities		380	765
Interest received		6	14
Income tax paid		(43)	(84)
Net cash from operating activities		343	695
Cash flows from investing activities			
Purchase of tangible and intangible assets		(183)	(382)
Proceeds from disposal of subsidiaries, net of cash disposed		55	8
Acquisition of subsidiaries net of cash acquired		(843)	
Net cash used in investing activities		(971)	(374)
Cash flows from financing activities			
Net payment on settlement of derivatives		-	4
Interest paid (excl. interest on lease liabilities)		(53)	(127)
Repayment of debt securities		(600)	-
Proceeds from loans due to banks		1,425	-
Repayment of loans due to banks		(100)	-
Cash payments for principal portion of lease liability		(31)	(54)
Interest paid on lease liabilities		(7)	(11)
Dividends paid to NCI	E17	(4)	(17)
Dividends paid to shareholders	E15	-	-
Net cash used in financing activities		(630)	(205)
Net increase/(decrease) in cash and cash equivalents		2	116
Cash and cash equivalents as at 1 January		269	642
Effect of exchange rate changes on cash and cash equivalents		(4)	(2)
Cash and cash equivalents as at 30 June		275	756

*For more details on the discontinued operations refer to B.2.2

The notes on pages 8 to 45 are an integral part of these condensed consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

A. General

A.1. Description of the Group

e& PPF Telecom Group B.V., renamed from PPF Telecom Group B.V., (the “Parent Company” or the “Parent”) is a limited liability company incorporated in the Netherlands since 16 October 2013. On 24 October 2024, PPF Group N.V. (through its subsidiary PPF TMT Holdco 4 B.V.) sold a controlling stake in the Parent company to Emirates Telecommunication Group Company PJSC (“e& Group”) domiciled in the United Arab Emirates (“the UAE”). For more details on the transaction refer to B.2.1. Prior to the closing of the transaction, e& Group entered into an assignment and assumption agreement, whereby assigned all of its rights and obligations arising from the agreement with PPF Group N.V. to e& International Holding Limited making it a direct shareholder of the Parent Company. Emirates Telecommunication Group Company PJSC remains the ultimate parent of the Parent Company. The ultimate controlling party is the UAE Federal Government.

The registered office address of the Parent Company is Zuidplein 168, 1077XV Amsterdam, the Netherlands.

The Parent is the holder of several significant investments: mobile telecommunication operators providing services in Hungary, Bulgaria, and Serbia under brand Yettel and in Slovakia under brand O2, also with separated infrastructure entities operating complementary in the same countries under brand CETIN. The Parent also held other significant investments in mobile telecommunication operator and telco infrastructure entities in the Czech Republic, which were sold in October 2024 (refer to B.2.1.). The condensed consolidated interim financial statements of the Parent Company for the six months ended 30 June 2025 comprise the Parent Company and its subsidiaries (together, the “Group”) and the Group’s interests in associates, joint ventures and affiliated entities. Refer to Section B of these condensed consolidated interim financial statements for a list of significant Group entities and changes to the Group in 2025 and 2024.

A.2. Statement of compliance

The condensed consolidated interim financial statements were authorised for issue by the board of directors on 3 September 2025.

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2024 (“last annual financial statements”). Selected explanatory notes are included to explain events and transactions that are significant to understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements. These

condensed consolidated interim financial statements do not include all the information required for full annual financial statements prepared in accordance with IFRS Accounting Standards as adopted by the European Union (IFRS-AS EU).

A.3. Basis of measurement

The condensed consolidated interim financial statements have been prepared on the basis of the going concern assumption, applying a historical cost basis, except for the following assets and liabilities stated at their fair value: derivative financial instruments, financial instruments at FVTPL (incl. those designated upon initial recognition as at FVTPL) and financial instruments at FVOCI. Financial assets and liabilities as well as non-financial assets and liabilities measured at historical cost are stated at AC using the effective interest method or historical cost, as appropriate, net of any relevant impairment.

The Group accounts for business combinations using the acquisition method when control is transferred to the Group (refer to A.5). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes at a minimum an input and substantive process and whether the acquired set has the ability to produce outputs. The Group has the option to apply a ‘concentration test’ that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gains on bargain purchase is immediately recognised in profit or loss. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay a contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured, and settlement is accounted for within equity. Otherwise, other contingent considerations are re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent considerations are recognised in profit or loss.

A.4. Use of judgements and estimates

In preparing these condensed consolidated interim financial statements, the management made judgements, estimates, and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty fully correspond to those described in the most recent annual consolidated financial statements.

The following key judgements and estimates are based on the information available at the consolidated financial statements date and specifically relate to the determination of:

- assessment of control over subsidiaries (refer to B.2);
- the fair value of tangible and intangible assets identified during the purchase price allocation exercise and initial value of goodwill for each business combination and its subsequent impairment testing (refer to E.7.1);
- useful life of tangible and intangible fixed assets;
- provisions recognised under liabilities (refer to E.14);
- expected credit losses on trade receivables and contract assets (refer to E.8.1, E.8.3);
- commissions as costs to obtain contracts with customers;
- stand-alone selling prices;
- lease-term for the lessee accounting whether the Group is reasonably certain to exercise extension options;
- contingent assets and liabilities (refer to E.18);
- assessment of recognition and the net present value of the conditional commitment to acquire NCI's share (refer to E.16.4).

A.5. Basis of consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity if it is exposed, or has rights to, variable returns from investment with the entity, and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if one or more of the elements of control changes. This includes circumstances in which protective rights held, either by the Group or by the non-controlling interests, (e.g., those resulting from a lending relationship) become substantive and lead to the Group, or the non-controlling interest, having power over an investee, or, if the substantive right on the contrary come to the benefit on the non-controlling interests, the Group might lose its power over an investee and cease controlling it. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of the subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

The Group's interests in equity-accounted investees comprise interests in associates and joint ventures. Associates are those entities in which the Group has significant influence, but not control, over financial and operating policies. A joint venture is an arrangement in which the Group has joint control based on a contractual agreement, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. The consolidated financial statements include the Group's share of the total recognised gains and losses of associates and jointly controlled entities on an equity-accounted basis, from the date that significant influence or joint control commences until the date the significant influence or joint control ceases to exist. When the Group's share of losses exceeds the carrying amount of the associate or jointly controlled entity, the carrying amount is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate or jointly controlled entity.

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Reorganisations and mergers involving the companies under common control are accounted for using consolidated net book values (the “predecessor accounting method”). Consequently, no adjustment is made to carrying amounts in the consolidated accounts and no goodwill or gain on bargain purchase arises on such transactions.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss and any interest retained in the former subsidiary is measured at fair value when control is lost.

Intra-group balances and transactions, and any unrealised income and expenses, gains and losses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated only to the extent that there is no evidence of impairment.

A.6. Presentation and functional currency

The condensed consolidated interim financial statements are presented in euros (EUR), the Group’s reporting currency and the Parent’s functional currency, rounded to the nearest million.

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Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2025

A.7. Comparative figures in the consolidated statement of income

The comparative figures in the consolidated statement of income for the period ended 30 June 2024 have been restated to present the continuing operations separately from the operations in the Czech Republic presented as discontinued operations (for details refer to B.2.1). Results of the discontinued operations are presented in one line caption “net profit from discontinued operations, net of tax”.

The below table shows the comparative figures as they were previously reported and after the restatement:

In millions of EUR, for the year ended 30 June 2024

	2024 (reported)	Restatement due to discontinued operations	2024 (restated)
Revenue	1,918	(895)	1,023
Other income from non-telecommunication services	4	(4)	-
Personnel expenses	(225)	127	(98)
Other operating expenses	(773)	345	(428)
Operating profit excluding depreciation, amortisation, and impairments	924	(427)	497
Depreciation and amortisation	(340)	178	(162)
Depreciation on lease-related right-of-use assets	(52)	25	(27)
Amortisation of costs to obtain contracts	(42)	13	(29)
Impairment loss on PPE and intangible assets	(9)	2	(7)
Operating profit	481	(209)	272
Interest income	14	(3)	11
Other interest expense	(26)	(30)	(56)
Interest expense on lease liabilities	(11)	5	(6)
Net foreign currency gains/(losses)	(100)	89	(11)
Other finance costs	(10)	1	(9)
PROFIT BEFORE TAX	348	(147)	201
Income tax expense	(71)	36	(35)
Net profit from continuing operations	277	(111)	166
Net profit from discontinued operations, net of tax	-	111	111
NET PROFIT FOR THE PERIOD	277	0	277

B. Consolidated group and main changes for the period

B.1. Group entities

The following list only shows the significant holding and operating entities that are subsidiaries of the Parent Company as of 30 June 2025 and 31 December 2024.

Company	Domicile	Effective proportion of ownership interest	
		30 June 2025	31 December 2024
e& PPF Telecom Group B.V.	Netherlands	Parent	Parent
SERBIA BROADBAND – SRPSKE KABLOVKE MREŽE D.O.O. BEOGRAD ⁽¹⁾	Serbia	100.00%	-
<i>Commercial subgroup</i>			
PPF TMT Bidco 1 B.V.	Netherlands	100.00%	100.00%
O2 Slovakia, s.r.o.	Slovakia	100.00%	100.00%
Yettel Bulgaria EAD	Bulgaria	100.00%	100.00%
Yettel d.o.o. Beograd	Serbia	100.00%	100.00%
TMT Hungary B.V. ⁽²⁾⁽³⁾	Netherlands	-	100.00%
Yettel Magyarország Zrt. ⁽²⁾	Hungary	100.00%	100.00%
Yettel Real Estate Hungary Zrt. ⁽²⁾	Hungary	100.00%	100.00%
<i>Infrastructure subgroup</i>			
CETIN International N.V. ⁽³⁾	Netherlands	70.00%	70.00%
CETIN Networks s.r.o. ⁽⁵⁾	Slovakia	70.00%	70.00%
CETIN Bulgaria EAD	Bulgaria	70.00%	70.00%
CETIN d.o.o. Beograd-Novi Beograd	Serbia	70.00%	70.00%
TMT Hungary Infra B.V. ⁽²⁾⁽³⁾	Netherlands	-	70.00%
CETIN Hungary Zrt. ⁽²⁾	Hungary	70.00%	70.00%

(1) On 2 April 2025, the Group acquired the 100% shares in SERBIA BROADBAND – SRPSKE KABLOVKE MREŽE D.O.O. BEOGRAD (refer to B.2.1).

(2) On 3 December 2024, the Group acquired the remaining 25% shares in TMT Hungary B.V. and TMT Hungary Infra B.V. (refer to B.2.4)

(3) On 1 January 2025 TMT Hungary B.V. and TMT Hungary Infra B.V. merged with its parent companies (refer to B.2.5)

(4) Established on 30 September 2024.

(5) In October 2024, a 30% effective ownership was sold to a non-controlling partner (refer to B.2.3).

B.2. Significant changes in the Group structure in 2025 and 2024

B.2.1. Acquisition of SBB (2025)

In April 2025, the Group entered into an agreement to acquire a 100% stake in SERBIA BROADBAND – SRPSKE KABLOVKE MREŽE D.O.O. BEOGRAD (hereinafter as “SBB”), a leading cable television and broadband internet service provider in Serbia. The Group has primarily acquired a COAX infrastructure in its portfolio, which is available for 700 thousand households in several regions of Serbia. The transaction was subject to the approval of the Office for the Protection of Competition and the closing of the transaction occurred on 2 April 2025.

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Secondary the Group acquired the direct-to-home (DTH) business, which was carved out after the acquisition and sold to TELEKOM SRBIJA A.D. BEOGRAD on 15 April 2025 for EUR 50 million.

In accordance with IFRS 3, the Group prepared a purchase price allocation exercise (PPA) to determine the fair value of the acquired assets and assumed liabilities, and to potentially identify and determine the fair value of assets and liabilities not previously recognised by the acquired entity. Assets and liabilities denominated in foreign currencies were translated using the exchange rate valid as at the acquisition date. Consequently, the acquired assets and assumed liabilities were restated to their respective fair values. The difference between the purchase price (consideration paid) and the fair values of identified assets and liabilities resulted in the recognition of goodwill. As of the 30 June 2025, PPA has not been finalized and is therefore accounted on a provisional basis.

Key assumptions and valuation approach

As the acquired business is cable television and broadband internet service provider, the key asset categories acquired in the acquisition were fixed assets reported in the balance sheet, and customer relationships identified in addition to the fixed assets. Major fixed assets category was ducts, cables, and related plant.

Since each asset category has different characteristics, different asset valuation methods were applied. Based on the nature of the tangible assets and their continuing use, the reproduction or replacement cost approach was applied. The physical depreciation was reflected by application of the Iowa and linear depreciation curves. Newly identified customer relations were valued using the multi-period excess earnings method.

Based on the provisional outcomes of purchase price allocation, it was concluded that the carrying amounts of current non-financial assets, current financial assets, and all assumed liabilities represented their respective fair values as at the acquisition date.

The following table summarises the recognised acquisition amounts of acquired assets and assumed liabilities:

In millions of EUR, as at 30 June 2025

Fair value of assets acquired (excl. goodwill)	458
Property, plant and equipment	189
Intangible assets	176
Right-of-use assets	7
Trade and other receivables	56
Other assets	2
Assets held for sale	50
Contract assets	17
Cash and cash equivalents	8
Fair value of liabilities assumed (adjusted)*	505
Deferred tax liability	32
Lease liabilities	8
Trade and other payables	62
Contract liabilities	8
Other liabilities	1
Fair value of identifiable net assets(adjusted)*	394

*The figures exclude SBB pre-existing loans due to non-banks totalling EUR 69 million provided by the Group before the acquisition of control over SBB by the Group (for details refer to the below paragraph).

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Prior to the closing of the transaction, the Group refinanced SBB debts, represented by a shareholder EUR loan from SBB's previous owner of approx. EUR 69 million, by way of a EUR loan provided by Parent to SBB. Thus, with the acquisition of control over SBB, the loan became an intragroup relationship and, as at 30 June 2025, was fully eliminated from the Group's perspective.

Total consideration transferred for the acquisition of SBB effectively amounted to EUR 851 million, which comprised the base consideration paid of EUR 783 million, (amount after the subsequent discount of EUR 5 million) and the above-described loan refinancing totalling EUR 69 million.

The acquisition of shares and the above loan was financed by external debt financing.

Goodwill arising from the acquisition was recognised as follows:

In millions of EUR, as at 2 April 2025

Total consideration transferred [a]	851
Net consideration paid (for the 100% share)	783
Acquisition of shareholder loan	69
Fair value of identifiable net assets (adjusted) [b]	394
Goodwill (total) [a-b]	458

Goodwill is attributable to the established position of SBB businesses on the Serbian market, anticipated synergies with other Group's operations and the assembled workforce. The goodwill balance is not expected to be deductible for tax purposes.

In the period from the acquisition date to 30 June 2025, SBB contributed revenue of EUR 62 million and profit of EUR 9 million to the Group's results.

B.2.2. PPF Group N.V.'s agreement with Emirates Telecommunication Group Company

On 1 August 2023, PPF Group N.V. (the previous ultimate parent of the Parent Company, hereinafter referred to as "PPF Group") and Emirates Telecommunications Group Company PJSC ("e& Group") signed an agreement whereby e& Group acquired a controlling stake in the Parent Company. The controlling stake represented 50% of all issued ordinary shares plus 1 ordinary share and 50 million, out of a total 70 million issued, preferred shares in the Parent Company. As the Group's assets in the Czech Republic, including the infrastructure CETIN a.s. and the Czech operator O2 Czech Republic a.s., were not part of the transaction, PPF Group first had to complete an internal pre-closing restructuring process of the Group to achieve the desired Group structure as agreed with e& Group. The pre-closing restructuring involved many steps that were carried out in the first half of October 2024. The transaction between PPF Group and e& Group was successfully closed on 24 October 2024 after obtaining all regulatory approvals and satisfying other customary closing conditions.

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Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2025

B.2.2.1. Sale of Czech entities

Within the pre-closing restructuring process, in the first half of October 2024, the Parent Company sold its Czech assets to its immediate holding company PPF TMT Holdco 2 B.V. The impact of the sale on these consolidated financial statements is summarised in the following table:

In millions of EUR

Transaction	CETIN CZ*	O2 Czech Republic*	Total
Loss of control date	11 October 2024	15 October 2024	
Direct ownership sold	70.00%	100.00%	
Consideration received in cash (sale price)	621	2,992	3,613
Net assets value sold**	(637)	(698)	(1,335)
where:			
Accumulated translation gains/(losses) until loss of control relating to these foreign operations (reclassified from equity to profit or loss)	91	(152)	(61)
Non-controlling interests disposed	197	-	197
Gain on sale of investments in subsidiaries	272	2,142	2,414

*Including the holding companies CETIN Group N.V. for CETIN CZ and PPF Comco N.V. for O2 Czech Republic.

**Net assets value sold is expressed as after intercompany eliminations between the entities sold comprised in this table.

e& PPF Telecom Group B.V.*Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2025*

The following table summarises the assets and liabilities of the sold businesses when the Group lost control over them:

In millions of EUR, as at the loss of control date

	CETIN CZ*	O2 Czech Republic*	Total
Loss of control date	11 October 2024	15 October 2024	
ASSETS			
Property, plant and equipment	2,064	57	2,121
Goodwill	173	535	708
Other intangible assets	117	505	622
Right-of-use assets	217	47	264
Costs to obtain contracts	-	38	38
Trade and other receivables	-	60	60
Other assets	16	57	73
Non-current assets	2,587	1,299	3,886
Trade and other receivables	58	140	198
Inventories	4	39	43
Other assets	37	28	65
Cash and cash equivalents	85	102	187
Current assets	184	309	493
TOTAL ASSETS	2,771	1,608	4,379
LIABILITIES			
Debt securities issued	497	-	497
Due to banks	700	-	700
Due to non-banks	52	332	384
Lease liabilities	187	38	225
Trade and other payables	13	94	107
Contract liabilities	53	14	67
Deferred tax liabilities	239	25	264
Non-current liabilities	1,741	503	2,244
Debt securities issued	9	-	9
Due to banks	2	186	188
Due to non-banks	123	-	123
Lease liabilities	43	10	53
Trade and other payables	205	195	400
Contract liabilities	11	16	27
Current liabilities	393	407	800
TOTAL LIABILITIES	2,134	910	3,044
NET ASSETS VALUE SOLD	637	698	1,335

*including the holding companies CETIN Group N.V. for CETIN CZ and PPF Comco N.V. for O2 Czech Republic

The sold businesses, CETIN CZ and O2 Czech Republic, fulfil the conditions of IFRS 5 for discontinued operations, therefore, their results are presented separately from the continuing operations in the consolidated statement of income and other comprehensive income (the conditions were met at the end of September 2024). The comparative figures for the year ended 31 December 2023 were restated accordingly (refer to A.7).

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Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2025

The results of the discontinued operations for the period ended 30 June 2024 are presented below:

In millions of EUR, for the year ended 31 December

	2024
Revenue	895
Other income from non-telecommunication services	4
Personnel expenses	(127)
Other operating expenses	(345)
Operating profit excluding depreciation, amortisation, and impairments	427
Depreciation and amortisation	(178)
Depreciation on lease-related right-of-use assets	(25)
Amortisation of costs to obtain contracts	(13)
Impairment loss on PPE and intangible assets	(2)
Operating profit	209
Interest income	3
Other interest expense	30
Interest expense on lease liabilities	(5)
Net foreign currency losses	(89)
Other finance costs	(1)
PROFIT BEFORE TAX	147
Income tax expense	(36)
NET PROFIT FROM DISCONTINUED OPERATIONS	111

Net cash flows generated by discontinued operations are as follows:

In millions of EUR, for the year ended 30 June

	2024
Cash flows from operating activities	435
Cash flows from/(used in) investing activities	(219)
Cash flows used in financing activities	(136)
Net cash flows from/(used in) discontinued operations	80

B.2.3. Sale of shares in the Slovak infrastructure to a non-controlling shareholder

On 11 October 2024, CETIN International N.V. acquired the 100% share in the Slovak infrastructure business, CETIN Networks s.r.o., from its fellow subsidiary, PPF Comco N.V. From the Group's perspective, this transaction increased GIC Private Limited's ("GIC") involvement (presented as an increase in book value of the non-controlling interest) due to their 30% share in CETIN International N.V. The financial aspects for this transaction as at 11 October 2024 were as follows:

In millions of EUR

Effective ownership sold	30.00%
Total consideration received	157
Total net asset value attributable to non-controlling interests	41
Effect attributable to the owners of the Parent in equity (gain)	116

B.2.4. Increased share in Yettel Hungary and Cetin Hungary

On 4 December 2024, the Group acquired the remaining 25% share in TMT Hungary B.V. (a holding entity of Yettel Magyarország Zrt. and Yettel Real Estate Hungary Zrt.) and a 25% share in TMT Hungary Infra B.V. (a holding entity of CETIN Hungary Zrt.) from a non-controlling shareholder, TMT Hungary Holdco B.V., the Parent Company's previous fellow subsidiary having been under common control of PPF Group N.V. by the moment of the e& transaction closing on 24 October 2024. The acquisition was financed by an external bank loan.

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Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2025

For more details on the impact of these transactions on the non-controlling interests refer to E.17.

The following table summarises the financial aspects of the transactions:

In millions of EUR

Effective ownership acquired – TMT Hungary B.V.	25.00%
Effective ownership acquired – TMT Hungary Infra B.V.	25.00%
Total consideration paid	299
Total net asset value attributable to non-controlling interests acquired	199
Effect attributable to the owners of the Parent in equity	100
<i>out of which:</i>	
<i>recorded in retained earnings (loss)</i>	78
<i>recorded in translation reserve (loss)</i>	22

B.2.5. Merger of TMT Hungary and Hungary Infra B.V

As of 1.1.2025 entities TMT Hungary infra and TMT Hungary have been merged with its parent entities (CETIN International and TMT Bidco 1). This transaction under common control has not any impact on the e& PPF TG consolidated equity.

C. Risk exposures, risk management objectives and procedures

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2024.

The Group is exposed to a variety of financial risks, including the effects of changes in debt market prices, foreign currency exchange rates and interest rates as a result of ordinary business, debt taken on to finance its business, and net investment in foreign operations. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise any potential adverse effects on the financial performance of the Group. The Group uses either derivative financial instruments or non-derivative instruments (such as cash instruments) to hedge certain exposures.

The Group does not conduct any speculative trading activities.

Risk management is carried out by the relevant treasury departments in accordance with approved policies. The board of directors provides written principles for overall risk management. In accordance with these principles, policies are in place for specific areas, such as foreign exchange risk, interest rate risk, credit risk, liquidity risk, use of derivative financial instruments, and investing excess liquidity.

During the interim period there were no significant changes in the nature or extent of risks arising from financial instruments. There were no significant transactions influencing liquidity position of the Group.

C.1. Hedging

The Group generally keeps monitoring the market development to take an appropriate action when needed, i.e., to mitigate primarily interest risk and foreign currency by use of derivative contracts.

Parent company have been hedging FX risk rising from shareholder loans provided (denominated) in HUF to its subsidiaries in Hungary since March 2025. The used hedging instrument is a combination of several cross-currency interest rate swaps denominated in HUF and EUR. As at 30 June 2025, above mentioned entities hedge long-term shareholder loan facility agreement until November 2027. The Group applies hedge accounting for these hedge instruments.

In 2025, the cash flow hedges of above-mentioned entities were effective, and no ineffectiveness was recognised in profit or loss.

The Group's objective is to maintain an appropriate mix of debt minimising the FX risk exposure.

C.2. Fair value of financial assets and liabilities

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments measured using: market prices quoted in active markets for similar instruments; prices quoted for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are measured based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include, where applicable, a comparison with similar instruments for which market observable prices exist, the net present value and discounted cash flow models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premiums used in estimating discount rates, bond prices, foreign currency exchange rates, expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

The fair value of derivative financial instruments is based on Market-to-Market valuation method.

The carrying amount of financial assets and financial liabilities not measured at fair value is a reasonable approximation of its fair value (except for the fix-rate debt securities issued presented in the below table), since financial assets and liabilities comprise mainly current trade receivables and payables, cash and cash equivalents and borrowings with a floating interest rate.

In millions of EUR

	30 June 2025	30 June 2025	31 December 2024	31 December 2024
	Carrying amount	Fair value	Carrying amount	Fair value
Debt securities issued (Level 2)	(1,064)	(1,073)	(1,675)	(1,674)

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Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2025

The following table presents an analysis of financial instruments recorded at fair value, broken down by how the fair value calculation is accomplished: i.e., based on quoted market prices (Level 1); calculated using valuation techniques where all the model inputs are observable in the market (Level 2); or calculated using valuation techniques where significant model inputs are not observable in the market (Level 3):

In millions of EUR, as at 30 June 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL	-	-	124	124
Financial assets at FVOCI	-	-	0	0
Total	-	/	124	124

In millions of EUR, as at 31 December 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVTPL	-	-	72	72
Financial assets at FVOCI	-	-	-	-
Total	-	-	72	72

C.3. Capital management

For the purpose of the Group's capital management, capital includes issued share capital, share premium and all other equity reserves attributable to the equity holders of the Parent. The primary objective of the Group's capital management is to maximise the shareholder value while maintaining investor, creditor and market confidence and being able to sustain the future development of the business.

To achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to interest-bearing loans and borrowings. Further, the e& PPF facilities agreement also contains financial covenants involving the regular testing of proportionate leverage calculated as proportionate net debt to proportionate EBITDA, which for any relevant period ending on or after 30 June 2025 may not exceed 4.00:1 for the group consisting of all material Group's entities. The covenant as of 30 June 2025 was met.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group is not subject to any externally imposed regulatory capital requirements. No changes were made in the objectives, policies or processes for managing capital during the six months ended 30 June 2025 and the year ended 31 December 2024.

D. Segment reporting

The Group recognises reportable segments that are defined in both geographical and sector terms. The Group's board of directors and the shareholder (the chief operating decision maker) review the internal management reports of individual segments on a regular basis.

The following summary describes the operations and geographic focus of each reportable segment.

Reportable segment	Operations	Geographic focus
O2 Czech Republic	Fixed and mobile telecommunication and data services	Czech Republic ⁽¹⁾
O2 Slovakia	Mobile telecommunication and data services, and infrastructure	Slovakia
Yettel Hungary	Mobile telecommunication and data services	Hungary
Yettel Bulgaria	Mobile telecommunication and data services	Bulgaria
Yettel Serbia	Mobile telecommunication and data services	Serbia
CETIN CZ	Wholesale telecommunication services (mobile, fixed and data services) to other telco operators and international transit	Czech Republic ⁽¹⁾
CETIN Slovakia ⁽²⁾	Telecommunication infrastructure	Slovakia
CETIN Hungary	Telecommunication infrastructure	Hungary
CETIN Bulgaria	Telecommunication infrastructure	Bulgaria
CETIN Serbia	Telecommunication infrastructure	Serbia
SBB Serbia	Cable television and broadband internet services	Serbia

(1) Czech entities and their holding companies are presented as discontinued operations (refer to B.2.2)

(2) CETIN Slovakia segment represents activities of CETIN Networks, s.r.o., which was renamed on 1 January 2024 from O2 Networks, s.r.o. In October 2024, CETIN Networks s.r.o. became a part of CETIN International N.V. subgroup (refer to B.2.3).

The unallocated segment represents operations of holding entities not directly attributable to the core segments and comprising mainly funding related to acquisitions.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Inter-segment pricing is determined on an arm's length basis. Segment assets and liabilities include all assets and liabilities attributable to segments. Eliminations represent intercompany balances among individual reporting segments.

The total segment revenue for the six months ended 30 June 2025 amounting to EUR 1,131 million (30 June 2024: EUR 1,918 million including discontinued segments) represents revenues from external customers as presented in the statement of income under Revenue caption.

The revenues reported include revenue from contracts with customers, comprising service and equipment revenues as well as other revenue items including interest revenue arising from Group's ordinary transactions with a significant financing component (refer to E.1.1).

The Group does not have a major customer or an individual customer with revenue exceeding 10% of total segment revenue.

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In millions of EUR

30 June 2025	O2 Slovakia	Yettel Hungary	Yettel Bulgaria	Yettel Serbia	CETIN Slovakia	CETIN Hungary	CETIN Bulgaria	CETIN Serbia	SBB Serbia	Unallo- cated	Elimi- nations	Consoli- dated
Revenue from external customers	182	319	266	284	2	3	6	7	62	-	-	1,131
Inter-segment revenue	1	1	1	-	53	96	77	69	-	14	(312)	-
Total revenue	183	320	267	284	55	99	83	76	62	14	(312)	1,131
Other income from non-telecommunication services	-	-	-	-	-	-	-	-	-	-	-	-
Operating expenses	(137)	(240)	(188)	(190)	(13)	(26)	(22)	(17)	(32)	(27)	311	(581)
Operating profit excl. depr., amort. and impairments	46	80	79	94	42	73	61	59	30	(13)	(1)	550
Depreciation and amortisation	(19)	(33)	(22)	(28)	(21)	(18)	(18)	(16)	(17)	(1)	-	(193)
Depreciation on lease related RoU	(2)	(2)	(2)	(2)	(4)	(8)	(5)	(6)	(1)	-	-	(32)
Amortisation of costs to obtain a contract	(5)	(4)	(7)	(15)	-	-	-	-	-	-	-	(31)
Impairment loss	-	-	1	-	-	-	-	-	-	-	-	1
Operating profit	20	41	49	49	42	73	38	37	12	(14)	(1)	295
Interest income	-	1	-	2	-	1	-	1	-	45	(43)	7
Net foreign currency losses	-	-	-	-	-	-	-	-	-	2	-	2
Interest expense on lease liability	(1)	-	-	-	(1)	(3)	(1)	(2)	-	-	-	(8)
Other interest expense	(2)	(7)	-	-	(2)	(1)	-	-	(2)	(73)	43	(44)
Other finance cost	(3)	(3)	(2)	-	-	-	-	-	-	(1)	-	(9)
Profit for the period before tax	14	32	47	51	14	44	37	36	10	(41)	(1)	243
Income tax expense	(5)	(6)	(7)	(5)	(5)	(7)	(5)	(6)	(1)	(2)	-	(49)
Profit for the period	9	26	40	46	9	37	32	30	9	(43)	(1)	194
Capital expenditure	7	16	23	15	35	21	24	22	8	-	-	171
30 June 2025												
Segment assets	335	701	532	645	326	533	383	458	901	2,016	(1,955)	4,875
Segment liabilities	200	355	130	121	234	195	143	102	114	4,402	(1,789)	4,207
Segment equity	135	346	402	524	92	338	240	356	787	(2,386)	(166)	668

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In millions of EUR

30 June 2024	O2 Czech Republic (disc.)	O2 Slovak- ia	Yettel Hun- gary	Yettel Bul- garia	Yettel Serbia	CETIN CZ (disc.)	CETIN Slovak- ia	CETIN Hun- gary	CETIN Bul- garia	CETIN Serbia	Unallo- cated	Unallo- cated ⁽¹⁾ (disc.)	Elimina- tion with DISC ⁽²⁾	Elimina- tions within CONT ⁽³⁾	Elimina- tions - other ⁽⁴⁾	Consoli- dated
Revenue from external customers	714	173	319	257	262	181	-	2	4	6	-	-	-	-	-	1,918
Inter-segment revenue	5	1	1	1	5	237	50	91	72	60	-	-	(8)	(273)	(242)	-
Total revenue	719	174	320	258	267	418	50	93	76	66	-	-	(8)	(273)	(242)	1,918
Other income from non-telecommunication services	3	1	-	-	-	2	-	-	-	-	2	-	-	(3)	(1)	4
Operating expenses	(491)	(138)	(247)	(181)	(182)	(207)	(12)	(24)	(20)	(16)	(3)	-	21	276	226	(998)
Operating profit excl. depr., amort. and impairments	231	37	73	77	85	213	38	69	56	50	(1)	-	13	-	(17)	924
Depreciation and amortisation	(74)	(21)	(34)	(21)	(26)	(105)	(15)	(16)	(17)	(11)	-	-	1	-	(1)	(340)
Depreciation on lease related RoU	(10)	(2)	(2)	(2)	(2)	(18)	(4)	(6)	(4)	(5)	-	-	-	-	3	(52)
Amortisation of costs to obtain a contract	(13)	(4)	(4)	(7)	(14)	-	-	-	-	-	-	-	-	-	-	(42)
Impairment loss	-	-	-	-	(8)	-	-	(1)	-	-	-	-	-	-	-	(9)
Operating profit	134	10	33	47	35	90	19	46	35	34	(1)	-	14	-	(15)	481
Interest income	2	-	2	1	3	1	-	1	-	-	24	24	(9)	(11)	(24)	14
Net foreign currency gains/(losses)	(3)	-	(1)	-	-	(13)	-	(1)	-	-	(9)	1	-	-	-	(26)
Interest expense on lease liability	(2)	-	-	-	-	(4)	-	(3)	(1)	(1)	-	-	(1)	-	1	(11)
Other interest expense	(9)	(1)	(9)	-	(1)	(28)	(2)	(1)	-	-	(53)	(40)	-	11	33	(100)
Other finance income/(cost)	-	(3)	(4)	(3)	-	-	-	-	-	-	1	(1)	-	-	-	(10)
Profit for the period before tax	122	6	21	45	37	46	17	42	34	33	(38)	(16)	4	-	(5)	348
Income tax expense	(26)	(2)	(7)	(4)	(5)	(9)	(3)	(6)	(3)	(5)	-	(1)	-	-	-	(71)
Profit for the period	96	4	14	41	32	37	14	36	31	28	(38)	(17)	4	-	(5)	277
Capital expenditure	88	7	17	22	11	121	19	20	20	19	-	-	-	-	-	344
30 June 2024																
Segment assets	1,670	313	746	551	684	2,748	289	506	370	381	1,256	930	(481)	(460)	(1,023)	8,480
Segment liabilities	961	149	350	152	101	1,779	161	167	132	79	3,449	1,704	(34)	(460)	(1,470)	7,220

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Segment equity	709	164	396	399	583	969	128	339	238	302	(2,193)	(774)	(447)	-	447	1,260
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The following table shows the main revenue streams broken down according to reportable segments:

In millions of EUR

30 June 2025	O2 Slovakia	Yettel Hungary	Yettel Bulgaria	Yettel Serbia	CETIN Slovakia	CETIN Hungary	CETIN Bulgaria	CETIN Serbia	SBB Serbia	Unallo- cated	Elimi- nations	Consolida ted
<i>Major service/product lines:</i>												
Mobile originated revenue	123	237	186	196	-	-	-	-	-	-	(1)	741
Fixed originated revenue	14	13	10	13	-	-	-	-	57	-	-	107
Hardware revenues	31	43	55	48	-	-	-	-	1	-	-	178
Interconnect revenue	8	9	6	15	-	-	-	-	-	-	-	38
International transit revenue	-	-	-	-	-	-	2	-	-	-	(1)	1
Other wholesale revenue	3	7	5	3	52	95	76	68	-	-	(291)	18
Other sales	4	11	5	9	3	4	5	8	4	14	(19)	48
<i>Revenue recognition:</i>												
Revenue recognised over time	152	277	212	236	55	99	83	76	61	14	(312)	953
Revenue recognised at a point in time	31	43	55	48	-	-	-	-	1	-	-	178
Total revenue	183	320	267	284	55	99	83	76	62	14	(312)	1,131

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In millions of EUR

30 June 2024	O2 Czech Republic (disc.)	O2 Slovakia	Yettel Hungary	Yettel Bulgaria	Yettel Serbia	CETIN CZ (disc.)	CETIN Slovakia	CETIN Hungary	CETIN Bulgaria	CETIN Serbia	Unallo- cated(1) (disc.)	Elimina- tion with DISC(2)	Elimina- tions within CONT(3)	Elimina- tions - other(4)	Consoli- dated
<i>Major service/product lines:</i>															
Mobile originated revenue	381	117	249	189	179	-	-	-	-	-	-	-	(1)	(3)	1,111
Fixed originated revenue	264	12	1	1	8	21	-	-	-	-	-	-	-	-	307
Hardware revenues	46	34	46	55	50	-	-	-	-	-	-	-	-	-	231
Interconnect revenue	21	8	9	6	19	-	-	-	-	-	-	(4)	(1)	-	58
International transit revenue	-	-	-	-	-	95	-	-	3	-	-	(1)	(1)	(11)	85
Other wholesale revenue	7	-	5	3	1	302	49	90	73	58	-	(2)	(267)	(228)	91
Other sales	-	3	10	4	10	-	1	3	-	8	-	(1)	(3)	-	35
<i>Revenue recognition:</i>															
Revenue recognised over time	673	140	274	202	217	418	50	93	76	66	-	(8)	(273)	(242)	1,686
Revenue recognised at a point in time	46	34	46	56	50	-	-	-	-	-	-	-	-	-	232
Total revenue	719	174	320	258	267	418	50	93	76	66	-	(8)	(273)	(242)	1,918

E. Additional notes to the condensed consolidated interim financial statements

Due to the discontinuance of operations in the Czech Republic (refer to A.7 and B.2.2), in the whole section E in the disclosures to the consolidated statement of income, the comparative figures for the year period 30 June 2024 have been restated not reflect the Czech entities' and their holding companies' expenses, losses, revenues or income in the Group's comparative figures as they were presented in the most recent consolidated financial statements for the period ended 30 June 2024.

E.1. Revenue

E.1.1. Revenue from telco business – major lines of business

Revenue from the telecommunication business comprises the following:

In millions of EUR, for the six months ended 30 June

	2025	2024
Mobile originated revenue	741	733
Fixed originated revenue	107	22
Hardware sales revenue	178	185
Interconnect revenue	38	38
International transit revenue	1	-
Other wholesale revenue	18	10
Other sales	48	35
Revenue from telecommunication business	1,131	1,023
<i>out of which:</i>		
Services/products transferred over time	953	838
Services/products transferred at a point in time	178	185

Hardware sales revenue includes interest revenue arising from Group's ordinary transactions with a significant financing component. For the period ended 30 June 2025, interest income amounts to EUR 5 million (30 June 2024: EUR 3 million).

For relevant information on contract assets and contract liabilities refer to E.8.3.

E.1.2. Revenue from telco business – geographical markets

The revenue from the telco business is geographically disaggregated per customer sites, as follows:

In millions of EUR, for the six months ended 30 June

	2025	2024
Services/products transferred over time	953	838
Hungary	273	274
Serbia	301	216
Bulgaria	210	197
Slovakia	153	137

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Other	16	13
Services/products transferred at a point in time	178	185
Hungary	43	46
Bulgaria	55	56
Serbia	49	50
Slovakia	31	33

E.2. Personnel expenses and other operating expenses

Operating expenses comprise the following:

In millions of EUR, for the six months ended 30 June

	2025	2024
Employee compensation	92	81
Payroll related taxes (including pension contributions)	21	17
Total personnel expenses	113	98
Cost of telco and other devices sold (inventories)	186	183
Interconnection and roaming	46	43
Transit cost of sales	2	3
Other cost of sales	45	53
Utilities	31	30
Network&IT maintenance	24	18
Advertising and marketing	18	19
Commissions	14	12
Rentals, buildings and vehicles	3	4
Professional services	33	8
Net impairment losses on trade and other receivables	8	8
Taxes other than income tax	1	2
Telecommunication and postage	7	5
Other	49	45
Total other operating expenses	468	428

E.3. Depreciation and amortisation

Depreciation and amortisation charges (excl. right-of-use assets) comprise the following:

In millions of EUR, for the six months ended 30 June

	2025	2024
Depreciation of property, plant and equipment	99	73
Amortisation of intangible assets	94	89
Total depreciation and amortisation	193	162

E.4. Other finance costs

Other finance costs comprise the following:

In millions of EUR, for the six months ended 30 June

	2025	2024
Net loss on financial derivatives and other FVTPL assets	9	9
Fee and commission expense	-	-
Total finance costs	9	9

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E.5. Income taxes

Income tax expense comprises the following:

In millions of EUR, for the six months ended 30 June

	2025	2024
Current tax expense	(53)	(41)
Deferred tax benefit	4	6
Total income tax expense	(49)	(35)

Income tax is computed and recognised by entities generating substantial accounting profit for the interim period, via application of statutory income tax rate on pre-tax income adjusted by, if significant, non-taxable revenues and costs. The Group's consolidated effective tax rate for the six months ended 30 June 2025 was 20% (30 June 2024: 17%).

E.5.1. Global minimum tax (Pillar Two)

The Group became subject to the global minimum tax under Pillar Two legislation (top-up tax) from 1 January 2025. Related legislation has already been enacted or substantively enacted in some of the jurisdictions in which the Group operates, while it is only in the process of development in other jurisdictions. Potential liability from Pillar Two rules is further influenced by the dynamic nature of Group's portfolio (with reference especially to the active transactions described in B section of these condensed consolidated interim financial statements).

The Group acknowledged these complexities and ongoing changes in the global tax environment as well as possible changes in the Group's structure during the preparation of its thorough analyses. As a result, the Group assessed that the impact of the Pillar Two legislation is about EUR 4 million for the six months ended 30 June 2025.

The Group continued to apply the temporary mandatory relief from deferred tax accounting for the future impacts of the top-up tax and no deferred tax impact was recognised for the six months ended 30 June 2025.

E.6. Property, plant and equipment

Property, plant and equipment comprise the following:

In millions of EUR

30 June 2025	Land and buildings	Network	Other tangible assets and equipment	Construction in progress	Total
Carrying amount as at 30 June 2025	112	757	32	147	1,048

In millions of EUR

31 December 2024	Land and buildings	Network	Other tangible assets and equipment	Construction in progress	Total
Carrying amount as at 31 December 2024	62	553	100	149	864

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E.7. Goodwill and other intangible assets

E.7.1. Goodwill

Goodwill is allocated to individual CGUs as follows:

In millions of EUR

	30 June 2025	31 December 2024
O2 Slovakia	24	24
Yettel Hungary	174	169
Yettel Bulgaria	118	118
Yettel Serbia	183	183
CETIN Networks	16	16
CETIN Hungary	169	165
CETIN Bulgaria	104	104
CETIN Serbia	189	189
SBB Serbia	457	-
Total goodwill*	1,434	986

*The changes in values of goodwill are affected mainly by changes in the translation FX rates.

E.7.2. Other intangible assets

Other intangible assets comprise the following:

In millions of EUR

30 June 2025	Software	Licences	Valuable rights	Customer relation- ships	Other intangible assets	Work in progress	Total
Carrying amount as at 30 June 2025	114	350	31	388	32	60	975

In millions of EUR

31 December 2024	Software	Licences	Valuable rights	Customer relation- ships	Other intangible assets	Work in progress	Total
Carrying amount as at 31 December 2024	86	367	22	274	15	47	811

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E.8. Financial assets (excluding cash and cash equivalents)

Financial assets comprise the following:

In millions of EUR

	30 June 2025	31 December 2024
Trade and other receivables	20	8
Contract assets	30	29
Financial assets at FVOCI*	-	-
Financial assets at FVTPL*	-	-
Non-current	50	37
Trade and other receivables	283	232
Financial assets at FVTPL*	124	72
Contract assets	75	71
Receivables due from banks*	-	2
Current	482	377
Total financial assets	532	414

*Presented as other financial assets in the condensed consolidated interim statement of financial position.

E.8.1. Trade and other receivables

Trade and other receivables comprise the following:

In millions of EUR

	30 June 2025	31 December 2024
Trade receivables	20	8
Subtotal (gross) - non-current	20	8
Individual allowances for impairment on trade and other receivables	-	-
Subtotal (net) - non-current	20	8
Trade receivables	293	241
Accrued income	49	45
Subtotal (gross) - current	342	286
Individual allowances for impairment on trade and other receivables	(59)	(54)
Subtotal (net) - current	283	232
Total trade and other receivables	303	240

E.8.2. Financial assets at FVTPL

Financial assets at FVTPL comprise the following:

In millions of EUR

	30 June 2025	31 December 2024
Hedging derivatives	-	-
Trading derivatives	-	-
Non-current	-	-
Instalment receivables at FVTPL	124	72
Hedging derivatives	-	-
Trading derivatives	-	-
Current	124	72
Total financial assets at FVTPL	124	72

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The Group provides mobile handsets and other telecommunication equipment to its customers on instalments (usually for 12 to 24 months, interest-free). To improve its working capital, the Group enters into securitisation transactions with its fellow subsidiaries within PPF Group. Under these transactions, Yettel Bulgaria and Yettel Hungary issue participation certificates that are acquired by PPF Co3 B.V., and O2 Slovakia issue participation certificates that are acquired by AB 4 B.V. All risks and rewards related to these instalment receivables are transferred under the certificates and derecognised from the Group's consolidated statement of financial position. From the Group's perspective, no recourse or other liability results from these transactions.

As 30 June 2025 and 31 December 2024, the part of trade receivables being subject to future sale transactions (i.e., not yet transferred to PPF Co3 B.V. or AB 4 B.V and not derecognised but fulfilling all necessary conditions to be transferred) is recognised under financial assets at FVTPL as instalment receivables at FVTPL in the table above. For the period ended 30 June 2025 no sale happened yet, the movement for current period is caused by origination of new financial assets.

E.8.3. Contract assets and liabilities

The following table provides information about the carrying amounts of receivables, contract assets and contract liabilities from contracts with customers:

In millions of EUR

	30 June 2025	31 December 2024
Receivables, which are included in "trade and other receivables"	303	240
Contract assets	105	100
Non-current part	30	29
Current part	75	71
Contract liabilities	(41)	(32)
Non-current part	(11)	(3)
Current part	(30)	(29)

As at 30 June 2025, the ECL allowance for contracts assets amounted to EUR 0.5 million (31 December 2024: EUR 6 million).

E.9. Inventories and other assets

Inventories and other assets comprise the following:

In millions of EUR

	30 June 2025	31 December 2024
Deferred expenses and advances paid	25	43
Specific deposits and other specific receivables	-	1
Other assets	3	-
Non-current	28	44
Inventories	69	67
Deferred expenses and advances paid	76	34
Other tax receivables	1	13
Other assets	13	5
Current	159	119
Total inventories and other assets	187	163

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E.10. Cash and cash equivalents

Cash and cash equivalents comprise the following:

In millions of EUR

	30 June 2025	31 December 2024
Current accounts	274	268
Cash on hand	1	1
Total cash and cash equivalents	275	269

E.11. Liabilities due to banks

Liabilities due to banks comprise the following:

In millions of EUR

	30 June 2025	31 December 2024
Unsecured loans (non-current)	1,566	240
Unsecured loans (current)	2	1
Total liabilities due to banks	1,568	241

CETIN Group N.V., the former Parent Company's subsidiary, became a party to a term and revolving facilities agreement with a syndicate of banks in August 2021. CETIN Group N.V. then utilised bridge, term, and incremental term loan facilities amounting to EUR 1,450 million in aggregate. In April 2022, CETIN Group N.V. issued senior notes with the total nominal amount of EUR 500 million) and used the proceeds to prepay the bridge loan (in full) and term loans (partially). In December 2023, CETIN Group N.V. utilised EUR 197 million of EUR 200 million committed revolving facility and the Group used the proceeds to repay the bond with a nominal value of CZK 4,866 million (EUR 203 million).

In October 2024, as part of the internal pre-closing restructuring (refer to B.2.2), the loan facilities were repaid in total amount of EUR 445 million and subsequently, the Group disposed of CETIN Group N.V. including its liabilities.

In October 2024, as part of the internal pre-closing restructuring (refer to B.2.1), PPF TMT Holdco 2 B.V., the former direct parent company, assumed in full both term loan facilities. The backstop loan facility remained undrawn and ceased to exist as at the completion of transaction with e& Group. The outstanding principal amount of these term loan facilities as at 31 December 2024 was nil (2023: EUR 850 million).

In November 2024, the Parent company became a party to a Term loan and Revolving Facilities Agreement (hereinafter together as "RCF") amounting to EUR 1,446 million (from that EUR 1,200 million RCF and EUR 246 million term loan). The first utilization of EUR 246 million was executed on 3 December 2024 and it was used for the purchase of the 25% share in Yettel Hungary and CETIN Hungary (refer to B.2.3). The second utilization was executed in January 2025, EUR 600 million was utilized for the purpose to repay the Bond maturing in January 2025. In June 2025 the loan was repaid for EUR 100 million.

In March 2025 the Term loan and Revolving Facilities Agreement was amended and increased to EUR 2,271 million (from that EUR 1,200 million RCF and EUR 1,071 million term loan). The third utilization came in April 2025, EUR 825 million was utilized for the purpose of SBB acquisition completed as of 2 April 2025.

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As of 30 June 2025 and 31 December 2024, the Group complied with the financial covenants imposed by its loan facilities.

Parameters of EUR-denominated loan facilities borrowed by the Parent company and outstanding as at 30 June 2025:

	Term and Revolving facilities agreement
Repayable by	2029 ⁽¹⁾
Margin rate over EURIBOR	0.80%-0.90% ⁽²⁾
Actual respective margin levels applicable	0.80% ⁽³⁾

(1) Including a prolongation option of the borrower

(2) Depending on the rating grade.

(3) The last utilized amount of EUR 825 million has margin 0.90% the rest of the loan 0.80%

On 20 May 2020, the Group concluded a long-term unsecured facility agreement with a 5-year maturity (until 2025) and a credit limit of CZK 9,240 million (approx. EUR 346 million) by which it refinanced the previously maturing loan (no cash movement related to this refinancing). In October 2024, the Group disposed of this long-term loan facility in full amount of CZK 4,690 million (approx. EUR 186 million) as a part of the sale of O2 Czech Republic a.s. (refer to B.2.1). As of 31 December 2024, the outstanding principal amount of this loan facility was nil.

E.12. Debt securities issued

Debt securities (all unsecured) issued comprise the following:

In millions of EUR

	Date of issue	Maturity	Fixed rate	30 June 2025	31 December 2024
Bond (EUR 600 million)*	2019/2020	2025	2.13%	-	612
Bond (EUR 550 million)	2019	2026	3.13%	554	562
Bond (EUR 500 million)	2020	2027	3.25%	510	501
Total debt securities issued				1,064	1,675

*The aggregate nominal amount after consolidation of the EUR 500 million Eurobond issued in November 2019 with the EUR 100 million Eurobond issued in January 2020 (as a tap issue).

In March 2019, the Group established EUR 3,000 million Euro medium term note programme. At the same moment, the Group obtained corporate credit ratings Ba1 by Moody's, BB+ by Standard & Poor's and BBB- by Fitch Ratings. During 2019 and 2020, under this programme, the Group issued senior secured Eurobonds in the aggregate nominal amount of EUR 2,250 million. Most of the bond proceeds were used to repay the Group's secured loans.

In January 2025 the Group paid the bond liability matured by utilizing term loan facility in amount of EUR 600 million described in chapter E.11.

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E.13. Trade and other payables

Trade and other payables comprise the following:

In millions of EUR

	30 June 2025	31 December 2024
Settlements with suppliers	7	20
Deferred income and prepayments	15	11
Accrued expenses	-	3
Other liabilities	14	9
Non-current	36	43
Settlements with suppliers	165	241
Accrued expense	178	107
Wages and salaries	29	35
Other tax payable and social security and health insurance	32	29
Deferred income and prepayments	10	4
Advances received	6	1
Other liabilities	18	27
Current	438	444
Total trade and other payables	474	487

E.14. Provisions

Provisions comprise the following:

In millions of EUR

	30 June 2025	31 December 2024
Fixed asset retirement obligation	43	43
Provision for litigations except for tax issues	-	1
Other provisions	9	-
Provision for restructuring	-	-
Non-current	52	44
Provision for litigations except for tax issues	1	-
Provision for restructuring	-	-
Fixed asset retirement obligation	-	-
Other provisions	30	16
Current	31	16
Total provisions	83	60

E.15. Issued capital, share premium and dividends

Issued capital is capital in respect of which the shareholders' liability for an entity's obligation towards its creditors is limited. The amount is limited to the current nominal capital approved by a shareholders' resolution.

On 15 October 2024, the Parent Company changed its share capital structure. Previously issued 1,000 ordinary shares of EUR 1 were split into 100,000,000 ordinary shares of EUR 0.00001. The Group also issued 1 new ordinary share with a notional amount of EUR 0.00001 and 70,000,001 new preferred shares with a notional amount of EUR 0.01 per share. The issued capital thus increased by EUR 700 thousand to a total amount of EUR 701 thousand as of 31 December 2024 (2023: EUR 1 thousand).

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Referring to the above change in the issued capital, as of 31 December 2024, the Parent Company's share capital is issued in Euros and divided into shares of two different classes comprising preferred and ordinary shares. The preferred shares are tracking shares without any voting rights but to which preferential rights to (distributions of) certain profits, reserves and liquidation proceeds are attached. All ordinary shares rank equally with regards to distributions by the Company of profits and reserves other than those to which the holders of preferred shares are entitled. The holder of ordinary shares is entitled to cast one vote for each ordinary share in the general meeting of the Parent Company. There was no change in above mentioned in 2025.

The following table provides details of authorised and issued shares:

	30 June 2025	31 December 2024
Number of ordinary shares authorised	100,000,001	100,000,001
Number of ordinary shares issued, out of which fully paid	100,000,001	100,000,001
Par value per share	EUR 0.00001	EUR 0.00001
Number of preferred shares authorised	70,000,001	70,000,001
Number of preferred shares issued, out of which fully paid	70,000,001	70,000,001
Par value per share	EUR 0.01	EUR 0.01

The share premium is the amount received by the Parent Company in excess of the par value of its shares.

As at 30 June 2025, the share premium amounts to EUR 518 million (31 December 2024: EUR 518 million). The share premium is freely distributable.

During the six months ended 30 June 2025 and 2024, the Parent Company did not pay any dividends).

E.16. Other reserves

E.16.1. Retained earnings

Retained earnings include legal and statutory reserves representing reserves, the creation and use of which is limited by legislation and the articles of association of each company within the Group and that are not available for distribution to shareholders. As at 30 June 2025 and 31 December 2024, these non-distributable reserves to shareholders totalled EUR 6 million.

E.16.2. Hedging reserve

The hedging reserve, i.e., the cash flow hedge reserve, represents the effect of the recognition of the effective portion of changes in the fair value of hedging instruments in other comprehensive income in equity. The cash flow hedge reserve is not available for distribution to shareholders.

E.16.3. Currency translation reserve

The currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of companies within the Group with a functional currency other than the Group presentation currency, which is the euro. The translation reserve is not available for distribution to shareholders.

E.16.4. Reserve for puttable instruments

The reserve for puttable instruments represented the equity impact of a conditional commitment to acquire the 30% NCI's share in CETIN Group N.V. from March 2022, when the Group sold its 30% share in CETIN Group N.V. to GIC Private Limited („GIC“) until the sale of CETIN Group outside the Group (B.2.2.). With this sale, the Group also granted a put option to GIC for its 30% share in CETIN Group N.V. for the fair value of the share as at the exercise date of the option. Should the Parent Company's controlling party change without prior approval, as defined in the agreement (incl. the ultimate parent and the ultimate controlling party defined in note A.1, hereinafter together as “controlling parties”), GIC was allowed to exercise this put option. As the same GIC put option arrangements apply to the newly established CETIN International N.V. that has become the holding entity for the infrastructure subgroup following the internal pre-closing restructuring (refer to B.2.1) a new reserve related to CETIN International N.V. ownership has been created.

Although the Group is fully capable of avoiding the situations that would allow GIC to exercise the put option, except for the above-mentioned unapproved change of control (which is fully in the power of the Parent Company's immediate holding company), it has to recognise a hypothetical financial liability following the guidance in IFRS AS (IAS 32), as this situation would require the Group to deliver cash or another financial asset because technically, the Group's management itself cannot avoid triggering an unapproved change of control over the Parent Company. However, the Parent Company's controlling parties will always consider all effects of an unapproved change of control. Thus, the Group's management considers the exercisability of the put option highly unlikely.

However, even though the above situation is exceedingly unlikely, i.e., the put option is highly improbable to be exercised, IFRS AS guidance does not define such put option liabilities based on what is likely to happen but instead uses the contractual terms of the agreement. As with the existence of this put option GIC still has access to the returns from the investment in CETIN International N.V., previously to CETIN Group N.V. that was sold in October 2024 as described in B.2.2, (such as dividends), applying the present-access method, the Group's conditional commitment to acquire NCI's share was recognised in the consolidated financial statements as at 30 June 2025 and 31 December 2024 as a financial liability at present value with the present value remeasurements directly through equity attributable to the owners of the Parent.

As at 30 June 2025, the present value of the conditional commitment to acquire NCI's share totalling EUR 600 million (31 December 2024: 564) was derived from the fair value of the 30% share in CETIN International N.V. determined by independent valuation experts using a multicriteria approach aligned with general professional valuation practices comprising the discounted-cash-flows method, and market multiples of comparable companies.

The other conditions related to the put option granted to GIC, are fully under the control of the Group's management, and no liability with equity impact recognition is required.

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E.17. Non-controlling interests

The following table summarises the information relating to CETIN International as the consolidated subgroup with NCI. CETIN Group (sold in October 2024), TMT Hungary and TMT Hungary Infra (both fully control from December 2024) are not included into the consolidated subgroups with NCI in 2025 anymore as is described in B.2:

In millions of EUR

30 June 2025	CETIN International
NCI percentage (effective ownership)	30.00%
Country of incorporation	Netherlands
Total assets	1,727
Total liabilities	(1,661)
Net assets	66
Carrying amount of NCI	16
NCI effective percentage during the period	30.00%
Revenue	312
Profit	81
Other comprehensive expense	(3)
Total comprehensive income	79
Profit allocated to NCI	24
OCI allocated to NCI	-
Dividends paid to NCI	4

In millions of EUR

As at 31 December 2024	CETIN Group ⁽¹⁾	CETIN International ⁽²⁾	TMT Hungary ⁽³⁾	TMT Hungary Infra ^(3,4)	Total
NCI percentage (effective ownership)	-%	30.00%	-%	-%	
Country of incorporation	Netherlands	Netherlands	Netherlands	Netherlands	
Total assets	-	1,650	715	516	
Total liabilities	-	(1,666)	(311)	(157)	
Net assets	-	(16)	404	359	
Carrying amount of NCI	-	(4)	-	-	(4)
NCI effective percentage during the period	30.00% ⁽¹⁾	30.00% ⁽²⁾	25.00% ⁽³⁾	25.00% ⁽³⁾	
Revenue	1,023	130	654	187	
Profit	157	30	22	71	
Other comprehensive expense	(30)	(9)	(32)	(26)	
Total comprehensive income/(expense)	127	21	(10)	45	
Profit allocated to NCI	47	8	6	16	77
OCI allocated to NCI	20	(32)	(7)	(5)	(24)
Dividends paid to NCI	542	-	10	9	561

(1) Sold in October 2024 (refer to B.2.1); The effective percentage shows ownership from January 2024 to October 2024.

(2) CETIN International was established on 30 September 2024; The effective percentage shows ownership from October 2024 to December 2024.

(3) For details on decrease in NCI's percentage ownership refer to B.2.3; The effective percentage shows ownership from January 2024 to the beginning of December 2024.

(4) TMT Hungary Infra was a part of CETIN International subgroup.

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In millions of EUR

30 June 2024	CETIN Group	TMT Hungary	TMT Hungary Infra*	Total
NCI percentage (effective ownership)	30.00%	25.00%	47.50%	
Country of incorporation	Netherlands	Netherlands	Netherlands	
Total assets	4,012	767	506	
Total liabilities	(2,921)	(287)	(149)	
Net assets	1,091	480	357	
Net assets attributable to NCI of the subgroup	(89)	-	-	
Net assets attributable to owners of the Parent	1,002	480	357	
Carrying amount of NCI	301	120	89	510
NCI effective percentage during the period	30.00%	25.00%	47.50%	
Revenue	649	320	93	
Profit	115	15	36	
Other comprehensive expense	(24)	(15)	(11)	
Total comprehensive income	91	-	25	
Profit allocated to NCI	32	4	9	45
OCI allocated to NCI	(6)	(4)	(3)	(13)
Dividends paid to NCI	12	-	5	17

*TMT Hungary Infra is part of Cetin Group subgroup.

E.18. Off-balance sheet items

E.18.1. Commitments

In millions of EUR

	30 June 2025	31 December 2024
Capital expenditure commitments – PPE	105	85
Capital expenditure commitments – intangible assets	25	10
Guarantees provided	33	10
Total commitments and contingent liabilities	163	105

E.18.2. Off-balance sheet assets

In millions of EUR

	30 June 2025	31 December 2024
Loan commitments accepted	700	607
Guarantees accepted	8	5
Total commitments and contingent assets	708	12

E.18.3. Litigations

UFUS AFA claims

UFUS AFA (the Serbian Filmmakers Organization) is a collective rights organization for the protection of rights of film authors that has commenced ten lawsuits against SBB d.o.o. Beograd (“SBB”) for unpaid amounts for the historical distribution of rights by SBB, as SBB did not enter into any contracts covering any collective rights payments to UFUS AFA for many years while SBB was owned by United Group B.V. (“United Group”). The large number of cases

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cover discrete time periods during the period from January 2018 through the end of March 2025, but they reach represent the same claim of UFUS AFA for non-payment of fees with respect to this full period. SBB disputes the damages calculation provided by UFUS AFA in the various cases and has made an accrual for the amounts that it believes would be payable to UFUS AFA in the event of judgments against SBB in the various cases. When acquiring SBB, the Group negotiated an indemnity from United Group in the acquisition SPA that covers the large majority of the potential liability against SBB under the various cases.

Other Legal Matters

In May 2025, the Group entered into a settlement agreement with Amdocs Software Systems Limited and Amdocs Bulgaria EOOD with respect to the Vienna International Arbitral Centre arbitration that the Amdocs parties commenced against Yettel Bulgaria. Under the terms of the agreement, both parties have mutually released all claims relating to the dispute and mutually withdrew the arbitration, concluding the dispute in full.

There are no other cases (including those previously disclosed in the consolidated financial statements of the Group) that are material to the Group as of the date of these financial statements.

E.19. Related parties

The Group has related party transactions with e& International Holding Limited and Emirates Telecommunications Group Company PJSC (as the direct or indirect parent companies) and fellow subsidiaries. Beside the transactions listed in section B, other significant ones are disclosed below.

E.19.1. Transactions with shareholders

As of 31 December 2024, the Group had an accrued liability of EUR 3 million towards its shareholder e& International Holding Limited as of 30 June 2025 the any item toward this entity has not exceed million EUR.

E.19.2. Transactions with fellow subsidiaries

As at the reporting date, the Group had the following balances with its fellow subsidiaries (i.e., entities under control of Emirates Telecommunications Group Company PJSC and those under control of PPF Group N.V. as an indirect minority shareholder of the Parent Company):

In millions of EUR

	30 June 2025	31 December 2024
Cash and cash equivalents	155	99
Intangible assets	11	10
Receivables due from banks (gross amounts)	10	5
<i>Receivables due from banks (loss allowance)</i>	<i>(2)</i>	<i>(3)</i>
Trade and other receivables	39	5
Other assets	-	8
Right-of-use assets (IFRS 16)	3	-
Trade and other payables	(26)	(17)
Other liabilities	(3)	-

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During the six-month ended 30 June 2025, the Group had the following significant transactions with the fellow subsidiaries:

In millions of EUR, for the six months ended 30 June

	2025	2024
Revenue	8	17
Other operating expenses	(24)	(55)
Depreciation and amortisation	-	(9)
Interest income	-	10

In 2025 and 2024, the Group issued participation certificates that were fully acquired by its related parties under the control of PPF Group N.V. For more details refer to E.8.2.

Cash and cash equivalents represent the Group's current accounts with PPF Banka a.s. and Mobi Banka a.d. Beograd (both under control of PPF Group N.V.).

F. Material accounting policies

F.1. Material accounting policies

The Group applies the same accounting policies in these condensed consolidated interim financial statements as were applied in the most recent annual consolidated financial statements for the year ended 31 December 2024, except for the changes described below.

Amendments to IAS 21 The effects of changes in Foreign Exchange Rates: Lack of Exchangeability (effective from 1 January 2025).

The amendments to IAS 21 clarify whether a currency is exchangeable and how to determine a spot exchange rate when it is not. The amendments require disclosure of information to understand the impact of a currency not being exchangeable.

The amendment had no material impact on the Group's consolidated financial statements.

These amendments had no material impact on the Group's consolidated financial statements.

F.2. Standards, interpretations and amendments to published standards not yet effective but relevant for the Group's condensed consolidated interim financial statements

A number of new standards, amendments to standards, and interpretations were not yet effective as of 30 June 2025 and have not been applied in the preparation of these condensed consolidated interim financial statements. Of these pronouncements, the following will have a potential impact on the Group's operations. The Group plans to adopt these pronouncements when they become effective.

Amendments to the Classification and Measurement of Financial Instruments to IFRS 9 and IFRS 7 (expected effectiveness from 1 January 2026)

The amendments to IFRS 9 and IFRS 7 clarify the accounting treatment of financial assets with environmental, social, or governance (ESG) features and modify the criteria for derecognition and modification of financial liabilities. They also provide additional guidance on disclosures of selected financial instruments to improve transparency in financial reporting.

These amendments have not been adopted by the EU yet. The Group is assessing the potential impact on its consolidated financial statements resulting from the application of these amendments.

IFRS 18 Presentation and Disclosure in Financial Statements (expected effectiveness from 1 January 2027)

IFRS 18 will introduce comprehensive guidelines for how entities should present and disclose financial information. It aims to improve the clarity, consistency, and comparability of financial statements by standardizing the format and content of financial disclosures. This standard will require entities to provide more detailed and transparent information about their financial position, performance, and cash flows, enhancing the overall quality of financial reporting.

e& PPF Telecom Group B.V.

Notes to the condensed consolidated interim financial statements for the six months ended 30 June 2025

IFRS 18 has not been adopted by EU yet. The Group is assessing the potential impact on its consolidated financial statements resulting from the application of this new IFRS-AS standard.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (expected effectiveness from 1 January 2027)

IFRS 19 is designed to simplify the disclosure requirements for subsidiaries that do not have public accountability. The standard allows these subsidiaries to provide reduced disclosures in their financial statements while still complying with IFRS-AS recognition and measurement principles. The goal is to reduce the reporting burden for smaller entities while maintaining transparency and usefulness of financial information for stakeholders.

IFRS 19 has not been adopted by EU yet. The Group is assessing the potential impact on its consolidated financial statements resulting from the application of this new IFRS-AS standard.

G. Subsequent events

G.1. Interim dividend

In 2025, the Parent Company did not declare any interim dividend.

G.2. Other significant events

In July 2025, the O2 Slovakia successfully concluded a spectrum auction with a total estimated value of approximately EUR 150 million. A EUR 33 million prepayment was made and will be offset against the recognized liability in August 2025. Most licenses (by value) will become usable from 1 January 2029, and related assets will remain in work-in-progress (WIP) until then. The Group plans to recognize WIP and the corresponding liability at discounted values, with monthly unwinding of the discount and partial capitalization of interest where applicable.

3 September 2025

The board of directors:

Ilya Kiykov
Chairman of board of directors

Murat Kirkgöz
Member of board of directors

Jan Cornelis Jansen
Member of the board of directors

Lubomír Král
Member of the board of directors

Jaap Johan van der Vlies
Member of the board of directors

Independent auditor's review report

To: the shareholders and the board of directors of e& PPF Telecom group B.V.

Our conclusion

We have reviewed the condensed consolidated interim financial statements included in the condensed consolidated interim financial reporting of e& PPF Telecom Group B.V. based in Amsterdam for the period from 1 January 2025 to 30 June 2025.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements of e& PPF Telecom group B.V. for the period from 1 January 2025 to 30 June 2025, is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted in the European Union.

The condensed consolidated interim financial statements comprise:

- The condensed consolidated interim statement of financial position as of 30 June 2025.
- The following consolidated interim statements for the period from 1 January 2025 to 30 June 2025: the statements of income and other comprehensive income, changes in equity and cash flow
- The notes comprise material accounting policy information and selected explanatory information

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, "Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit" (Review of interim financial information performed by the independent auditor of the entity). A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the Our responsibilities for the review of the condensed consolidated interim financial statements section of our report.

We are independent of e& PPF Telecom group B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of board of directors for the condensed consolidated interim financial statements

The board of directors is responsible for the preparation and presentation of the condensed consolidated interim financial statements in accordance with IAS 34, "Interim Financial Reporting" as adopted in the European Union. Furthermore, the board of directors is responsible for such internal control as it determines is necessary to enable the preparation of the condensed consolidated interim financial statements that is free from material misstatement, whether due to fraud or error.

Our responsibilities for the review of the condensed consolidated interim financial statements

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a review engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the review, in accordance with Dutch Standard 2410.

Our review included among others:

- Obtaining our understanding of e& PPF Telecom Group B.V. and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the condensed consolidated interim financial statements where material misstatements are likely to arise due to fraud or error, designing and performing analytical and other review procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion
- Obtaining an understanding of internal control as it relates to the preparation of condensed consolidated interim financial statements
- Making inquiries with the board of directors and others within e& PPF Telecom Group B.V.
- Applying analytical procedures with respect to information included in the condensed consolidated interim financial statements
- Obtaining assurance evidence that the condensed consolidated interim financial statements agrees with, or reconciles to, e& PPF Telecom Group B.V.'s underlying accounting records
- Evaluating the assurance evidence obtained
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle
- Considering whether the board of directors has identified all events that may require adjustment to or disclosure in the condensed consolidated interim financial statements
- Considering whether the condensed consolidated interim financial statements has been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement

The Hague, 3 September 2025

EY Accountants B.V.

signed by S.B. Spiessens