

# Investor Presentation

March 2025



# Cautionary statement

This presentation contains forward-looking statements. These forward-looking statements are usually accompanied by words such as >believe<, >intend<, >anticipate<, >plan<, >expect< and similar expressions or by >outlook<. Actual events may differ materially from those anticipated in these forward-looking statements as a result of a number of factors. Forward-looking statements involve inherent risks and uncertainties. A number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement. Neither Telekom Austria AG nor the A1 Group nor any other person accepts any liability for any such forward-looking statements. A1 Group will not update these forward-looking statements, whether due to changed factual circumstances, changes in assumptions or expectations.

Alternative performance measures are used to describe the operational performance. Please therefore also refer to the financial information presented in the Consolidated Financial Statements, as well as the reconciliation tables provided in the Earnings Release. This presentation was created with care and all data has been checked conscientiously. Nevertheless, the possibility of layout and printing errors cannot be excluded. The use of automated calculation systems may give rise to rounding differences.

This presentation does not constitute a recommendation or invitation to purchase or sell securities of A1 Group. Telekom Austria AG is the mother company of the A1 Group.

# A1 at a glance: Former Austrian incumbent and a platform for growth in Eastern Europe

**5.4 bn**

Total revenues

**2.0 bn**

EBITDA

**37 %**

EBITDA margin

**27.1 mn**

Wireless subscribers

**6.4 mn**

Fixed RGUs

**40 EurC**

Dividend  
~12% CAGR last 6 years

**#1**

Telecom  
Brand in  
Austria

**#3**

in brand value  
of Austrian  
brands

**0.2**

Net Debt/  
EBITDAaL  
ratio

**A-**

Credit rating

**Top 10**

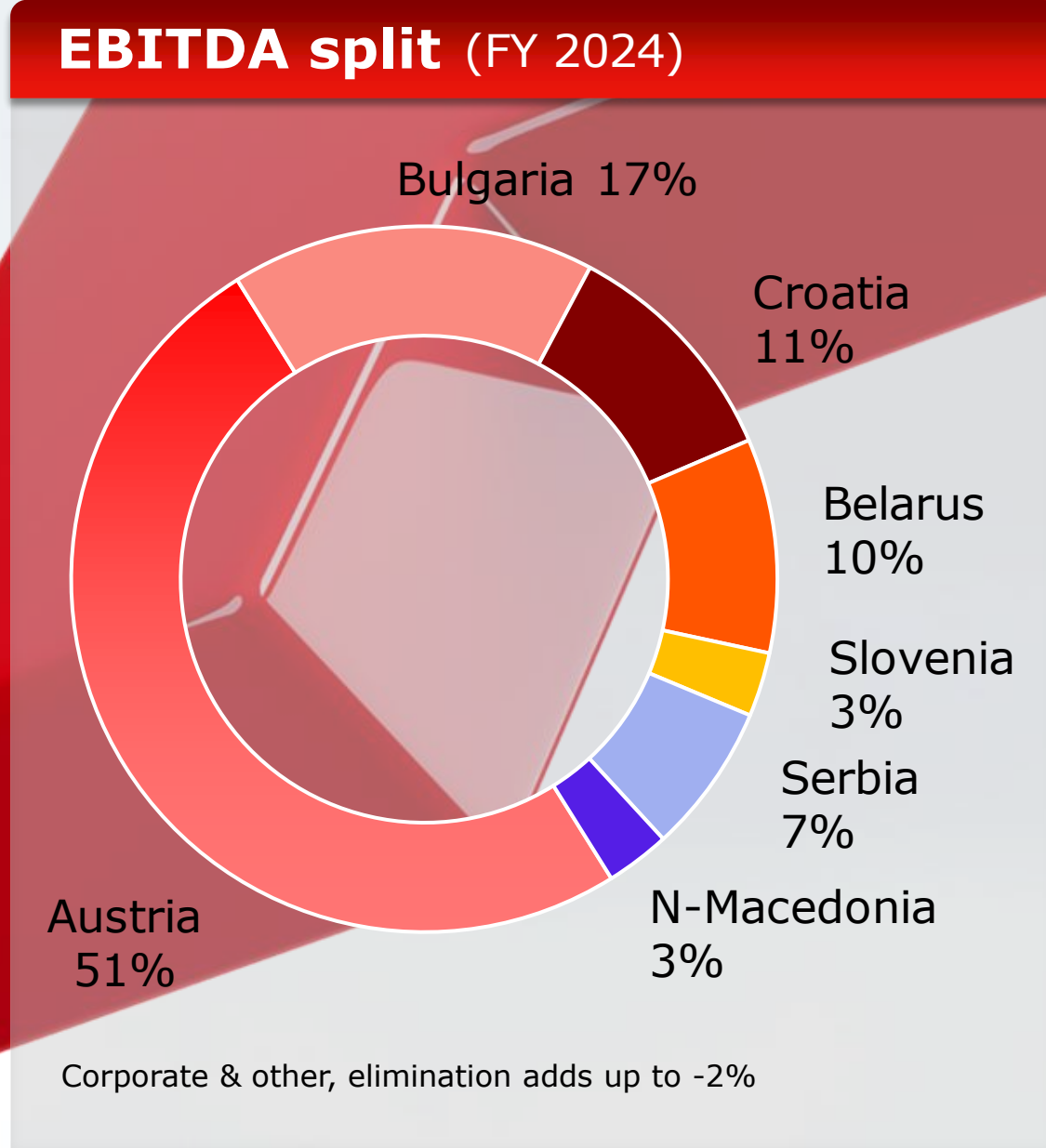
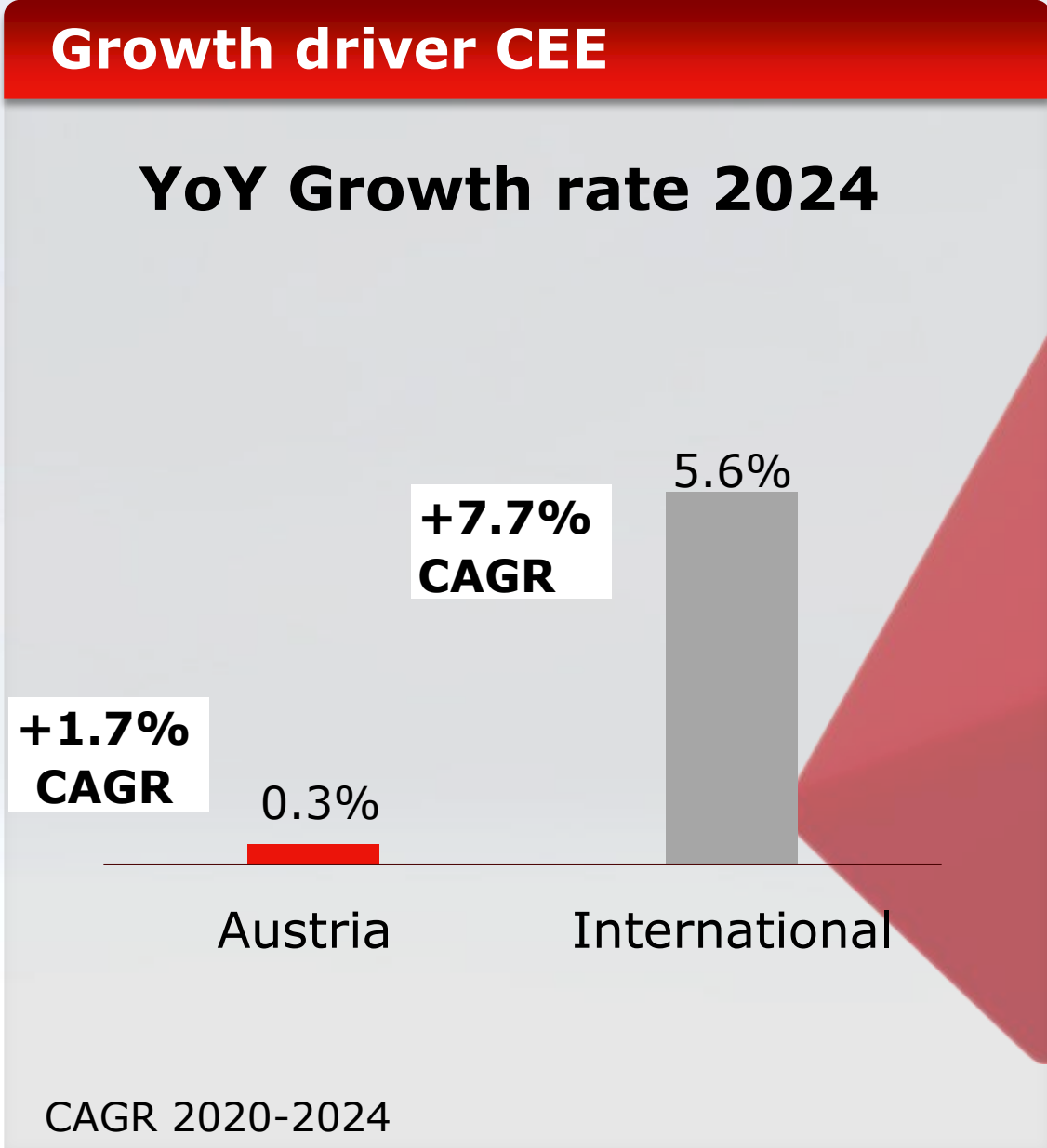
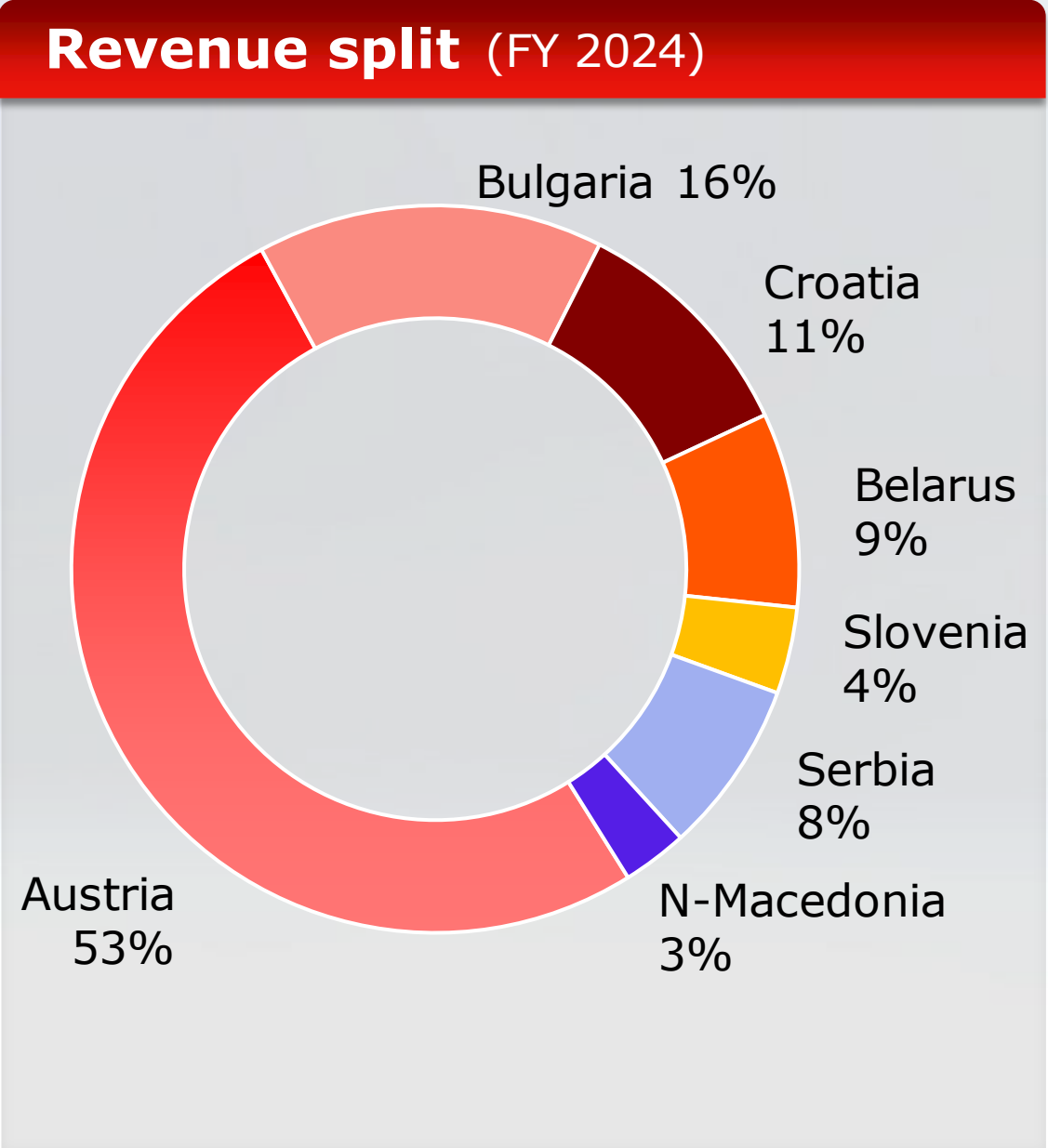
of >200 telcos  
Sustainalytics

**Top 5%**

Ecovadis  
sustainability  
rating



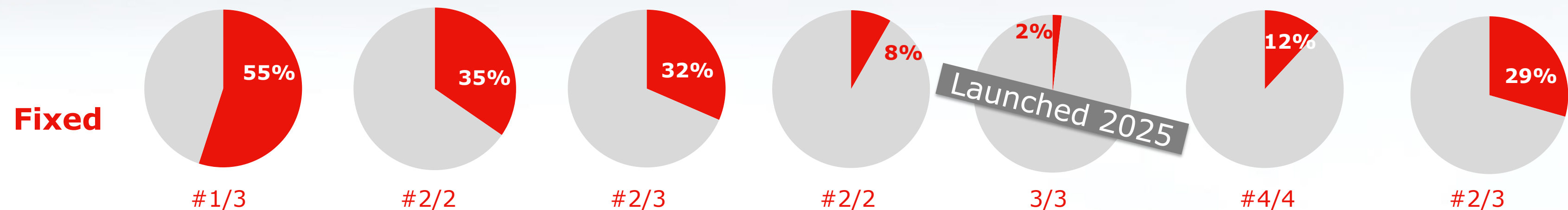
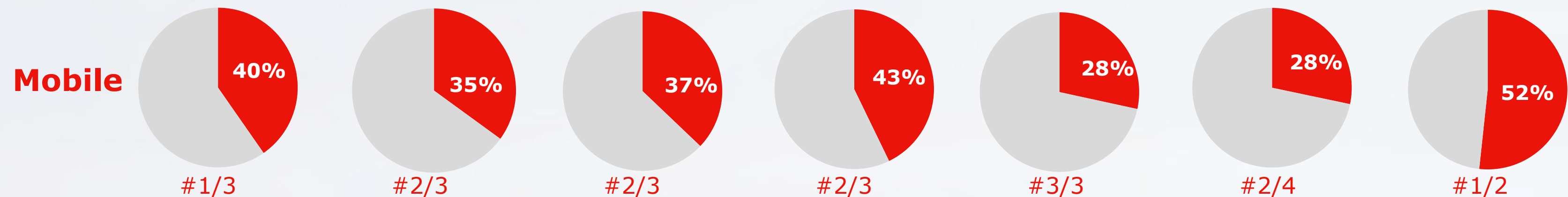
# Well-balanced performance across geographic footprint



**Business in Austria brings stability to the A1 Group, international business growth.**

# Market Shares

 **Austria**
 **Bulgaria**
 **Croatia**
 **Belarus**
 **Serbia**
 **Slovenia**
 **N.-Macedonia**



5 Mobile and fixed market positions both based on Service Revenues Market Shares per Q3 2024; Austria excl. fixed voice  
 Slovenia: Telemach Slovenia signed agreement to acquire T2 in August 2024, approvals pending

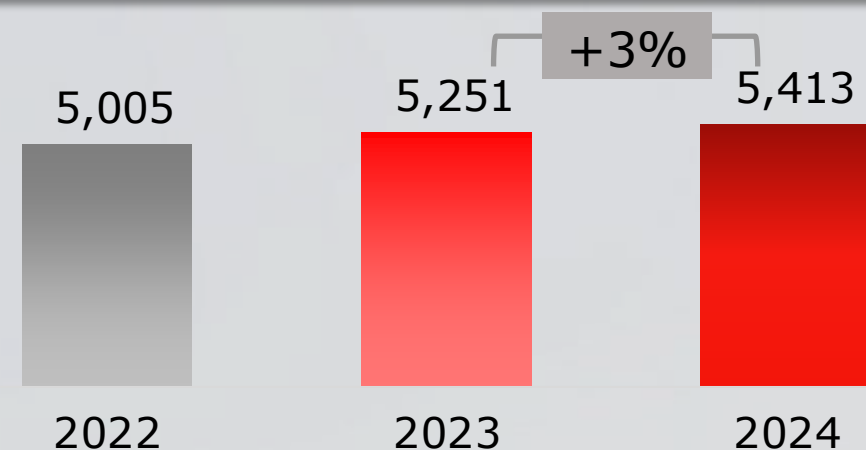
# Financials



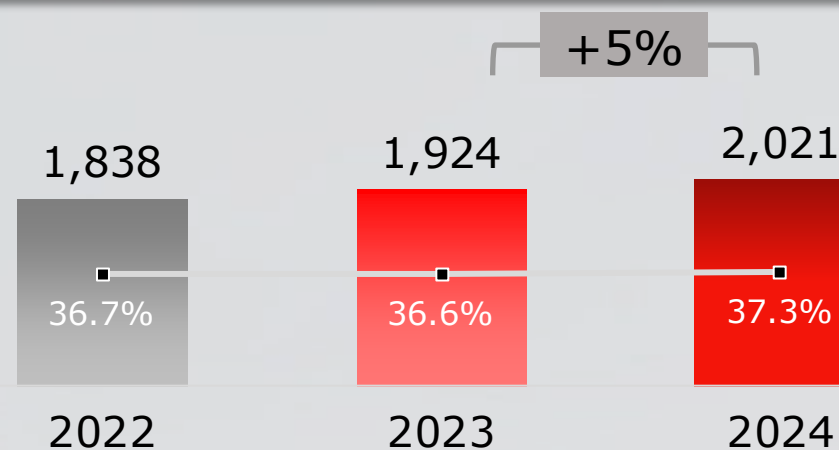
# Financial performance

(Unless otherwise stated, in € mn)

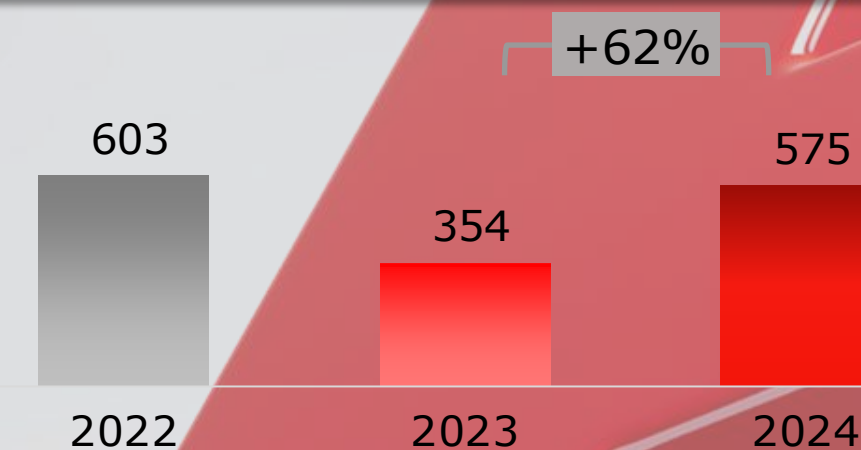
## Revenues



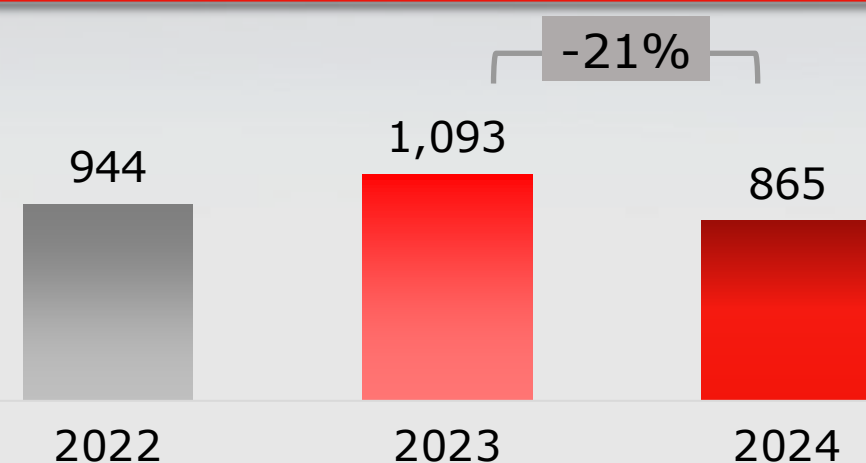
## EBITDA



## Free cash flow

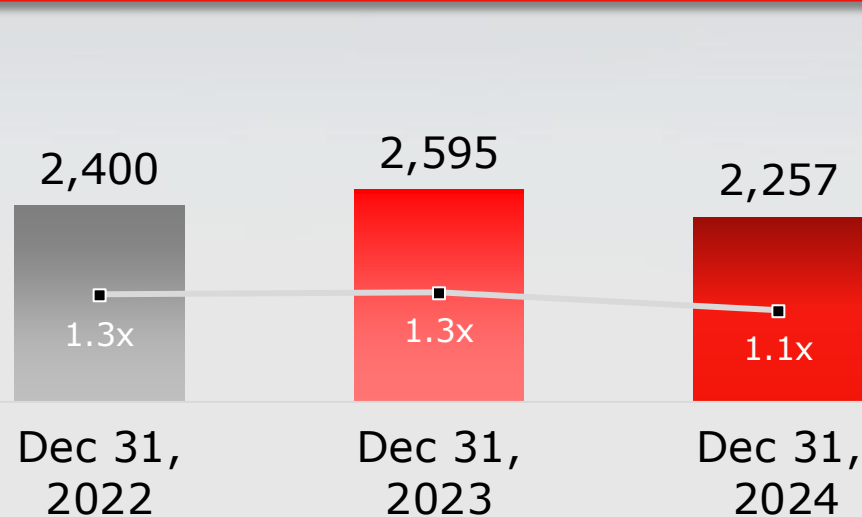


## CAPEX (incl frequencies)

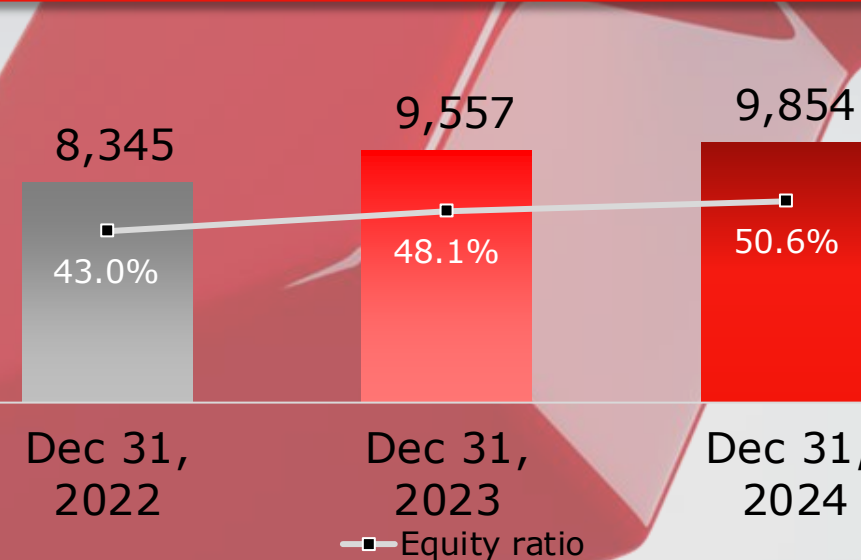


€ 39 mn investments in spectrum in 2024 vs € 133 mn in 2023

## Net debt

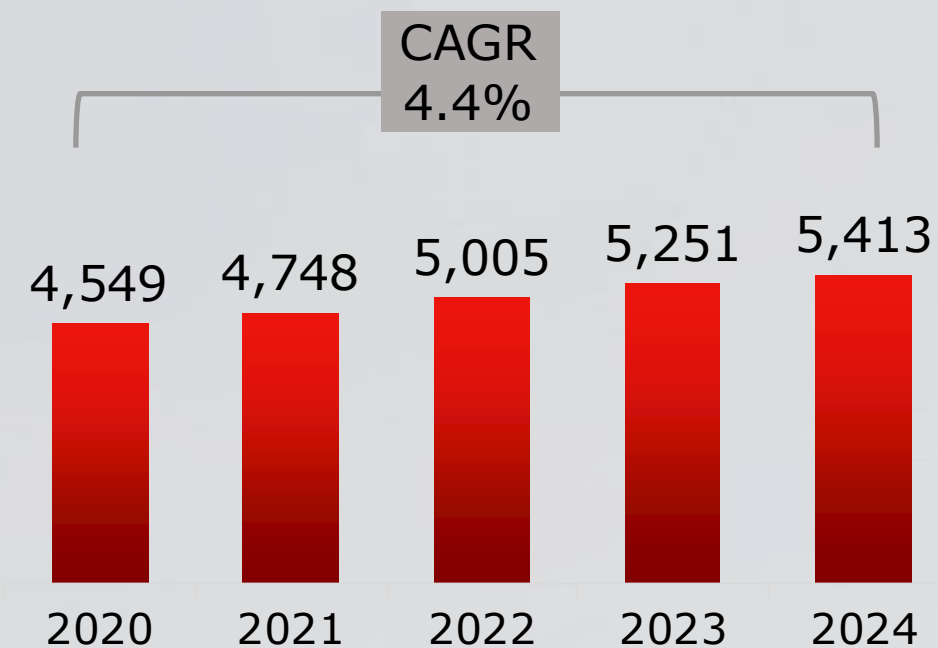


## Balance sheet & equity ratio



# Sustainable growth and strong free cash flow

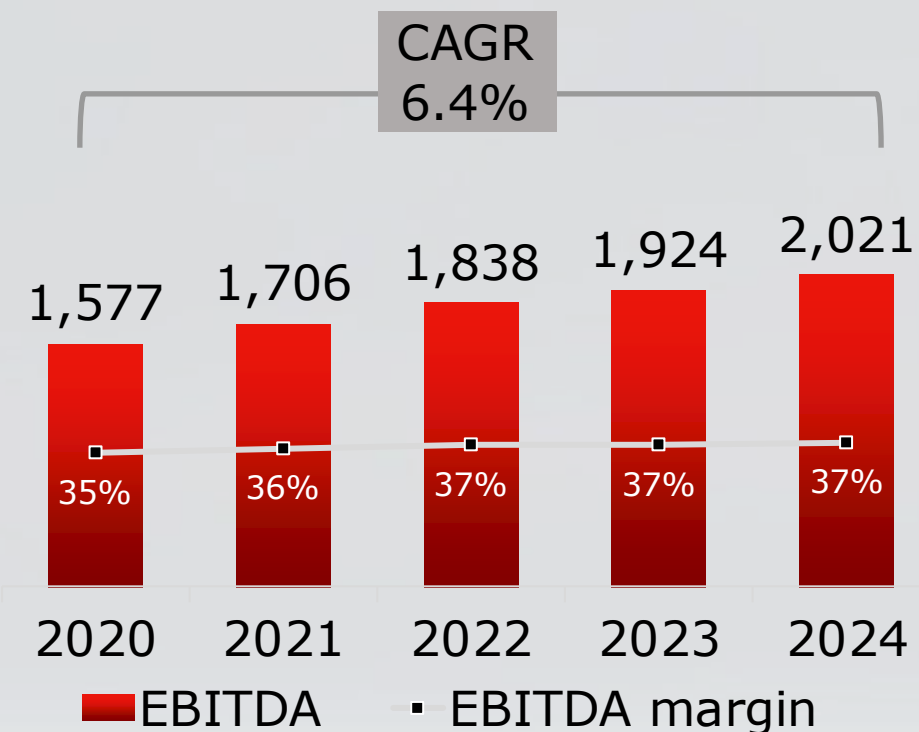
## Revenues consistently growing



Steady top-line growth...

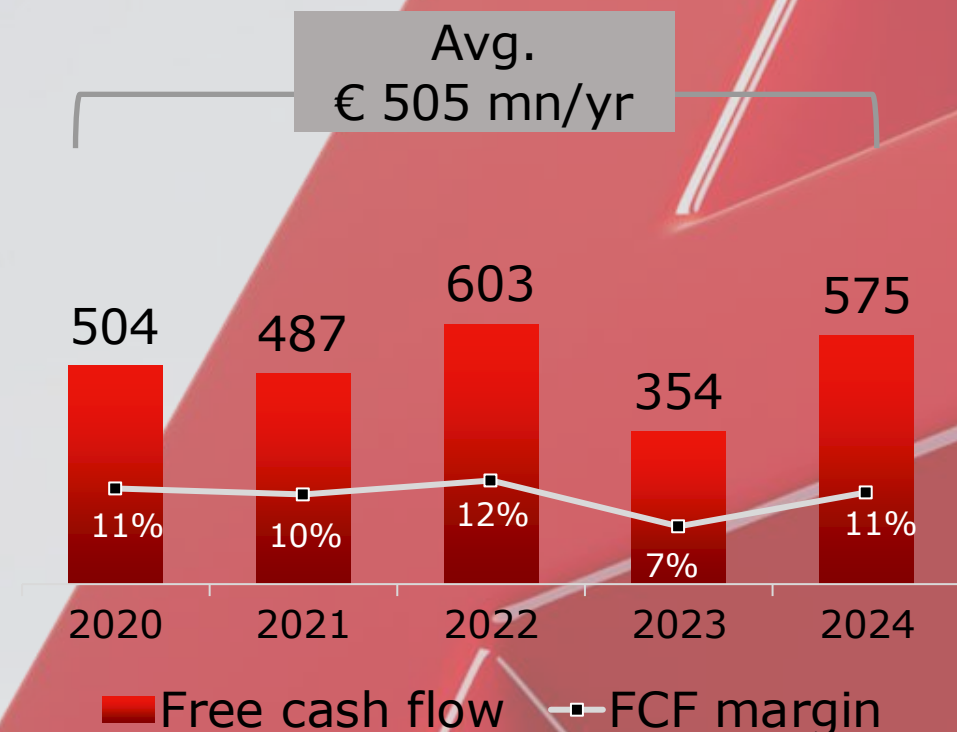
3.1% Y-o-Y growth in 2024

## EBITDA increased significantly



... and careful cost management as well as a diligent CAPEX approach ...

## Robust free cash flow



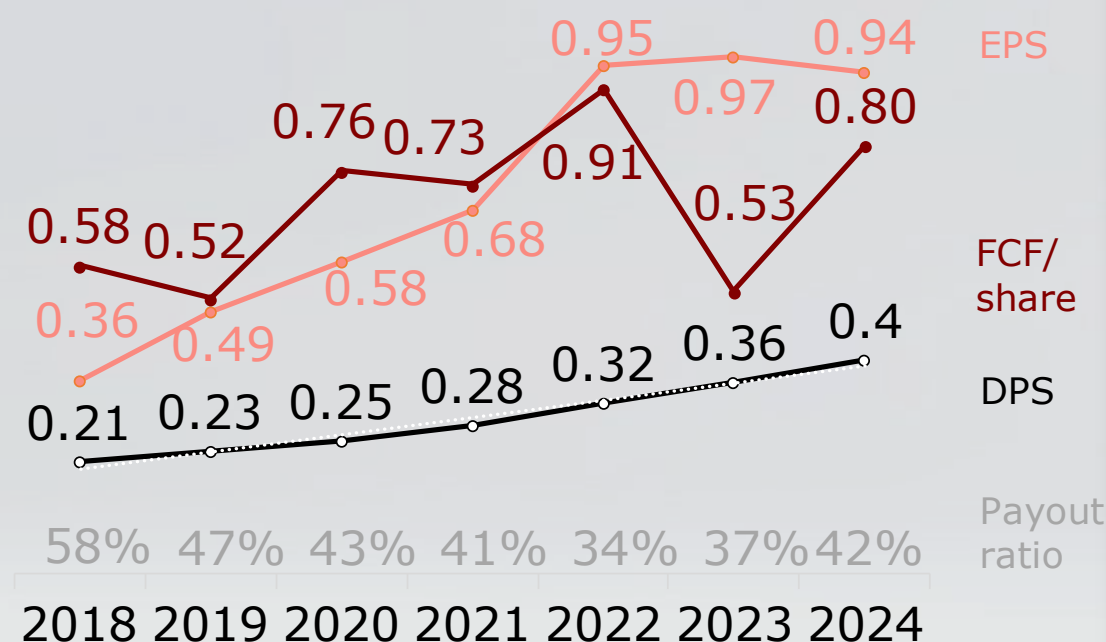
... leading to robust free cash flows.

2024: € 133 mn higher leases paid after spin-off of towers in 2023



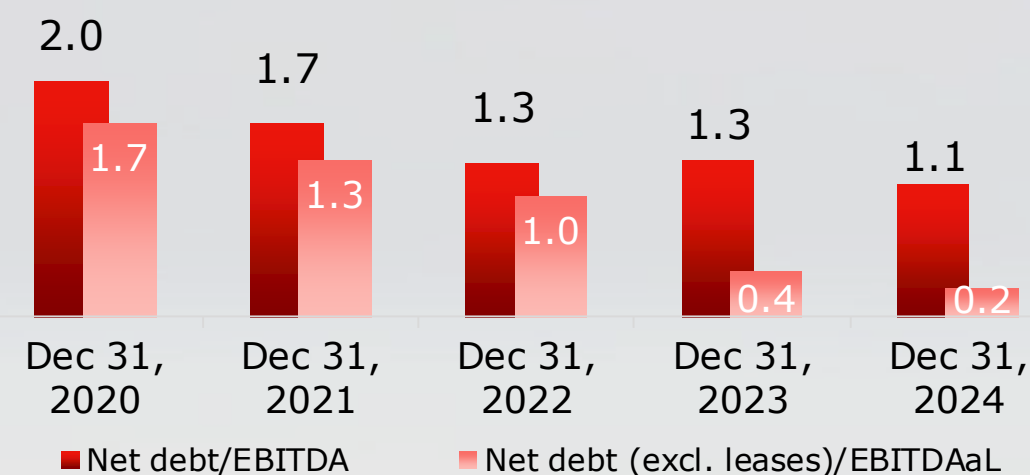
# Sustainably rising dividend and strong deleveraging as solid foundation for future growth

## Sustainable dividend policy



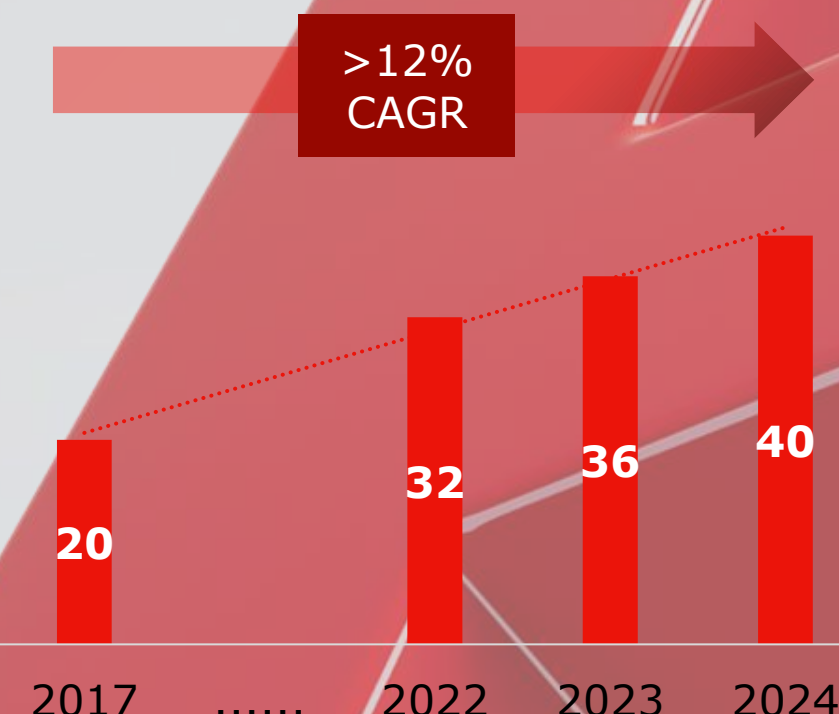
Strong FCF generation in combination with a prudent but sustainable dividend policy ...

## Net debt reduction



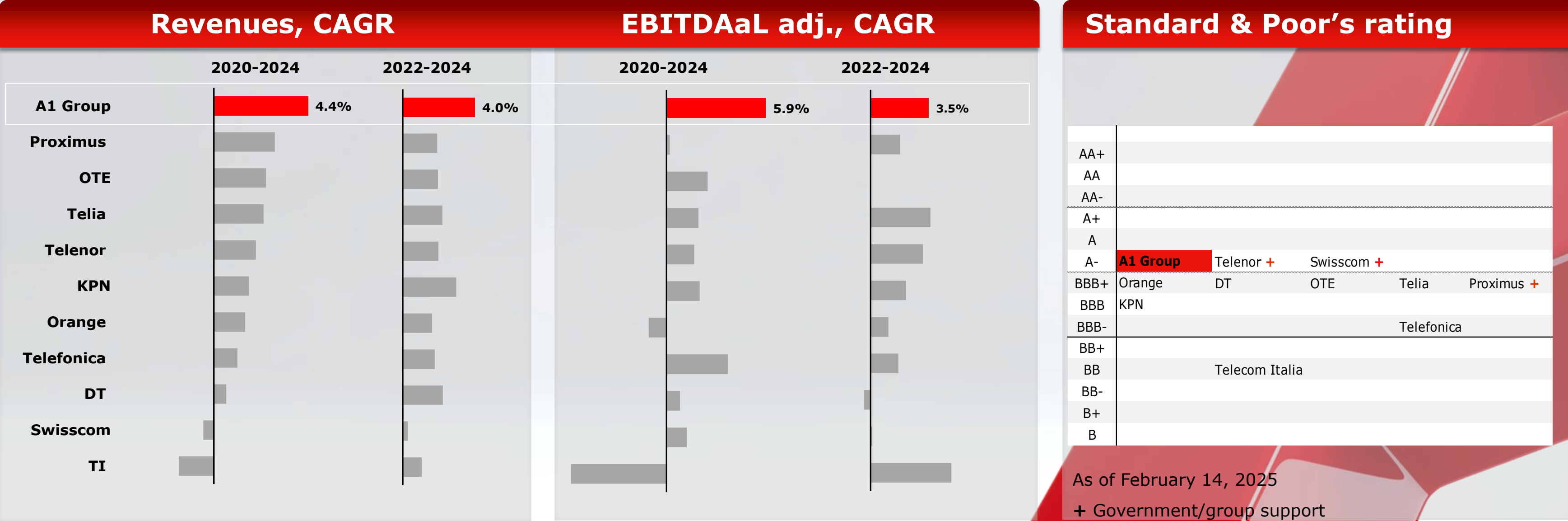
... enabled A1 to strongly deleverage. This provides financial flexibility for future growth opportunities.

## Dividend per share, in EURc



Based on the Group's operational and financial development, the dividend level will be maintained or increased.

# Strong growth performance within peer group



Ranking by 2020-2024 revenue CAGR.  
Revenues based on reported organic growth and EBITDAaL based on reported underlying growth; large non-European operations excluded.



# Performance full year 2024

**5,413mEUR**  
**+3.1%**

Total revenues

**4,502mEUR**  
**+3.5%**

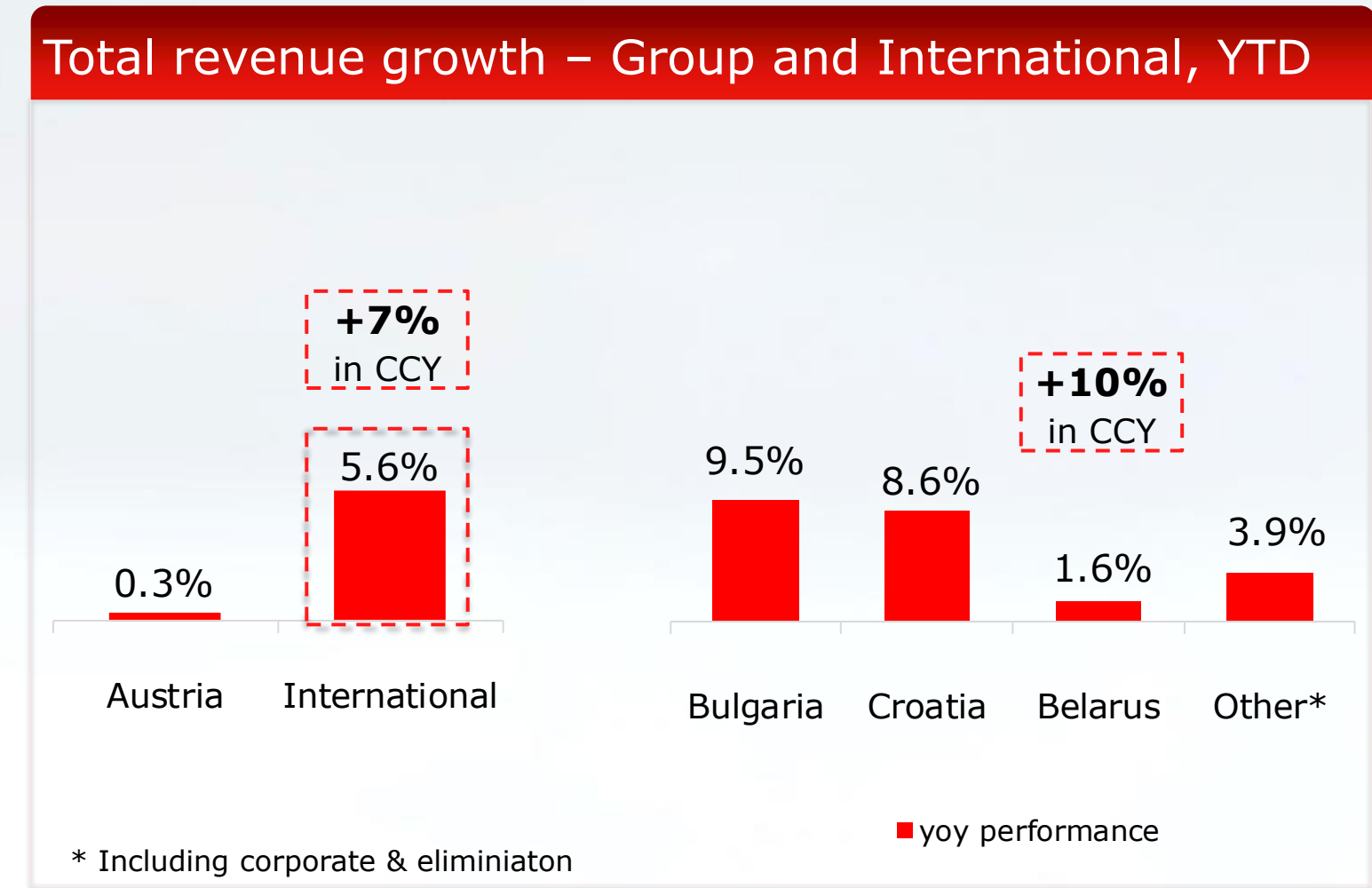
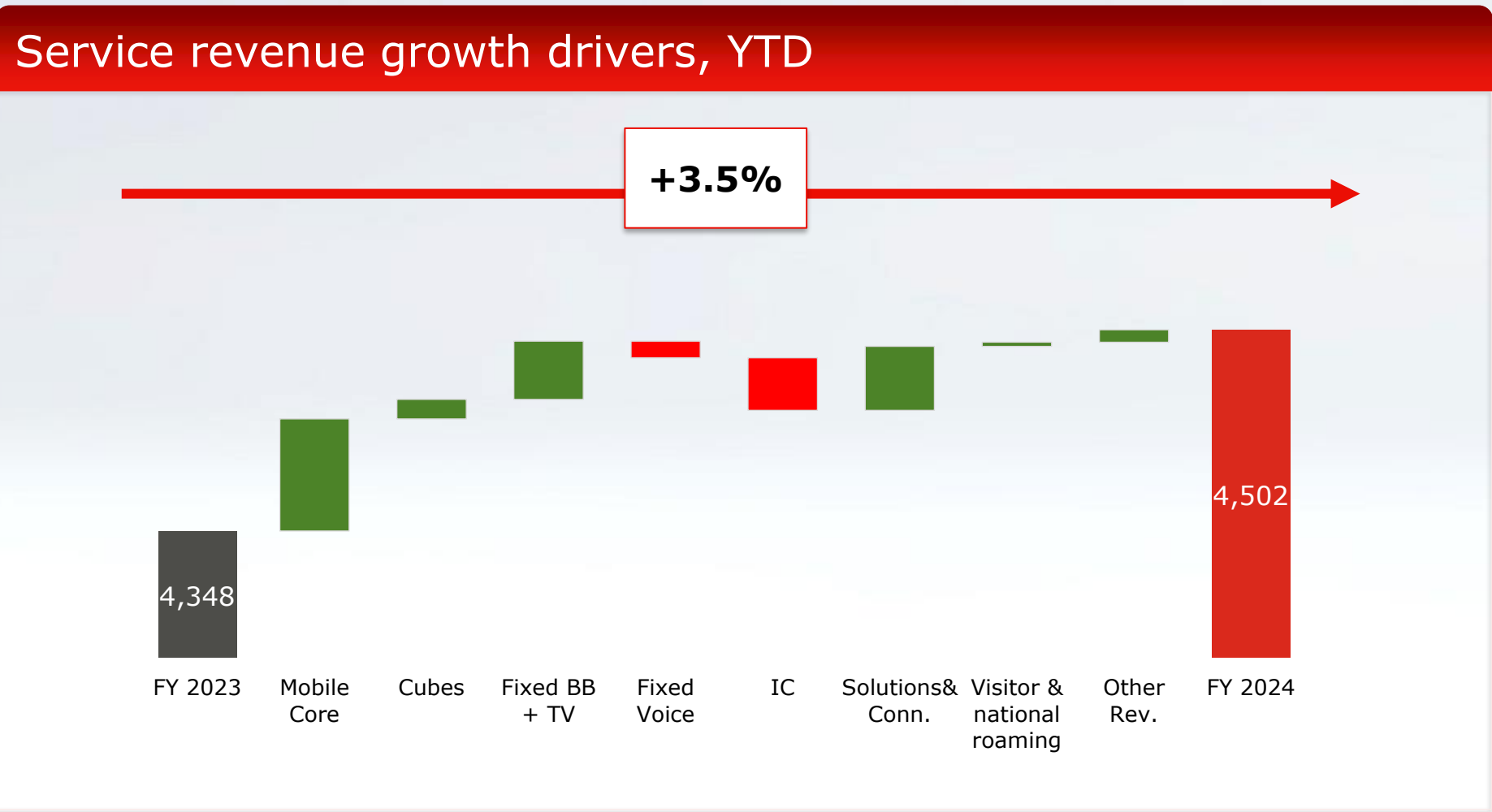
Service Revenues

**2,021mEUR**  
**+5.1%**

EBITDA

**575mEUR**  
**+62.5%**

Free cash flow



# Strategy

# Key performance drivers



**Unified  
Brand**

**B2B  
Digital**

**Commercial  
excellence**

**One  
company**

**Upselling** the base

**Best mobile network**

**Internet@Home** (fiber + cubes)

**Targeted M&A** to complement offering

**IT services**

e.g., applications, data centers, analytics

**Security**

data/mobile/object security

**Communication**

e.g., private branch exchange, healthcare

**Integrated sector solutions**

e.g., smart metering, IoT

**One to all approach**

e.g., TV platform, IoT portfolio,  
data2impact

**From silos into expertise hubs**

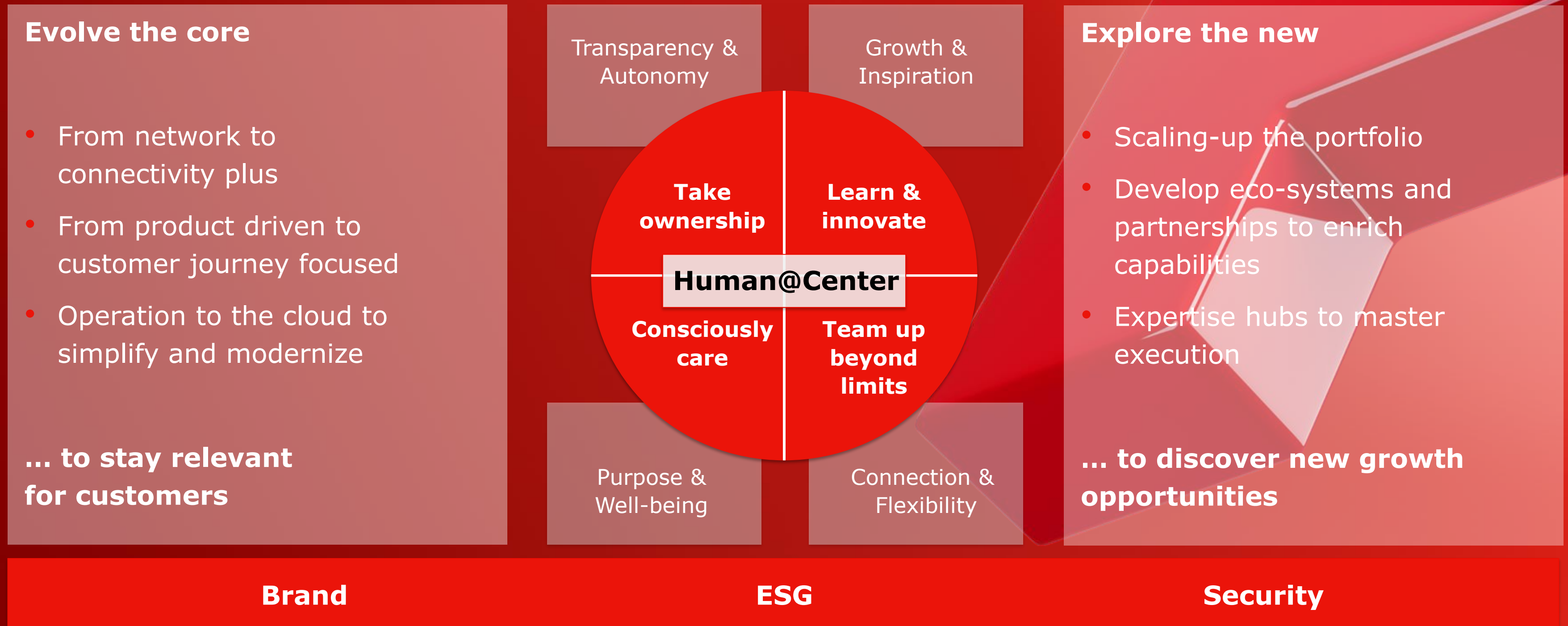
e.g., One Security, cloud

**Standardized back-end for  
supporting systems**

e.g., OneSAP,  
Workday

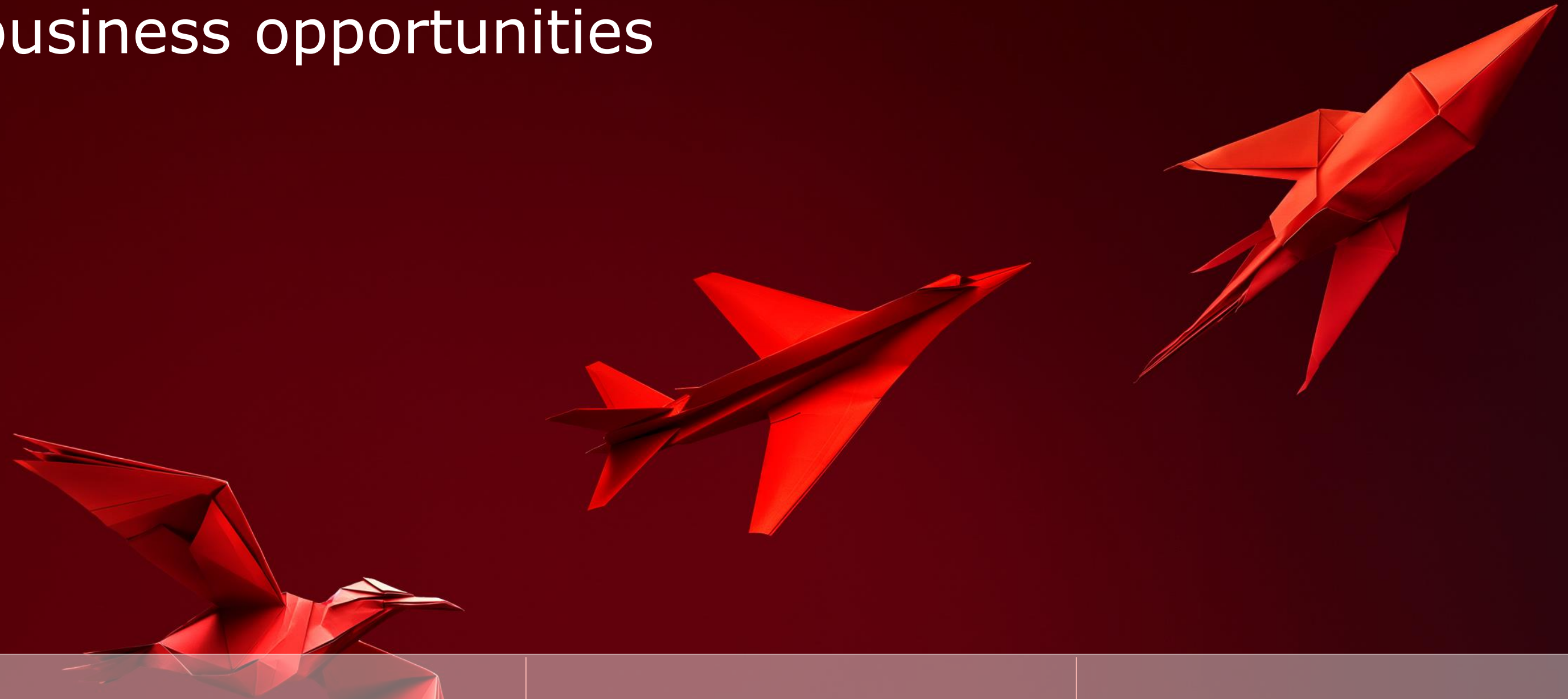


# Strategy follows the vision: Empowering digital life





# Unfolding our business opportunities



Evolve  
the **CORE**  
to **#1**

Extend  
**B2B**  
Digital Services  
(ICT)

Enable  
**SME**

Scale  
**Financial**  
Services

# Unfolding our business opportunities

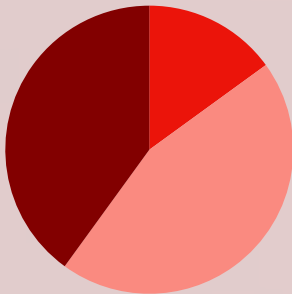
Evolve  
the **CORE** to  
**#1**

**From Product to  
Customer Journey  
@Scale**

**From Network to  
Connectivity  
Plus**

# B2B Digital Services Acceleration

Accelerate growth in  
Large Business



**15% standardized**  
45% modularized  
40% customized & outsourced

Replicate expertise to  
Small/Med Business (SME)

**~99%**  
Enterprises

**58%**  
Level of digitalisation\*

Increase in  
cyber attacks

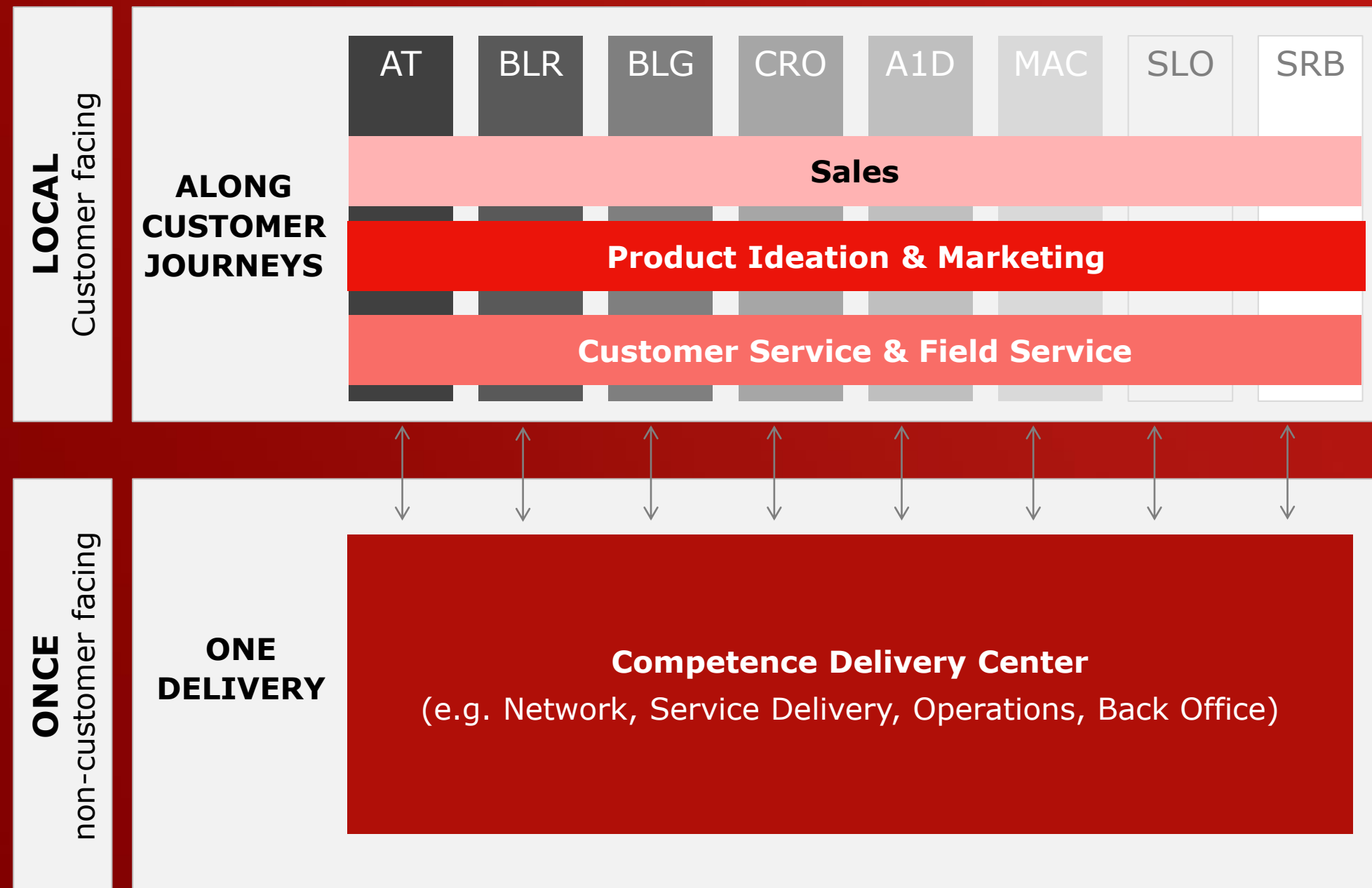
**SME products and services**  
for A1 footprint + DACH region

\*Source: Eurostat, [How digitalised have the EU's enterprises become? - Eurostat \(europa.eu\)](#)



# Gain scale to further grow

... **investments** in the **markets** are needed with a **standardized delivery**



- Build on our **local sales** asset
- **Investments** in the markets
- Scale of Skills + resources through **one delivery**
- Economy of scale with **partners**
- Automation of **Delivery machinery**

# Sustainability



United Nations  
Global Compact



# 2025-2030 ESG Strategy



## Refining & advancing of ESG topics

- Increase data quality & automation
- Building ESG data platform
- Incorporating new EU regulations

# E

# S

# G

### CO<sub>2</sub> emissions



**Net-Zero goal by 2030**  
Scope 1&2: -90%  
Scope 3: -60% reduction  
(BY 2019)



**KPI:**  
% of t CO2e reduced

### Energy efficiency



**80% goal**  
Increase energy efficiency to 80% by 2030 (BY 2019)



**KPI:**  
% change of MWh per transported TB data

### Circularity



**50% goal**  
By 2030, the takeback of devices\* is increased up to 50% compared to the volume distributed yearly (\*fixed and mobile)



**Lead KPI:**  
(Weight. of devices & equipment collected 2030) / (Weight of distributed dev. & equip. 2030)

### E-Waste



**Zero-equipment to landfill**  
Sustainable treatment\* of 100% of CPEs (modems, routers, TV receivers, etc.) by 2030 (\*Recycling, Refurbishing, Reusing)



**KPI:**  
% of collected mobile devices & equipment which undergo either recycling, refurbishing or reusing

### Digital Competence



**1mn people goal**  
By 2030, 1 mn people overall participated in initiatives for digital competencies (BY 2021)



**KPI:**  
Nr. of people reached

### Volunteering



**Expansion of options**  
Each A1 company provides their employees with at least 4 corporate volunteering opportunities per year in each year till 2030.



**KPI:**  
Nr. of provided opportunities

### Div., Equity, Incl.



**40% female share goal**  
40% female leaders as well as an overall female employee share of 40% by 2030



**KPI:**  
% of female employees amongst overall workforce

### Gender pay gap



**Closing gender pay gap goal**  
Decrease the adjusted pay gap to 1% or below and continue our effort to reduce the unadjusted pay gap\* by 2030 (\*according to CSRD definition)



**KPI:**  
% of pay gap

### Compliance mgmt.



**Audit goal**  
Maintain the externally certified, best practice Compliance Management System



**KPI:**  
Certified CMS

### Board incentives



**Incentivization goal**  
Keep incentivized ESG goals within board remuneration plan in all years till 2030



**KPI:**  
Nr. of ESG remuneration goals

### Resp. supply chain



**Supplier Audits**  
Conduct five on-site audits on the premises of our suppliers in each year until 2030



**KPI:**  
Nr. of validated audits

### Employee learning<sup>1</sup>



**40h learning goal**  
Increase employee learning hours to reach an average of 40h per employee by 2030



**KPI:**  
Nr. of hours spent in training / upskilling per FTE



## Position A1 as a leading ESG company

- Maintain our sustainability rating scores
- Monitor ESG in brand perception
- Foster stakeholder exchange

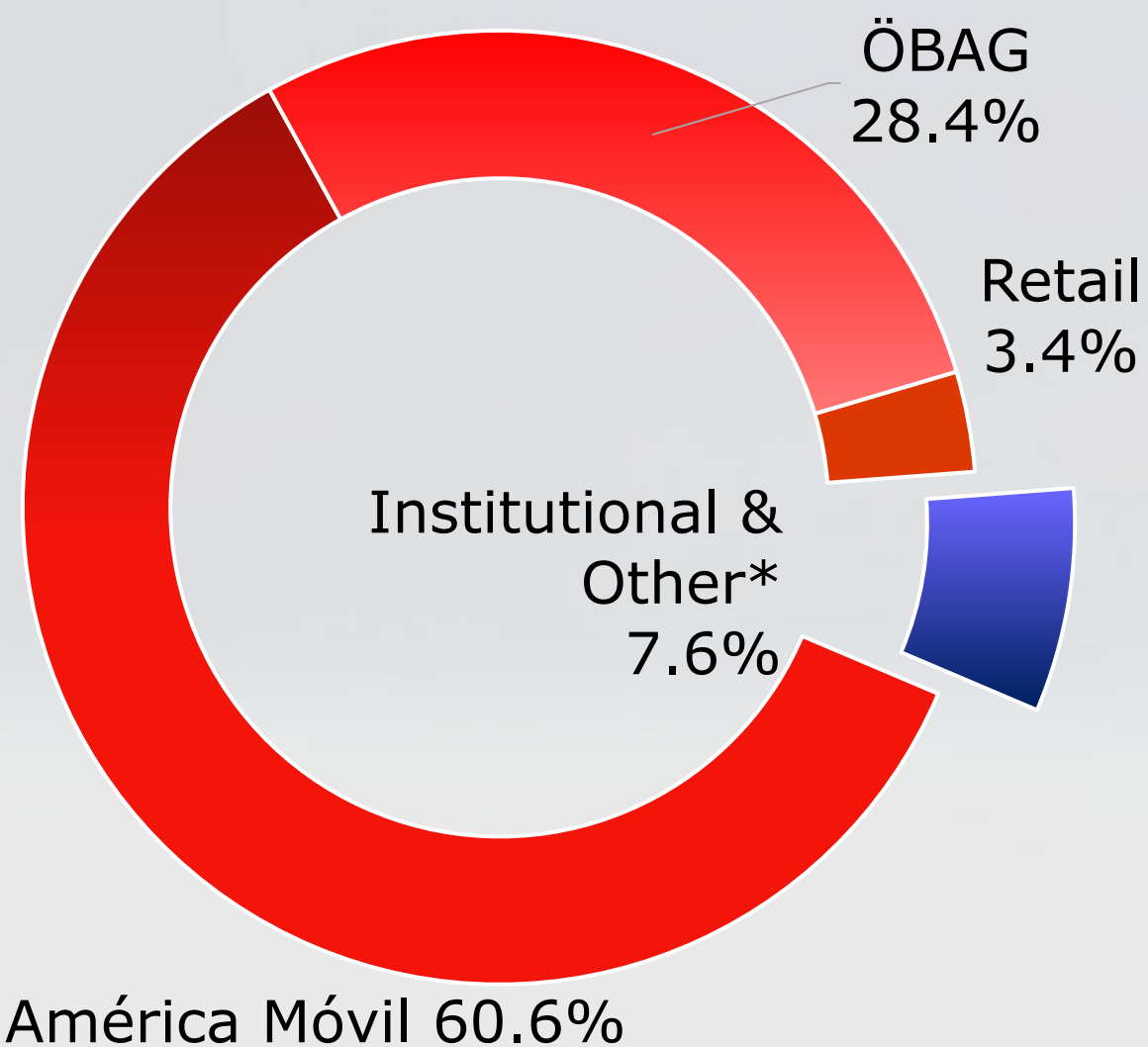
BY = Base year; 1...Employee learning = S goal



# The share

# Shareholder structure

## Two strong shareholders



\*thereof 415,159 treasury shares

\*\*calculated with period end FX rate

### ÖBAG (Österreichische Beteiligungs AG)

- ÖBAG: independent holding company of state assets. Mission is to preserve and grow its investments for generations.
- Investment portfolio includes also: OMV, Verbund, Post, Casinos Austria, etc.

### América Móvil

- Leading telco in Latin America
- Total revenues € 41 bn\*\*
- 323 million mobile customers
- 78 million RGUs
- Listed at the Mexican Stock Exchange and NYSE

# Syndicate agreement between América Móvil and ÖBAG

On February 6, 2023, both parties agreed on a new syndicate agreement with a term of 10 years. The publicly known cornerstones of this agreement are the following:

## General

- Headquarters to remain in Austria
- Commitment to the listing at the Vienna Stock Exchange
- Free float of at least 10%
- Continued investment program (2022-2031) of € 1 bn for the broadband roll-out in Austria, in particular fiber

## Management Board

- Currently 2 members (maximum 3 members)
- CEO nominated by América Móvil
- Deputy CEO nominated by ÖBAG
- Potential third member nominated by América Móvil

## Supervisory Board (members elected by shareholders)

- ÖBAG:
  - 2 members
  - Right to nominate the Chairperson
- América Móvil: 8 members

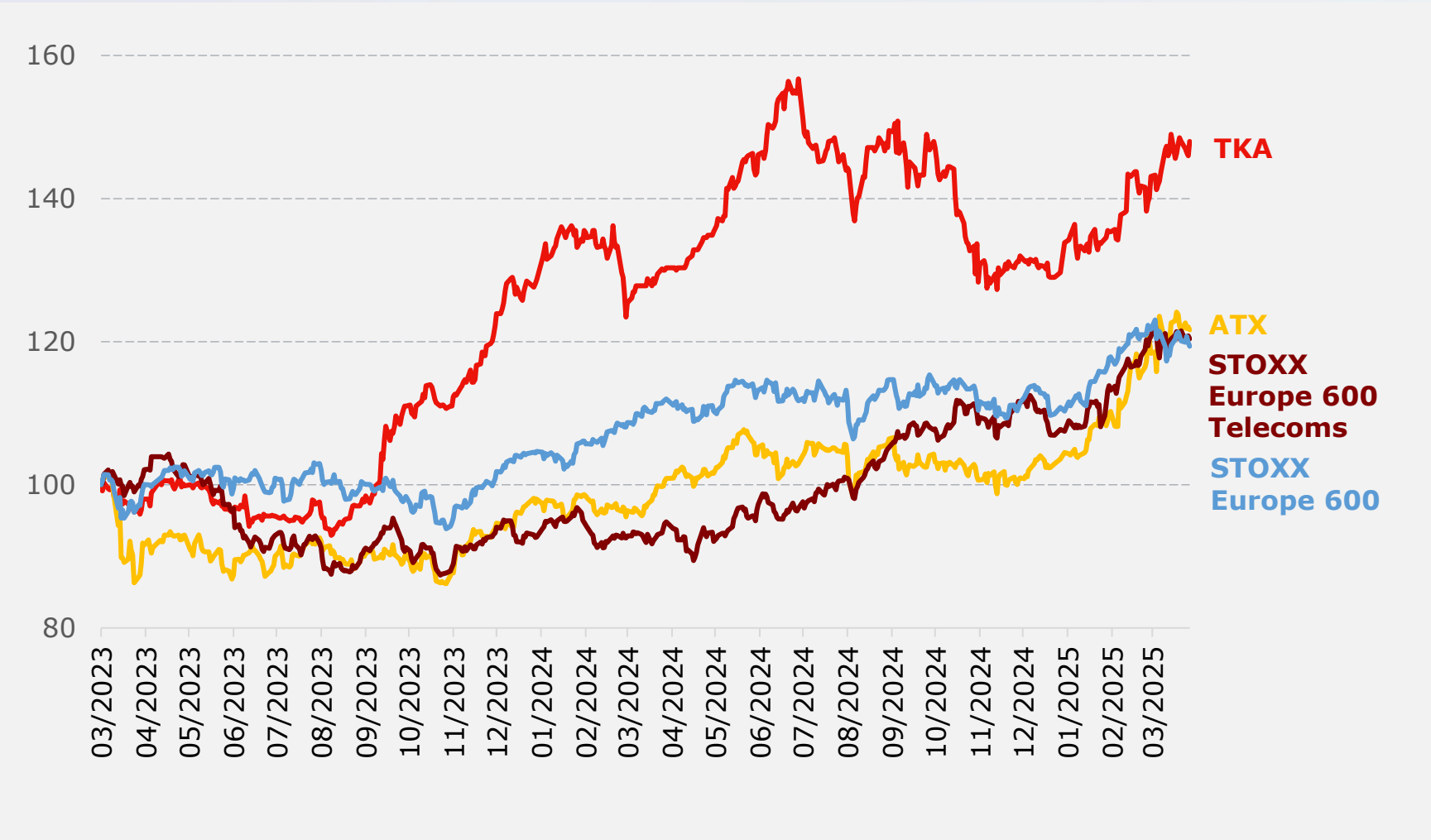
# Share price

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Tela.VI

TKA AV

- Shares outstanding: 664,084,841
- Listing: Vienna Stock Exchange



Institution	Rating	Price (€)
AlphaValue/Baader Europe	Buy	11.10
Bank Pekao	Hold	9.70
Barclays	Hold	9.00
Bernstein	Buy	10.80
Citigroup	Hold	8.30
Erste Group Bank	Buy	9.40
HSBC	Hold	8.60
JP Morgan	Hold	9.00
Kepler Cheuvreux	Buy	9.30
ODDO BHF	Hold	9.60
Consensus price target		<b>9.48</b>

As of February 25, 2025

# Outlook



## Guidance 2025

### Revenues

**2-3% increase p.a.**

### CAPEX ex. spectrum

**Around € 850 million**

### Dividend for FY 2024

**€ 0.40**  
(previous year: 0.36)

Dividend proposal by the management board  
to the AGM 2025 for the financial year 2024





# Capital allocation follows conservative financial policy for long-term value creation within rating framework

Ambition to be A- rated (currently: A-/A3)

## Conservative financial policy

Ambition on leverage on  
Net debt excl. Leases to EBITDAaL

Interest: First choice = fixed interest  
Maturity: First choice = long-term  
Security: EUR 1 bn back-stop facility

## Sustainable dividend policy

Developing in line with operational  
and financial performance;  
extremely well covered by FCF

Baseline: EURc 0.32  
FY 2023: EURc 0.36  
2018-2023: increase every year  
with >10% CAGR

## Value-accretive M&A

- I. In market consolidation
- II. Adjacent portfolio M&A
- III. New markets

Opportunistic approach;  
Value-accretion as priority

# Investment Case Telekom Austria



## Leading telco across CEE

- Among top 2 mobile operators in 6 out of 7 core markets
- 30 million customers in Europe
- >80% of Group EBITDA in investment-grade rated countries



## Top performing incumbent telco in Europe

- Strong growth rates, high profitability, robust FCF
- Low financial leverage
- Sustainable dividend development with constant increase
- A- rated by all three major credit rating agencies



## Modern and lean corporate structure

- Well-balanced performance: stability in Austria, growth in CEE
- Core shareholders: AMX (one of the largest telcos) + ÖBAG (Austrian state)
- Top ESG Ratings: Sustainalytics' 2025 ESG Top-Rated Industry list



# Appendix

# Management Board



**Alejandro Plater** (\*1967, Argentina)

- Board member since August 2015
  - 2015-2018 as CEO, 2018-2023 as COO
- Before A1, senior roles at Ericsson
- Studied Economics at University of Buenos Aires, post-graduate studies at Columbia and Wharton as well as London Business School



**Thomas Arnoldner** (\*1977, Austria)

- Board member since September 2018
  - 2018-2023 as CEO
- Before A1, board functions at Alcatel-Lucent Austria, T-Systems Austria
- Studied Business Management at Vienna University of Economics & Business and at the Stockholm School of Economics

# Conservative financial policy and investment-grade ratings

As of December 31, 2024

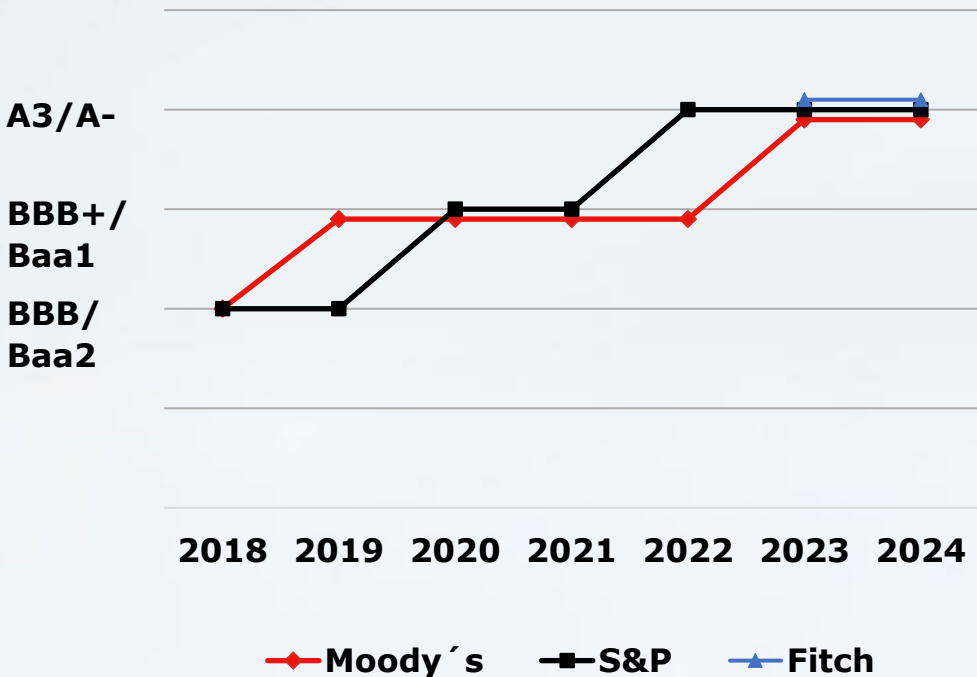
## Overview (December 31, 2024)

- Total financial debt: EUR 749 mn
- Average cost of debt: 1.50%
- Cash & cash equivalents: EUR 367 mn
- Avg. term to maturity: 1.93 years

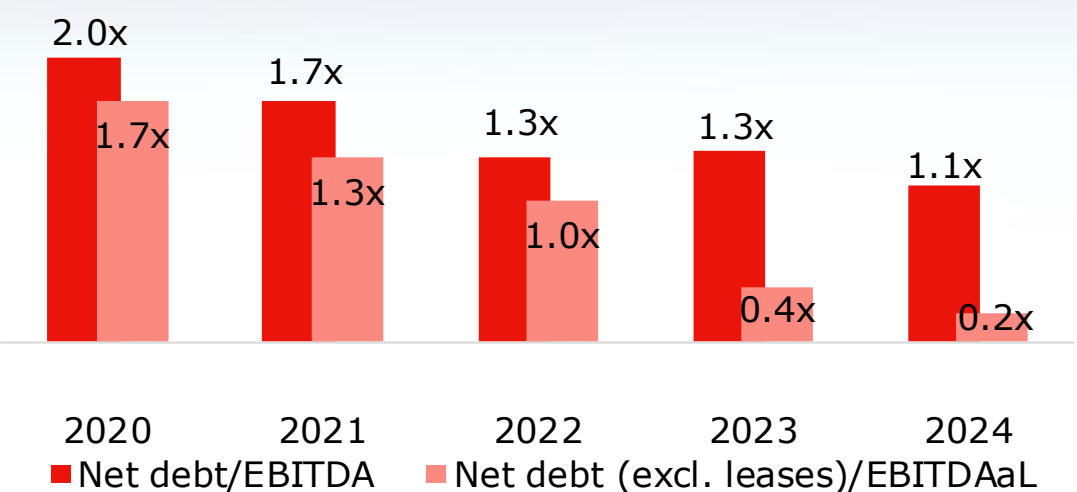
## Lines of credit (December 31, 2024)

- Total committed lines: EUR 1,315 mn
  - Average term to maturity: 1.26 years
- Undrawn committed credit lines: EUR 1,315 mn

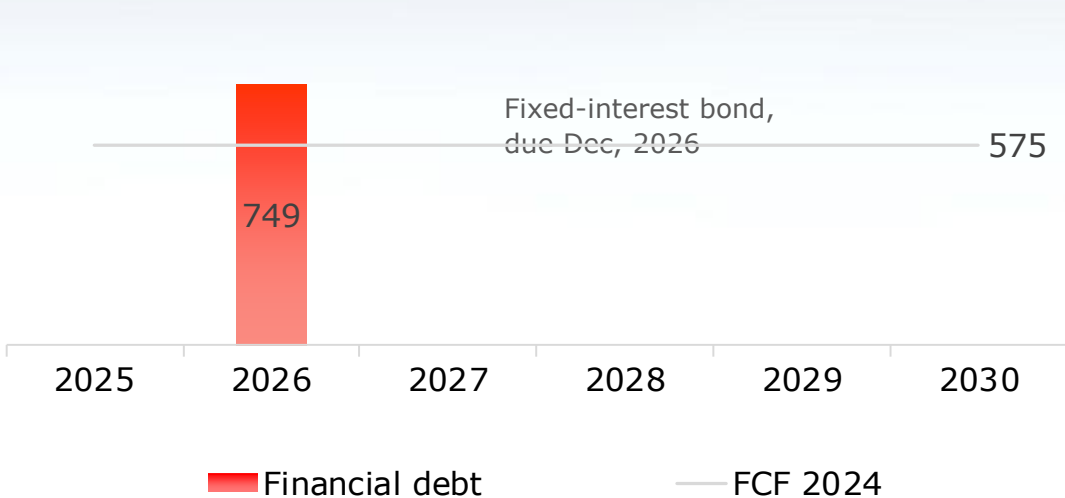
## Credit ratings



## Net debt/EBITDA



## Debt maturity profile (December 31, 2024)



- Fitch assigned A- in June 2023 (initial rating, best European telco)
- S&P confirmed A- in 5/2024
- Moody's confirmed A3 in 11/2024



# P&L

Unless otherwise stated, all amounts in EUR mn

	Q4 2024	Q4 2023	Δ	FY 2024	FY 2023	Δ
<b>Revenues</b>	<b>1,476</b>	<b>1,369</b>	<b>+7.8%</b>	<b>5,413</b>	<b>5,251</b>	<b>+3.1%</b>
OPEX	(961)	(888)	+8.2%	(3,391)	(3,327)	+1.9%
<b>EBITDA</b>	<b>515</b>	<b>481</b>	<b>+7.1%</b>	<b>2,021</b>	<b>1,924</b>	<b>+5.1%</b>
Margin	34.9%	35.2%	-0.2pp	37.3%	36.6%	+0.7pp
one-off effects	- 33	- 41	n.m.	- 13	- 34	n.m.
<b>EBITDA excl. one offs</b>	<b>483</b>	<b>440</b>	<b>+9.6%</b>	<b>2,008</b>	<b>1,890</b>	<b>+6.3%</b>
Margin	32.9%	32.2%	+0.7pp	37.2%	36.0%	+1.2pp
<b>EBITDAaL</b>	<b>408</b>	<b>380</b>	<b>+7.4%</b>	<b>1,603</b>	<b>1,671</b>	<b>-4.0%</b>
Margin	27.7%	27.8%	-0.1pp	29.6%	31.8%	-2.2pp
<b>EBIT</b>	<b>211</b>	<b>201</b>	<b>5.0%</b>	<b>861</b>	<b>911</b>	<b>-5.4%</b>
EBIT margin	14.3%	14.7%	-0.4pp	15.9%	17.3%	-1.4pp
Financial result	(24)	(24)	-2.3%	(98)	(90)	9.7%
Income taxes	(2)	(32)	-93.0%	(137)	(175)	-22.1%
<b>Net result</b>	<b>185</b>	<b>145</b>	<b>27.5%</b>	<b>627</b>	<b>646</b>	<b>-3.0%</b>
Net margin	12.6%	10.6%	+1.9pp	11.6%	12.3%	-0.7pp
<b>Net result (pro forma)</b>	<b>n.m.</b>	<b>n.m.</b>	<b>n.m.</b>	<b>627</b>	<b>557</b>	<b>12.5%</b>

\*Proforma= as if tower business has already been spun-off in comparison period

## Q4 and full year 2024

### OPEX increase in Q4:

- higher equipment costs (Δ EUR 63 mn) and one-offs (Δ EUR 17 mn)

### EBIT increase in Q4

- despite higher D&A

### Income taxes decline in Q4 and FY

- 30 mn deferred tax income on activation of loss carry forward

### Net result in Q4 higher

- FY'24 net result impacted by tower spin-off, pro forma increase of 12.5%



# Free Cash Flow

Unless otherwise stated, all amounts in EUR mn

	Q4 2024	Q4 2023	Δ	FY 2024	FY 2023	Δ
EBITDA	515	481	7.1%	2,021	1,924	5.1%
Restructuring charges, cost of labor obligations	26	39	-32.9%	91	92	-1.4%
Lease paid (principal, interest, prepayments)	(100)	(100)	0.2%	(389)	(256)	51.8%
Income taxes paid	(30)	(39)	-22.1%	(156)	(180)	-13.1%
Net interest paid	(6)	(11)	-45.4%	2	(32)	n.m.
Change working capital and other changes	39	12	234.2%	(67)	(14)	393.0%
CAPEX	(217)	(270)	-19.8%	(865)	(1,093)	-20.9%
<b>FCF before soc. plans</b>	<b>227</b>	<b>111</b>	<b>104.2%</b>	<b>638</b>	<b>441</b>	<b>44.4%</b>
Social plans new funded	0	(28)	-100.0%	(63)	(88)	-28.5%
<b>Free cash flow</b>	<b>227</b>	<b>83</b>	<b>171.7%</b>	<b>575</b>	<b>354</b>	<b>62.5%</b>
FCF/revenues	16.8%	6.3%	+10.5pp	14.6%	9.1%	+5.5pp

## Q4 and full year 2024

### Free Cash Flow in FY 2024 higher due to

- Despite increase of lease payments due to Towers' spin off
- higher operational result
- lower CAPEX & frequencies paid
- lower interest & income taxes paid

### Working capital changes

- increase in receivables
- negative impact in accounts payables (broadband subsidy received in 2023)

# Focus Topics

## Q4 2024

# A1 Austria | Multi-technology strategy and diligent CAPEX spend

**01 Fragmented market**

**02 High rollout costs**

**03 Mobile substitution**

**Reinforced partnering**

Targeted partnering with  
selective networks

**Reprioritized rollout**

Lower rollout costs and  
increase take-rates

**Fixed wireless access**

Provide 'fixed-like' mobile  
substitute for customers

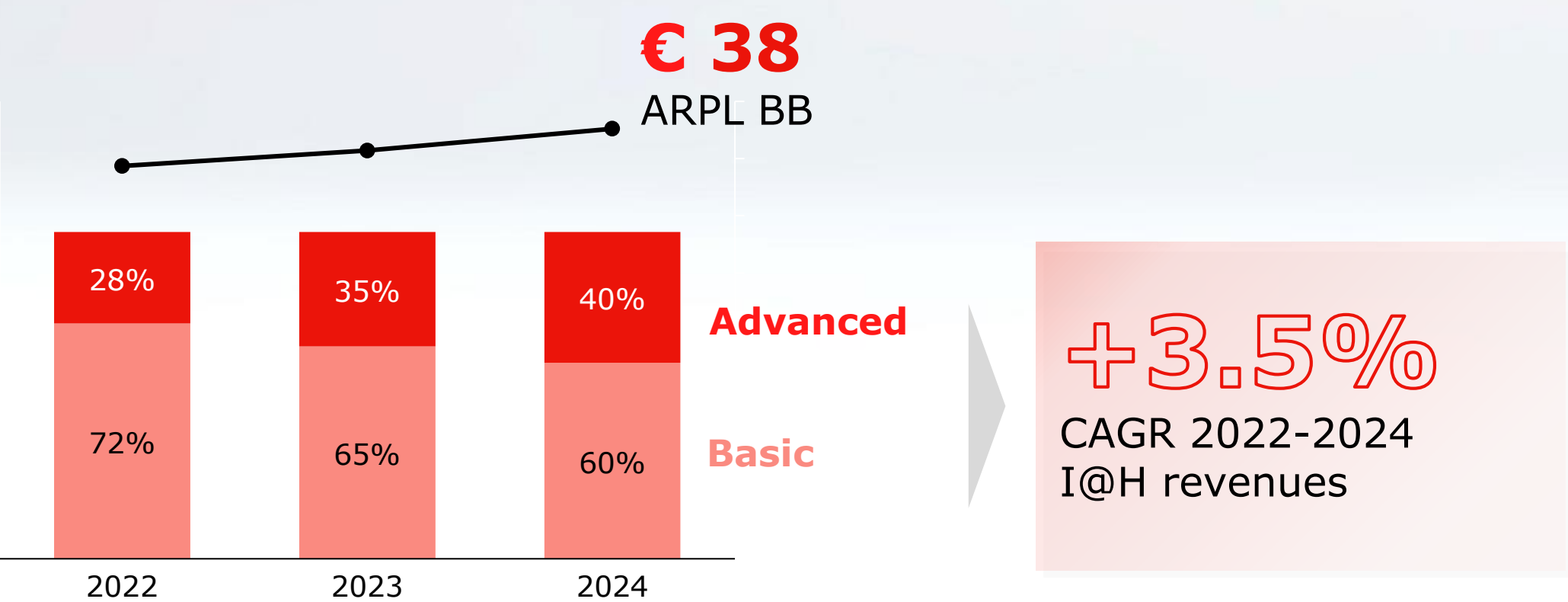
# A1 Austria | Prioritizing sustainable growth over rapid deployment

**Fibre**  
**850k**  
FTTP Homes passed YE24

**5G**  
**86%**  
Pop. Coverage YE24

- Fixed | Monetizing investments by improving connect/pass ratio
- Mobile | 5G | From pop coverage to capacity increase

## Growth in advanced BB RGUs & ARPL



## X- & Up-selling beyond the CORE

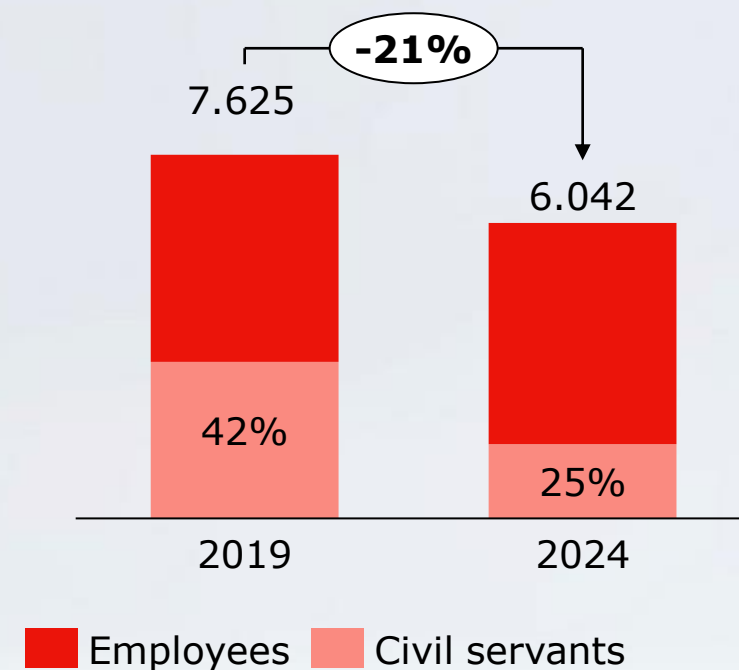
**137k**  
Speed Upsells

**€ 11m**  
Security Revenues

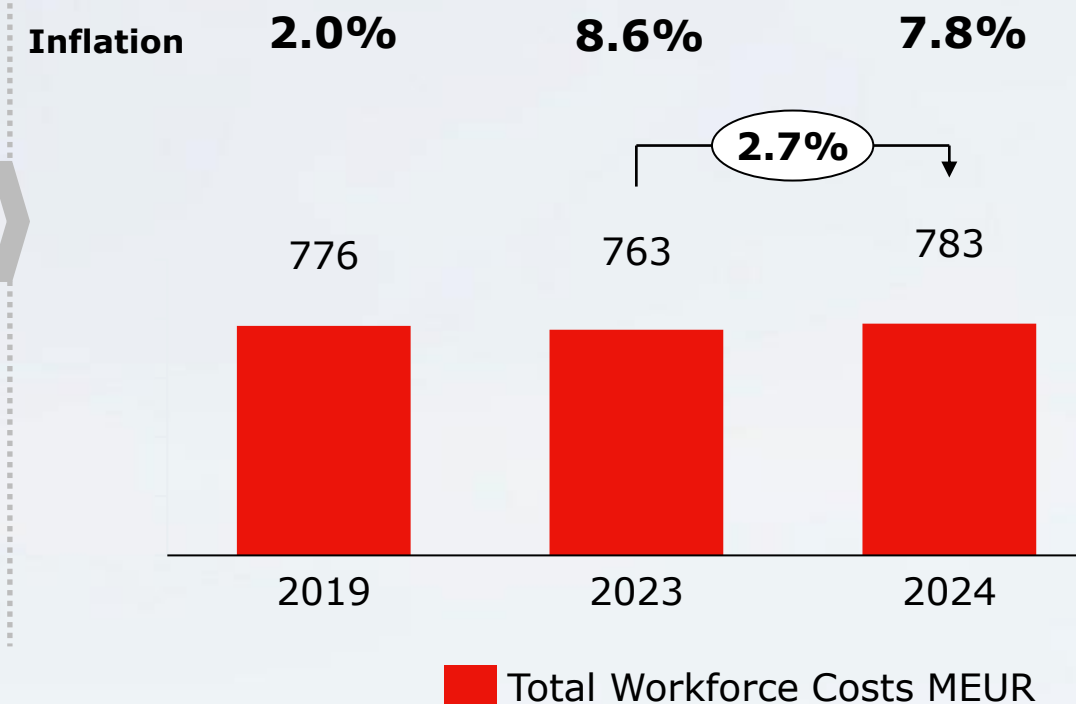
**€ 14m**  
Insurance Revenues

# AT Restructuring | long term transformation with mid-term positive impact on FCF

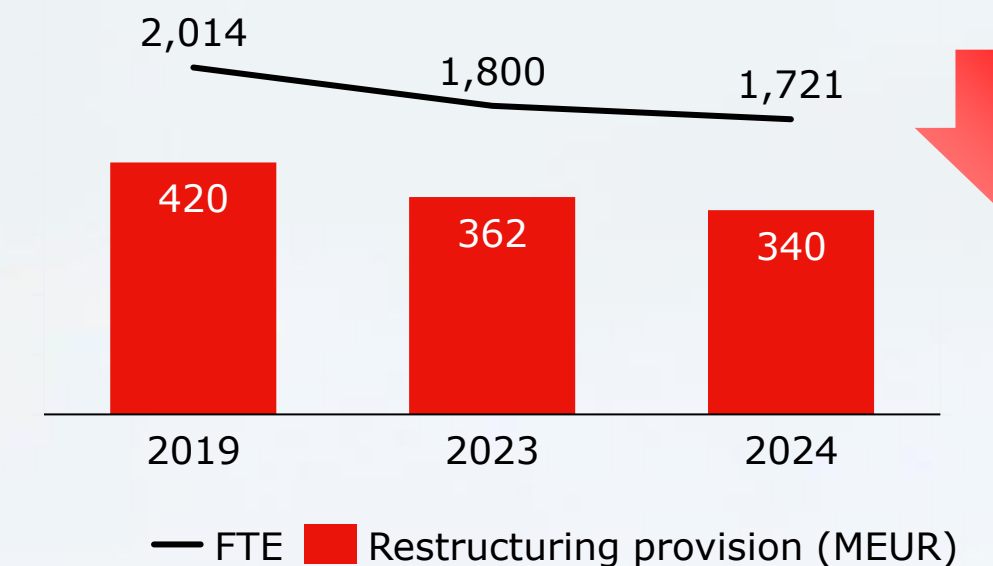
Constant decrease of civil servant share driven by **social plans** ...



... and lower EWFs, slowing down inflation-driven TWC increase



...resulting in mid-term free cash flow upside



As of 2026 we expect

- > Lower **social plan funding** in FCF
- > Lower **restructuring costs** in P&L
- > Decrease in **restructuring provision**

# Contacts

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