



## **Earnings Presentation 9M23**

30th of November 2023

# MASMOVIL – 9M23 Key Highlights

Growth momentum continues; anti-trust process at EC ongoing



## Potential JV with Orange Spain

Clearance expected 1Q24



## Consolidating ESG leadership



## Telco Service Revs +6% YoY

Total Revenues of €2,232M (+3% YoY)



## EBITDA Pre-IFRS<sup>1</sup> +13%

Adj. EBITDA +7% to €903M (Margin up to 40% vs 9M22)



## c.3.4M Broadband lines & c.15.8M total lines

Growth in fixed and mobile contract services (c.+100k in 3Q23)



## Reported Net Debt slightly up vs 2Q23 at €6.5bn

Flattish 4.3x / 5.1x LTM net leverage on senior secured / total basis

# MASMOVIL – Continue leading the ESG front

MASMOVIL is a BCorp company and has achieved leading ESG rating scores



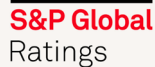
**Best telco in ESG in Spain according to Clarity**  
80 points achieved late November



**Leading ESG Rating by Sustainable Fitch**  
The European telco with highest ESG rating (77 points)



**Top of class in ESG risk management by Sustainalytics**  
Fifth best telecom company worldwide<sup>1</sup>



**ESG Rating by S&P recently increased**  
Increased of ESG rating to 68 points



**Rural FTTH development**  
10 M€ grants in 5 provinces for rural FTTH deployment



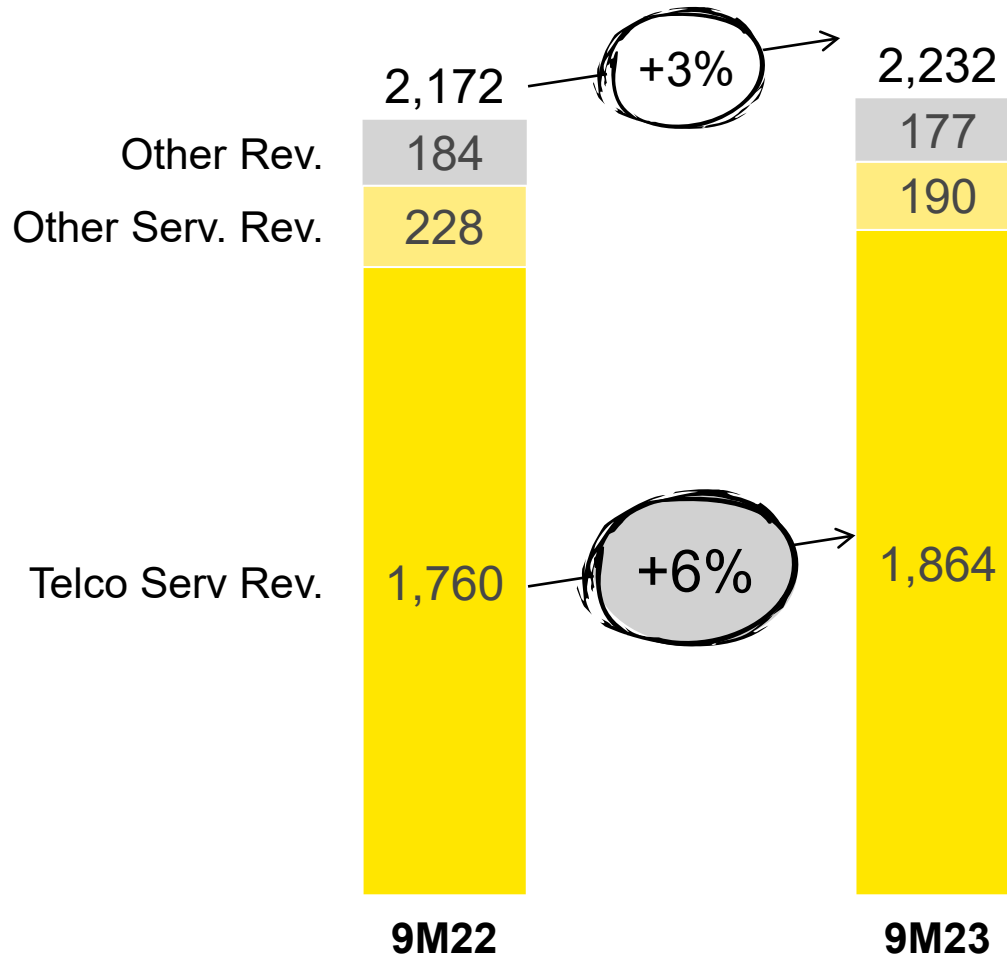
**New businesses**  
>2.5 million services in place in VAS: personal finance, insurance, green energy, e-health, home security...

<sup>1</sup> As of the date of the report by Sustainalytics

○ % YoY growth

# Revenues 9M23

Telco Service Revenues +6% YoY; Total Revenues +3% YoY  
€M



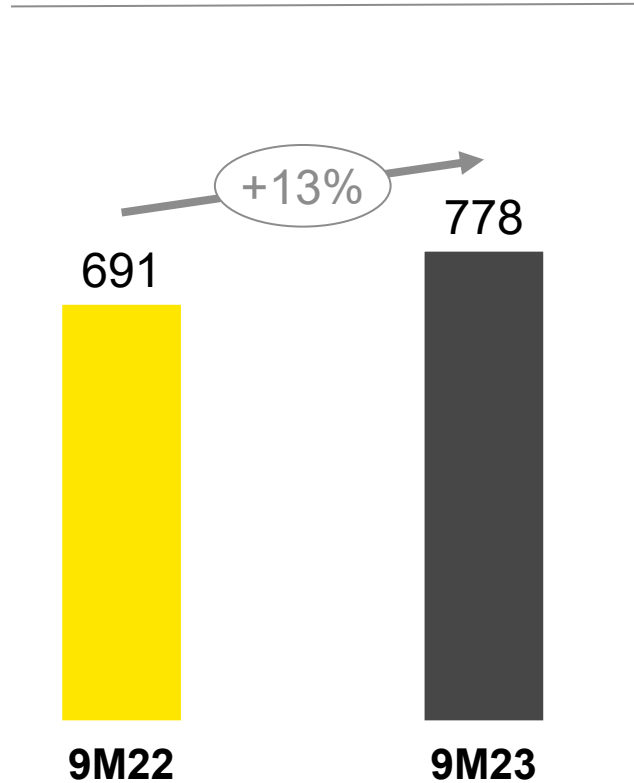
○ % YoY growth

# Adjusted EBITDA 9M23

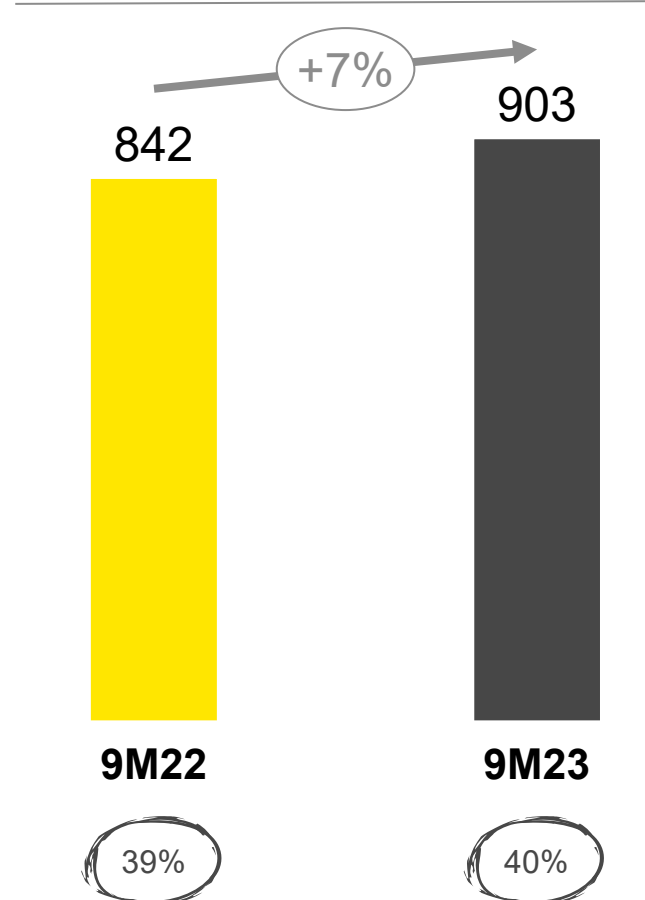
EBITDA pre-IFRS<sup>1</sup> growth of +13% (YoY); Adjusted EBITDA<sup>2</sup> +7% (YoY)

€M

## EBITDA pre-IFRS



## Adjusted EBITDA



○ % EBITDA Margin

<sup>1</sup> Pre IFRS 15 & IFRS 16 (see bridge between EBITDA pre-IFRS and Adjusted in slide 15)

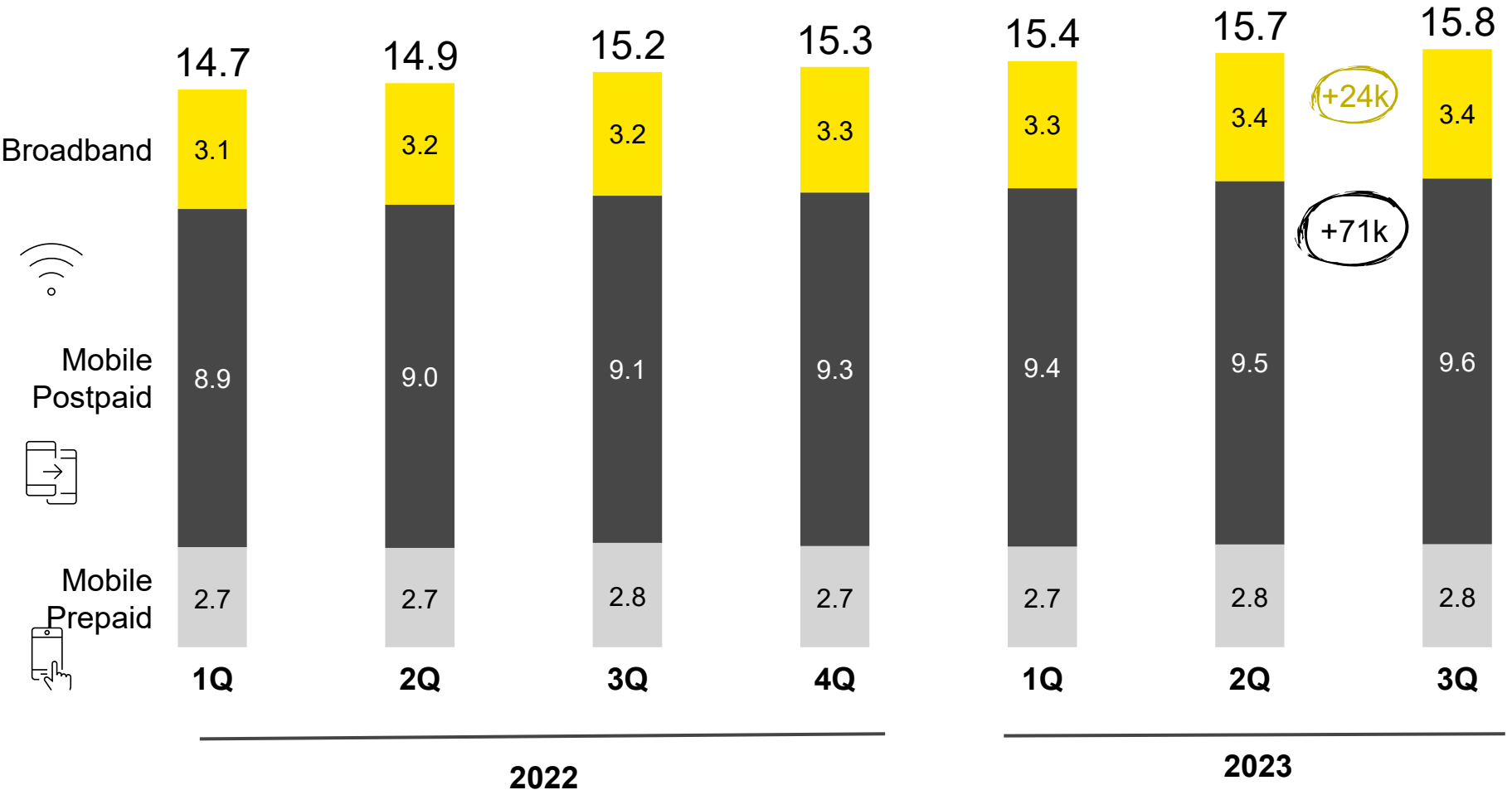
<sup>2</sup> Adjusted for one-off items

Source: Company

# Evolution of Mobile & Broadband Lines

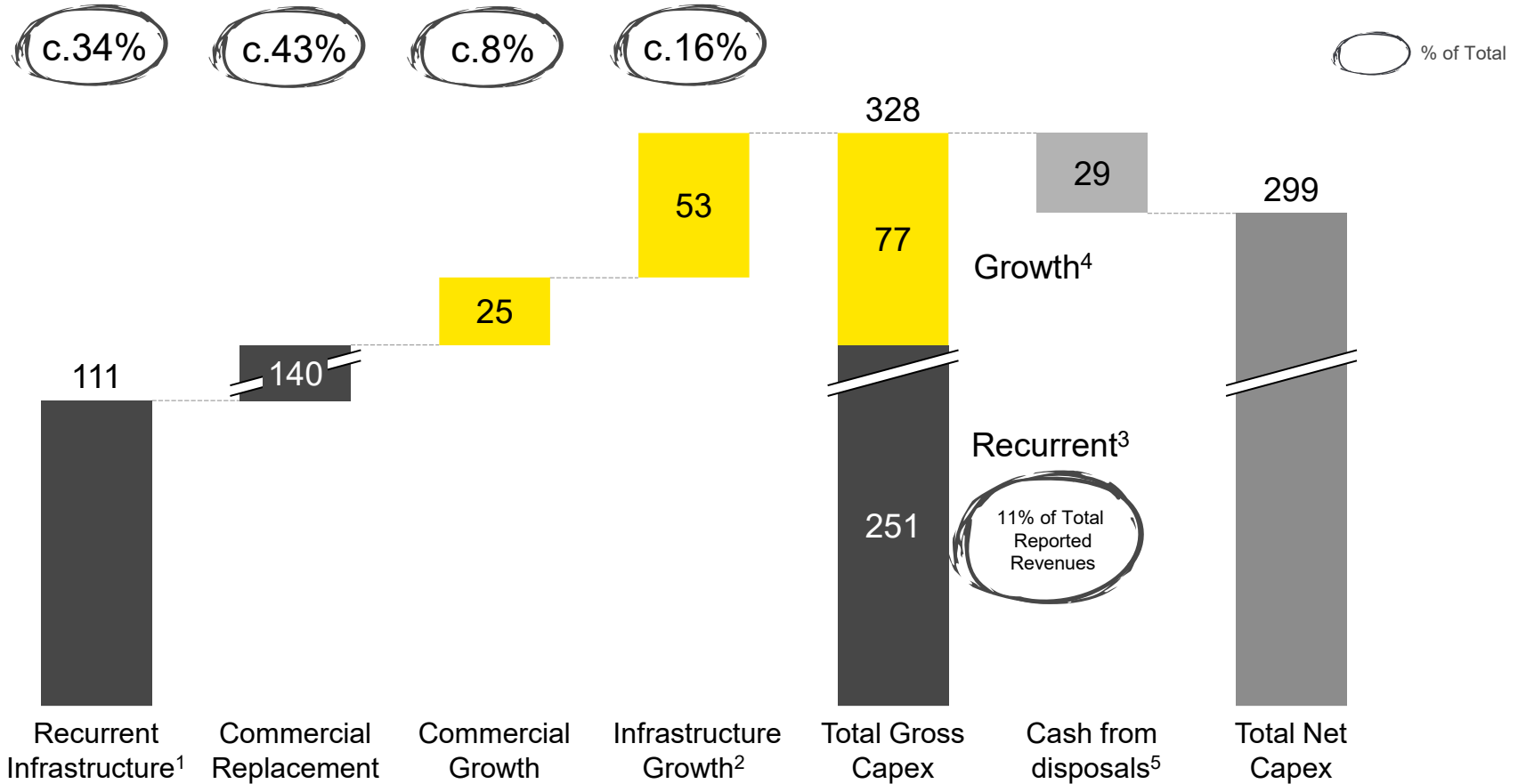
Growth in BB & mobile (+98K lines in 3Q23) allows reaching 15.8M lines total

Million lines



# Reported Net Capex 9M23

Recurrent capex stable at 11% over total revenues; total capex in line with plan  
€M



- 1 Includes all maintenance of both fixed and mobile infrastructures, plus IT & spectrum Capex
- 2 Includes all infrastructure Capex that is not accounted under maintenance infrastructure Capex
- 3 Includes churn related (replacement) commercial Capex and maintenance infrastructure Capex
- 4 FTTH network deployment & commercial growth-related capex
- 5 Including routers refurbished and other network sales

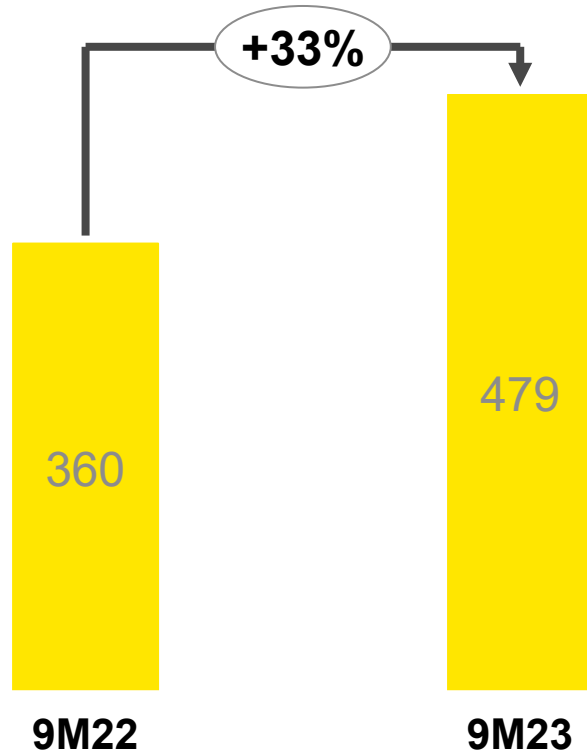
Source: Company

# EBITDA-CAPEX

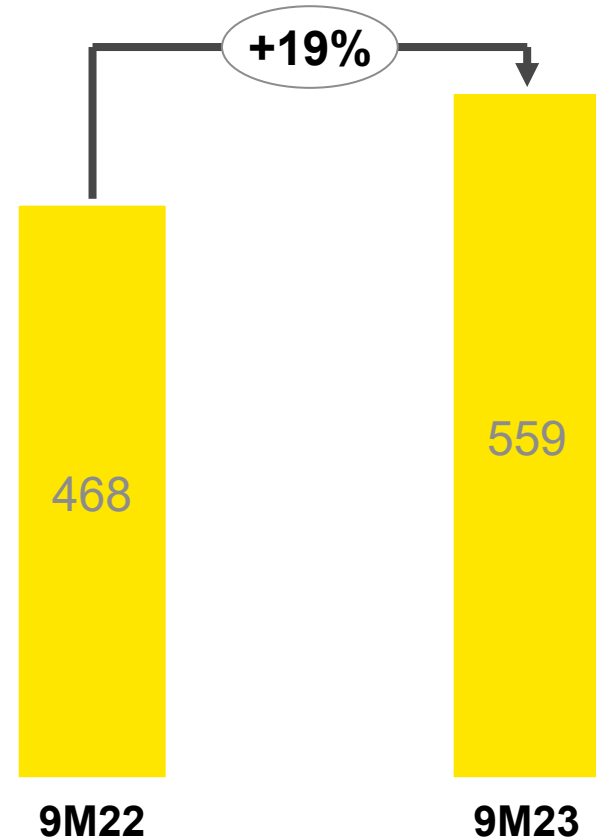
Pre-IFRS<sup>1</sup> EBITDA-CAPEX +33% in 9M23 with EBITDAaL<sup>2</sup>-CAPEX +19%

€M

## EBITDA pre-IFRS - CAPEX



## EBITDAaL - CAPEX



1 Pre-IFRS15 & IFRS16

2 EBITDA after Leases (Post-IFRS15)

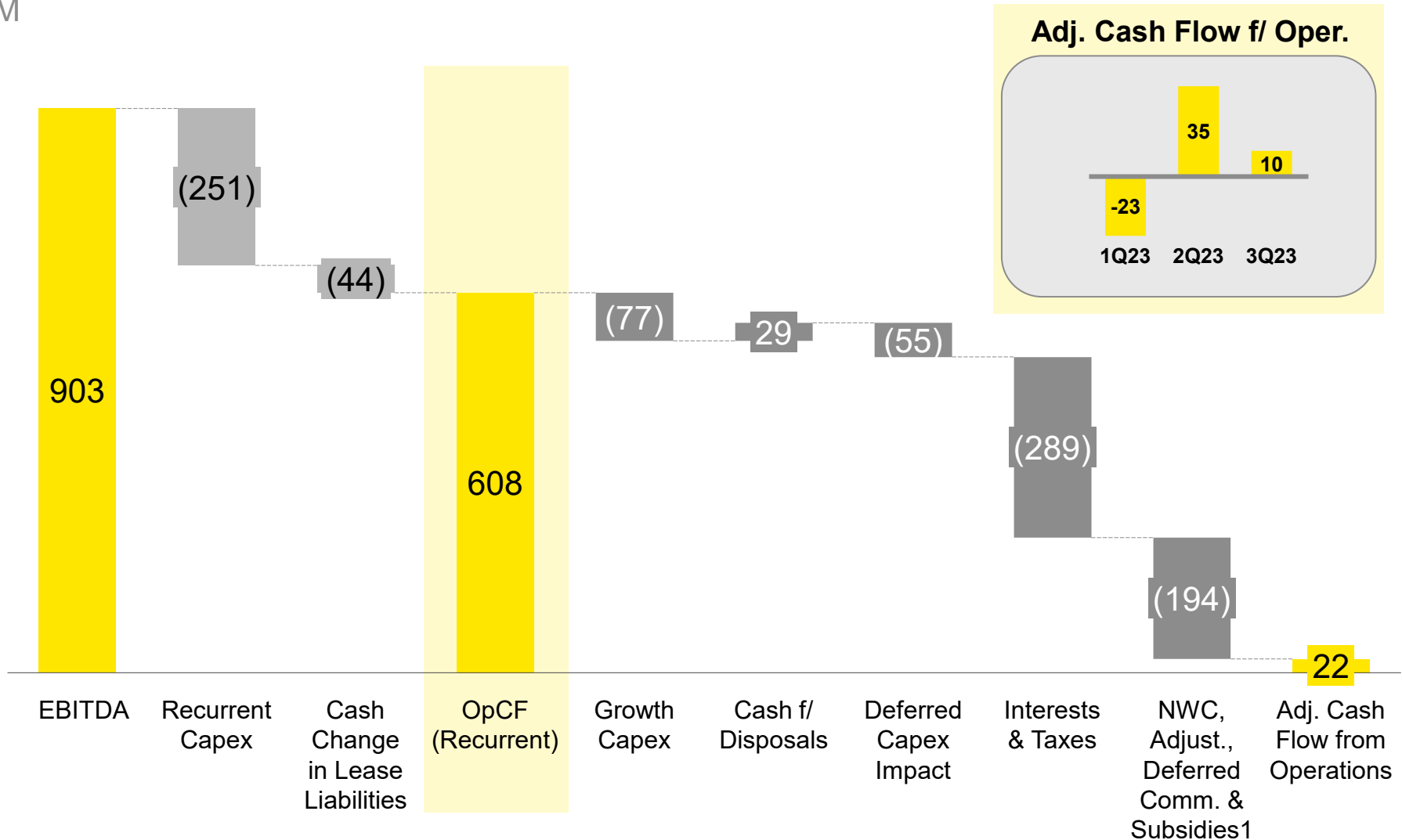
Source: Company



# Reported Cash Flow From Operations 9M23

Recurrent OpCF €22M, material YoY improvement in CF despite interest charge

€M



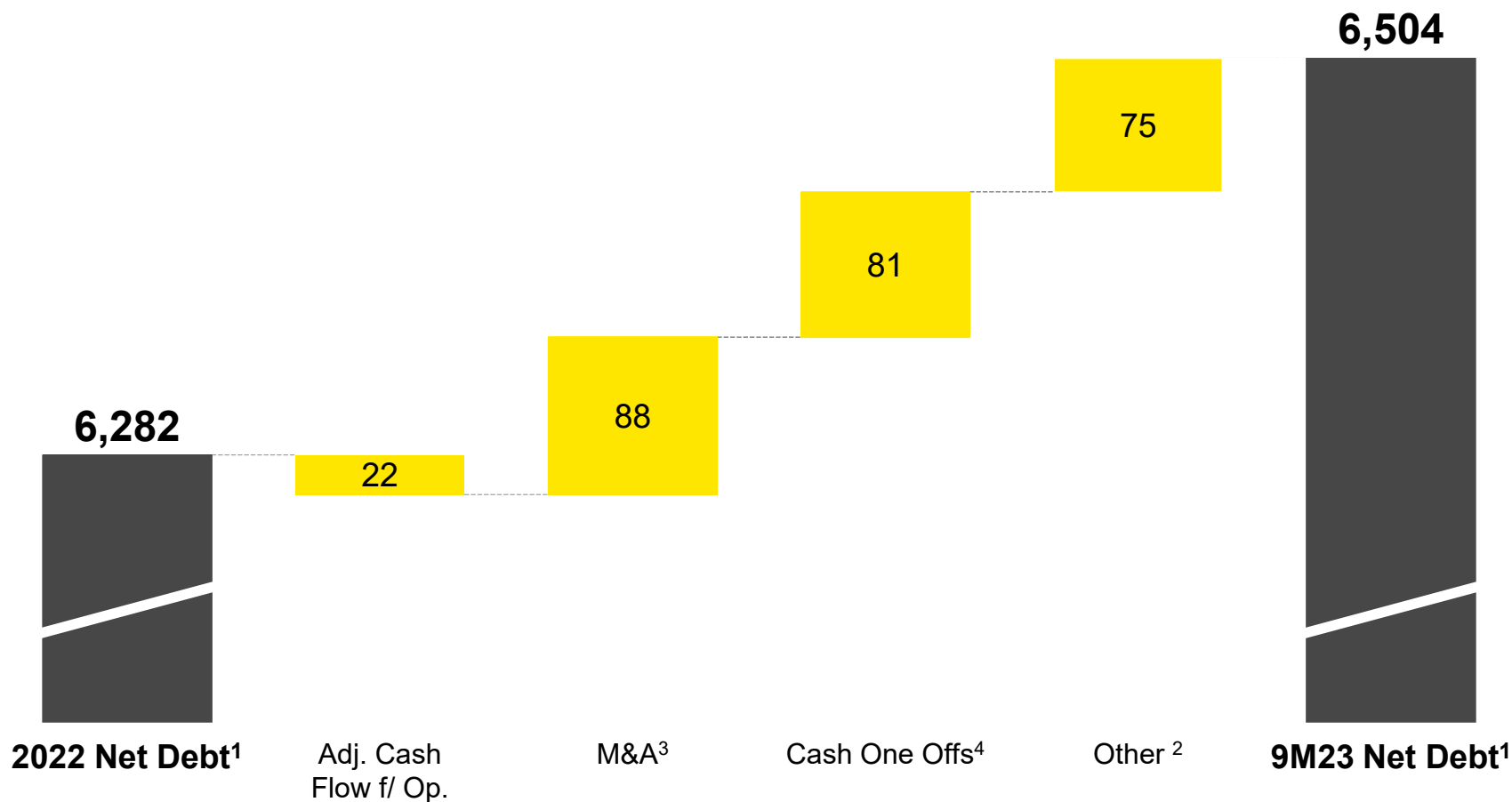
1 Includes IFRS15

Source: Company

# Change in Reported Net Debt 9M23

Net Debt slightly up QoQ to €6,504M in 3Q23

€M



1 As per Company's calculations, excludes IFRS16 financial leases adjustment

2 Includes mainly non-paid accrued interest

3 Mainly equity contributions as part of our Ucles project

4 Includes integration and restructuring costs plus penalties, mostly related to the Euskaltel integration

Source: Company

# 9M23 Net Debt & Leverage<sup>1</sup>: Nominal view

Total Net Debt LTM<sup>1</sup> leverage stable at 5.1x and 4.3x on Senior Secured basis

€M

(€m)	9M23
TLB	3,200
Senior Secured Notes	2,350
Senior Notes	453
RCF	115
Commercial paper	292
M&A deferred payments	31
Other debts	124
Other Debts (grants, deposits and guarantees)	12
Finance leases	207
Cash & Equivalents	-22
<b>Total Net Debt (for leverage)</b>	<b>6,761</b>
LTM Structuring EBITDA	1,319
<b>Total Net Debt LTM Leverage</b>	<b>5.1</b>
Senior Secured Net Debt	5,643
<b>Senior Secured Net Debt LTM Leverage</b>	<b>4.3</b>

Note: The above net debt is nominal (vs. accounting in previous slide) and includes debt from leases

1: LTM Adjusted EBITDA plus remaining Euskaltel's synergies, run rate and adjustments from sale of Netco.

Source: Company.

**Thanks a lot and see you all next quarter!**



# Appendix



# Income Statement Summary

€M

(€M)	9M22	9M23	Growth
Service Revenues	1,988.1	2,054.7	3%
Other revenues	184.1	177.7	-4%
<b>Revenue</b>	<b>2,172.3</b>	<b>2,232.3</b>	<b>3%</b>
Other operating revenue	145.0	119.4	-18%
Cost of sales	-1,347.8	-1,329.8	-1%
Other operating expenses	-127.6	-119.1	-7%
<b>Adjusted EBITDA</b>	<b>841.9</b>	<b>902.8</b>	<b>7%</b>
Net one-offs	-32.0	-34.1	7%
Capital gain on sale of assets and loss impairment	18.5	-2.5	nm
<b>Reported EBITDA</b>	<b>828.4</b>	<b>866.2</b>	<b>5%</b>
Depreciation and amortization	-702.2	-706.1	1%
Result from loss of control of associates	0.0	0.0	nm
<b>Reported EBIT</b>	<b>126.2</b>	<b>160.2</b>	<b>27%</b>
Net financial expenses	-274.8	-350.4	27%
Results from equity-consolidated investments	-0.6	-24.7	nm
<b>Reported Profit before taxes</b>	<b>-148.6</b>	<b>-214.9</b>	<b>45%</b>
Income tax	55.8	59.8	7%
<b>Income / Loss from continuing operations</b>	<b>-92.8</b>	<b>-155.1</b>	<b>67%</b>
Result from discontinued operations net of tax	601.8	-14.9	-102%
<b>Income / Loss for the period</b>	<b>509.0</b>	<b>-170.0</b>	<b>-133%</b>

# Cash Flow Statement Summary

€M

(Million €)	9M23
Adjusted EBITDA	903
NWC, Adjustments, Deferred Commissions and Subsidies	(178)
Payments from lease liabilities (IFRS16)	(44)
Net Financial expenses	(271)
Corporate tax	(18)
<b>Cash Flow from operations before Capex</b>	<b>392</b>
Accrued Net Capex	(328)
Payments for previous periods Capex	(55)
Cash from sale of assets (includ. special projects)	29
<b>Cash Flow from Capex</b>	<b>(354)</b>
Other	(16)
<b>Adjusted Cash Flow from operations</b>	<b>22</b>
One-offs	(81)
<b>Cash Flow from operations</b>	<b>(58)</b>
M&A	(88)
Financing	142
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(5)</b>

# Net Debt Structure: Reported view

€M

(€m)	9M23
TLB	3,186
Senior Secured Notes	2,321
Senior Notes	445
RCF	116
Commercial paper	292
M&A deferred payments	31
Other bank debt, grants, deposits & guarantees	135
<b>Total Gross Debt (as per Company's calculations)</b>	<b>6,526</b>
Cash & Equivalents	22
<b>Group's Net Debt (as per Company's calculations)</b>	<b>6,504</b>

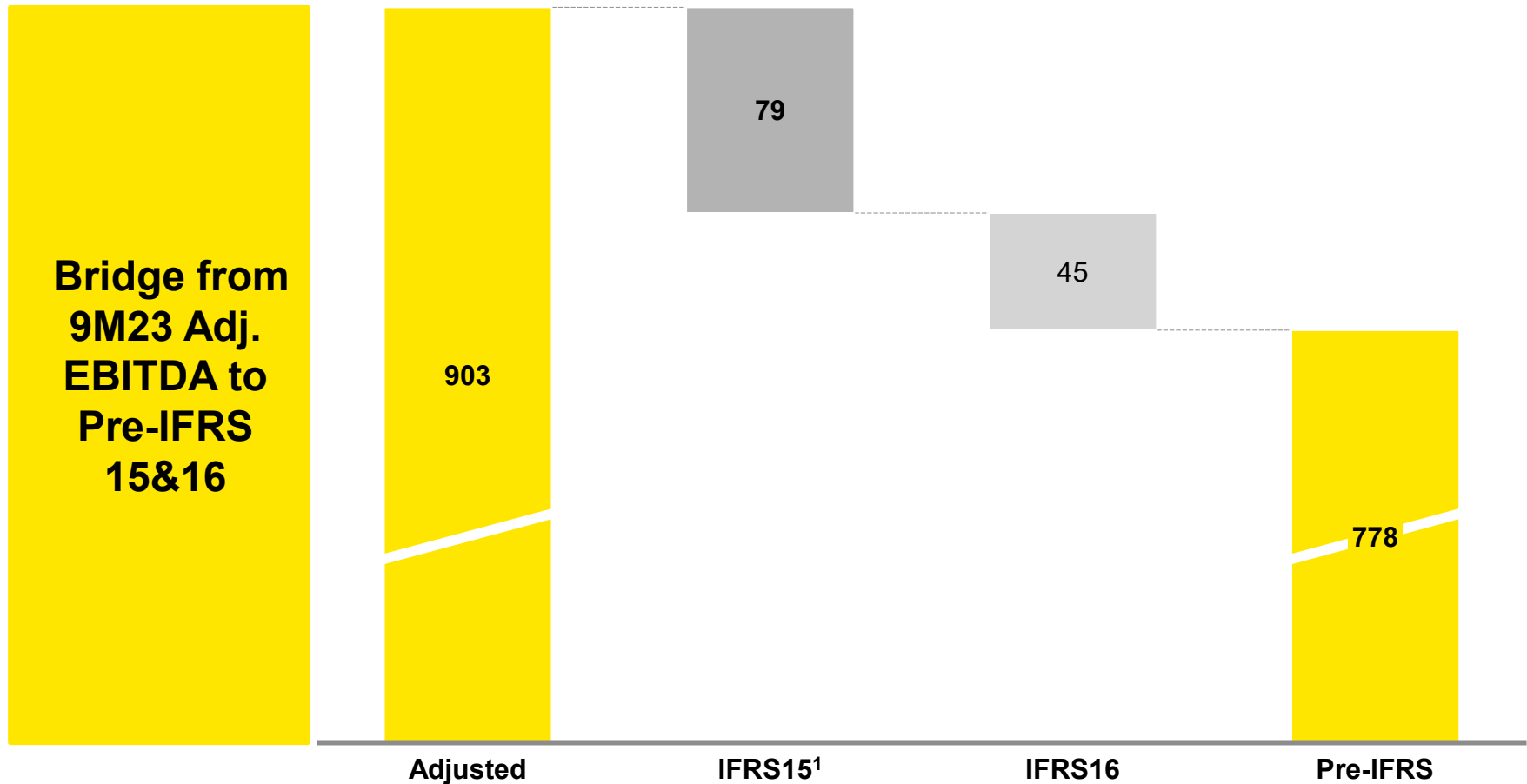
Source: Company

Please note that previous figures are calculated excluding some debts, mainly debts without cash interest charges or with shareholders, and also excluding €207M of financial leases under IFRS16 accounting practices



# Bridge from Adjusted EBITDA to Pre-IFRS

From 1Q23 earnings we provide quarterly EBITDA on Pre-IFRS 15&16 basis  
€M



<sup>1</sup> Including IFRS3 impact from MASMOVIL TBO by Lorca and Euskaltel acquisition

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