



First Half 24 Results

July 2024

July 24th, 2024

Disclaimer

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H1 2024 Key Highlights

Organic growth, first synergies crystallizing, and fiber network strategy defined



>7.3M broadband lines and >25.8M mobile lines
Growth in FTTH (+136k) and in mobile contract services (+205k)



Billed Service revenues +1.1% YoY



Adjusted¹ EBITDAaL +5.4% YoY
Adj. EBITDA +6.7% YoY



Funding for MASORANGE and debt repricing exercise completed
Total debt leverage² 4.7x / Senior debt leverage² 3.8x



Initial round of synergies already crystallized
Network efficiencies and last mile



MASORANGE defines its fiber network strategy

¹ Historical 2023 proforma figures and 1Q24 based on aggregated numbers from Grupo Masmovil and Orange Spain, clean of intercompany transactions. 1H24 figures include 1Q24 as indicated previously plus 2Q24 for MASORANGE

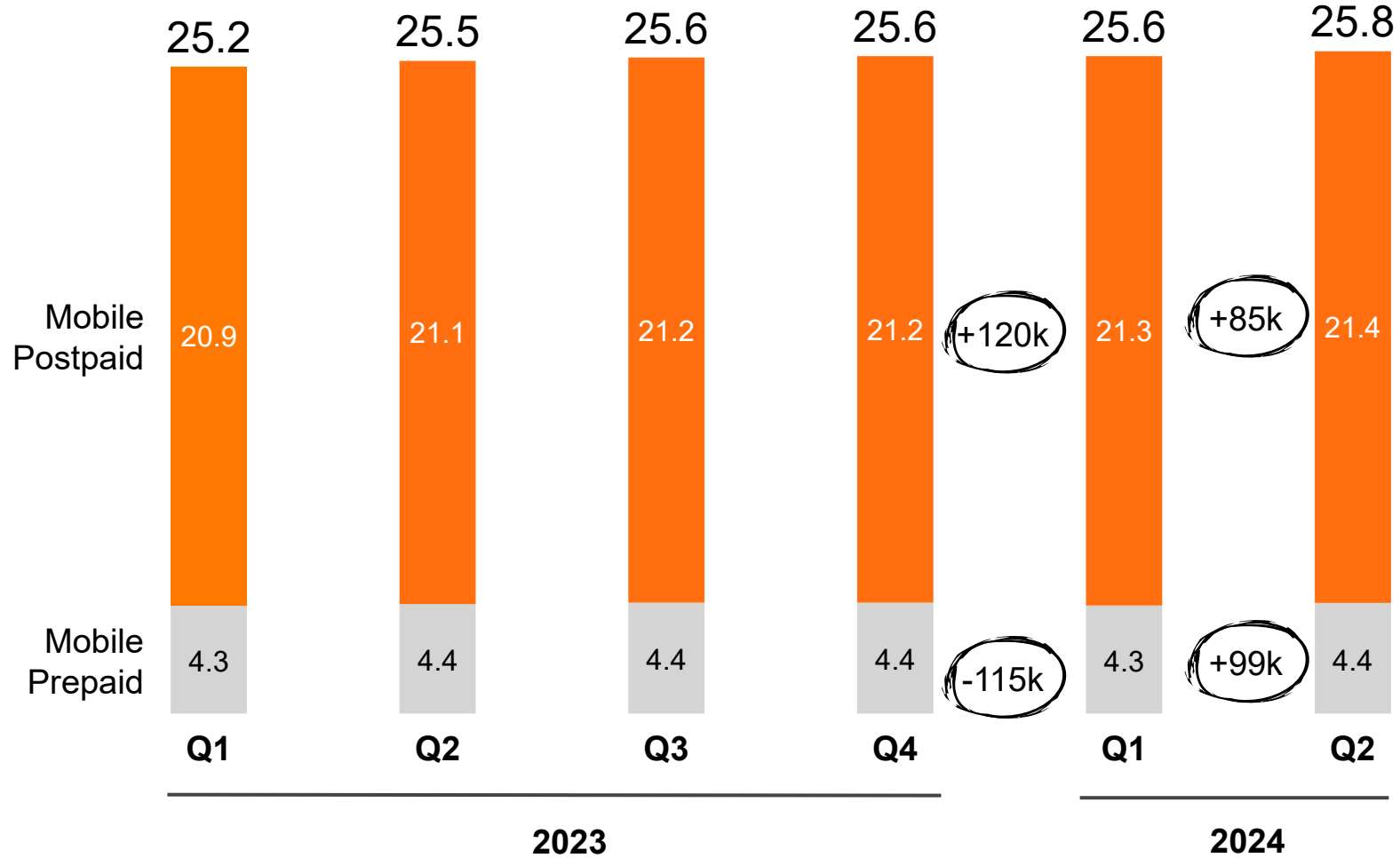
² Based on LTM Adj. EBITDA, long tail Euskaltel and MASORANGE run rate synergies expected to be realised by Dec 2027



+O: largest mobile client base in Spain

Growth in both Postpaid² and Prepaid with c.26 millions lines connected; ~43% mobile market share¹

Million lines



1 Source: Company and CNMC Data March 2024

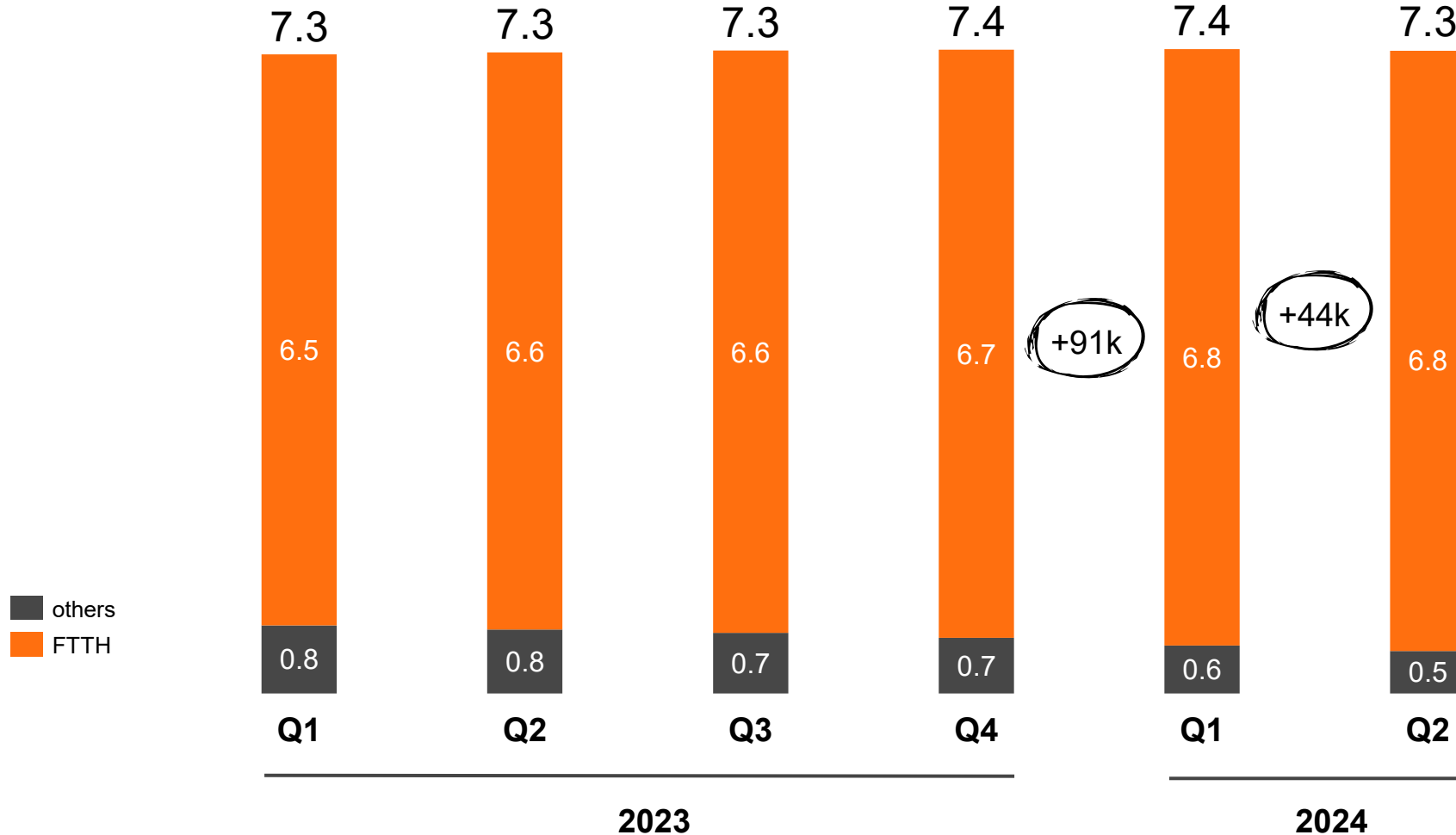
2 Not including M2M



+O: also largest fixed broadband client base in Spain

Growth in FTTH with c.7 millions lines connected and ~42% FBB market share¹

Million lines



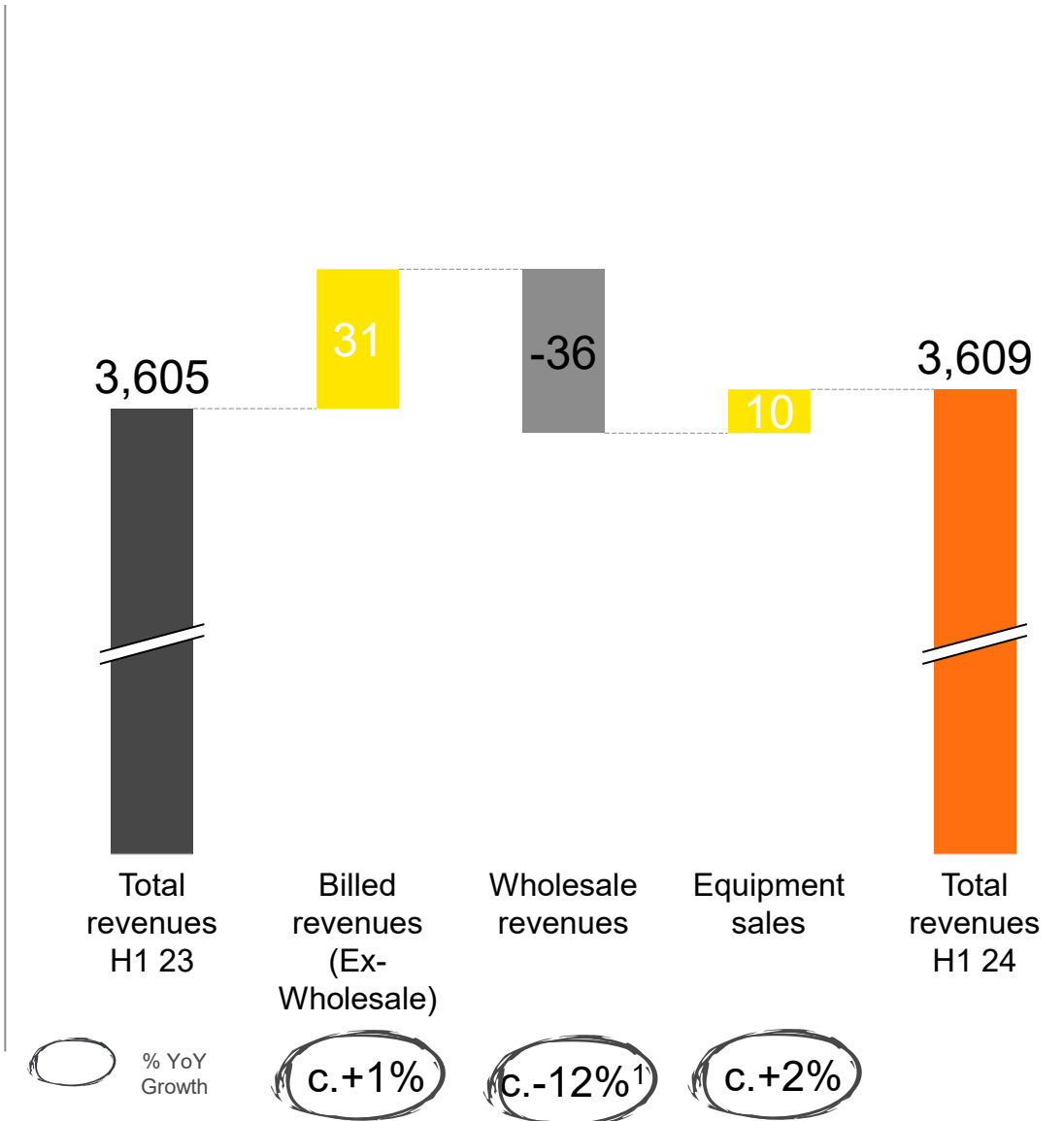
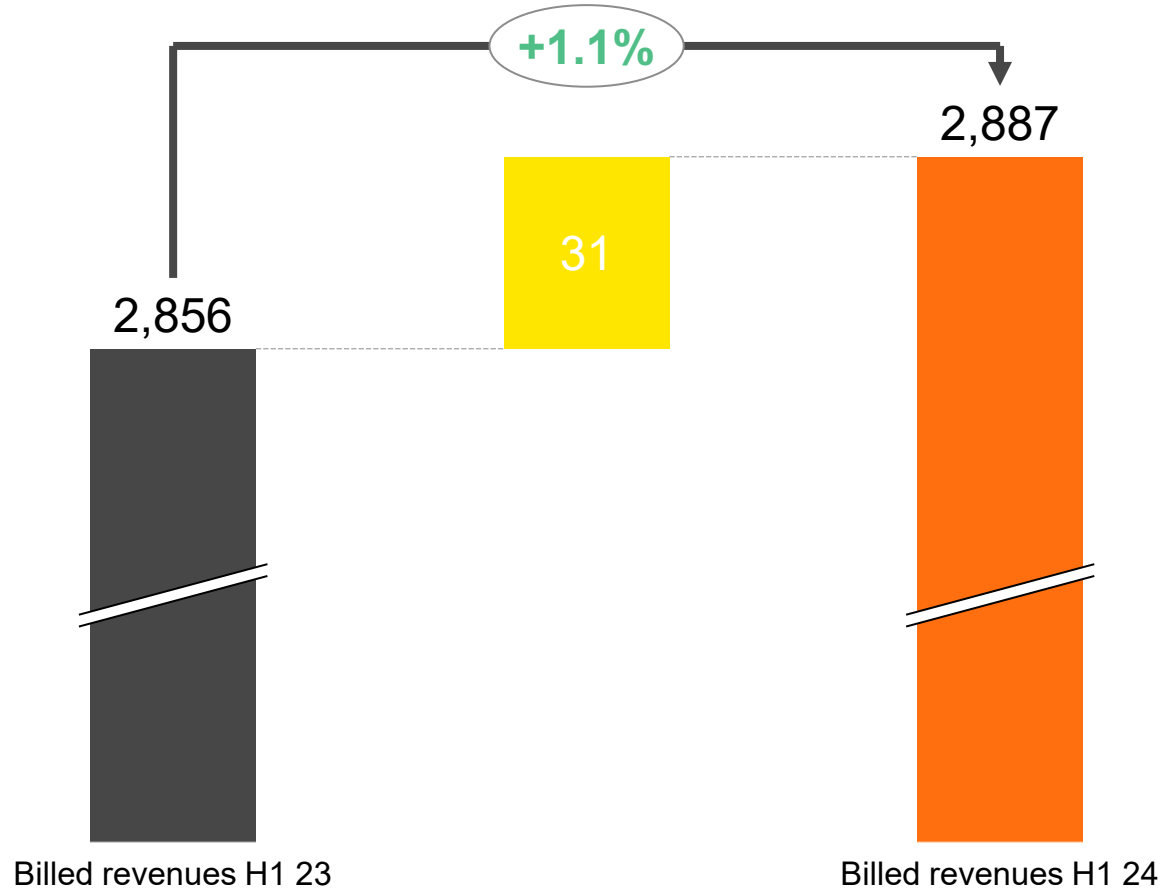
¹ Source: Company and CNMC Data March 2024



Total revenues

Billed revenues +1.1% YoY with flat total revenues impacted by MTR regulation with negligible margin impact

€M



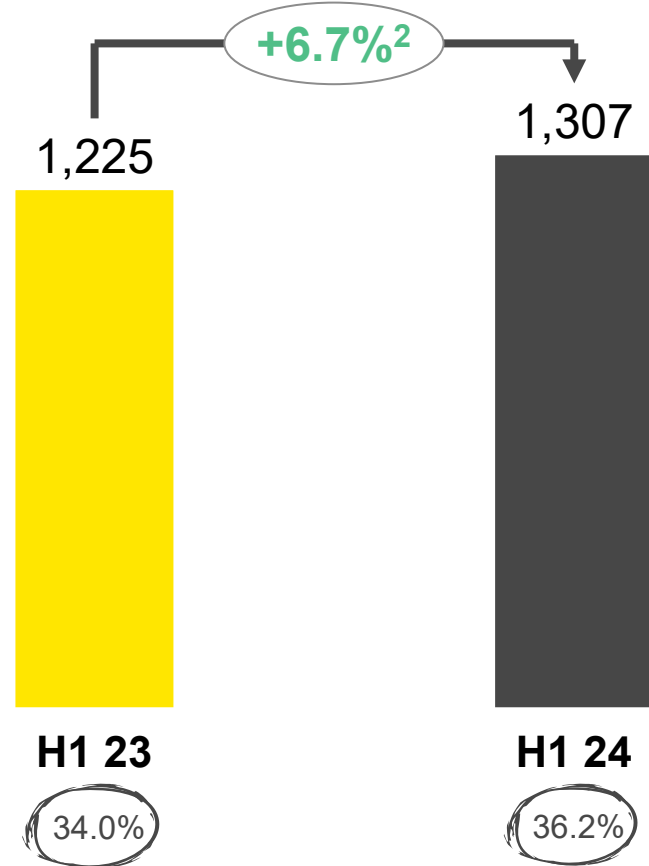
1 Mainly due to lower regulated MTR and international traffic both with low margin contribution 7



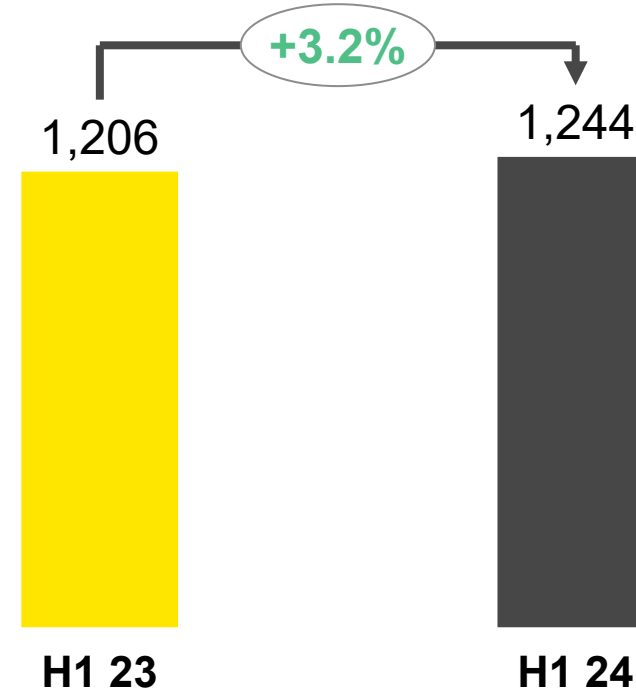
EBITDA

Reported EBITDA up +3.2% YoY with +6.7% Adjusted EBITDA growth clean of restructuring & integration costs
€M

Adjusted EBITDA¹



Reported EBITDA



○ % EBITDA Margin

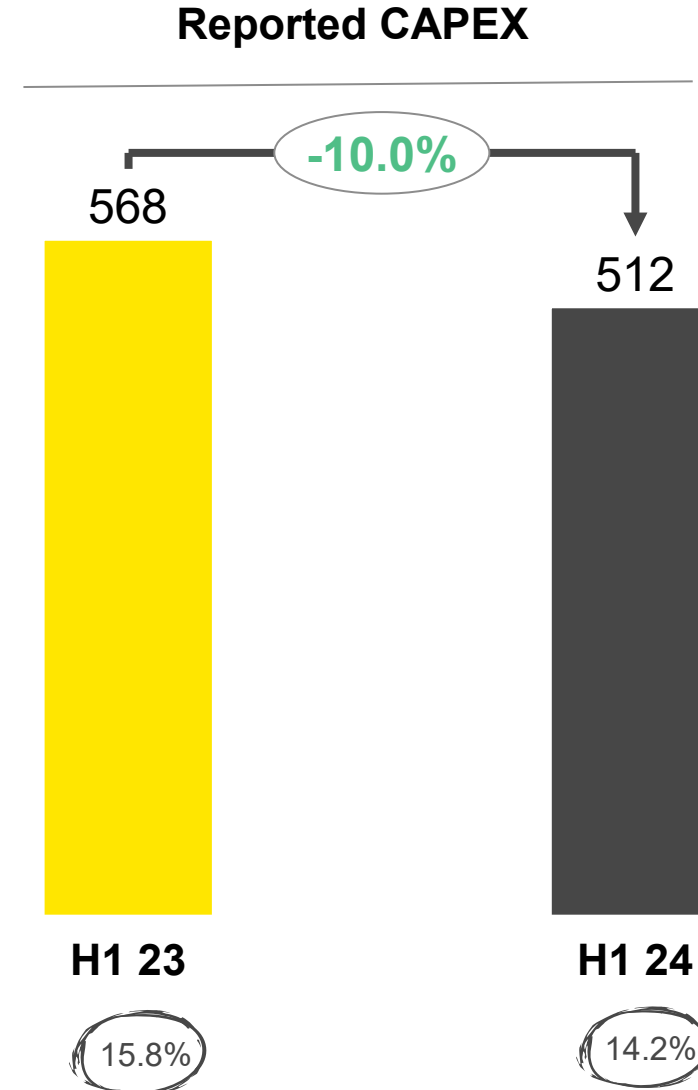
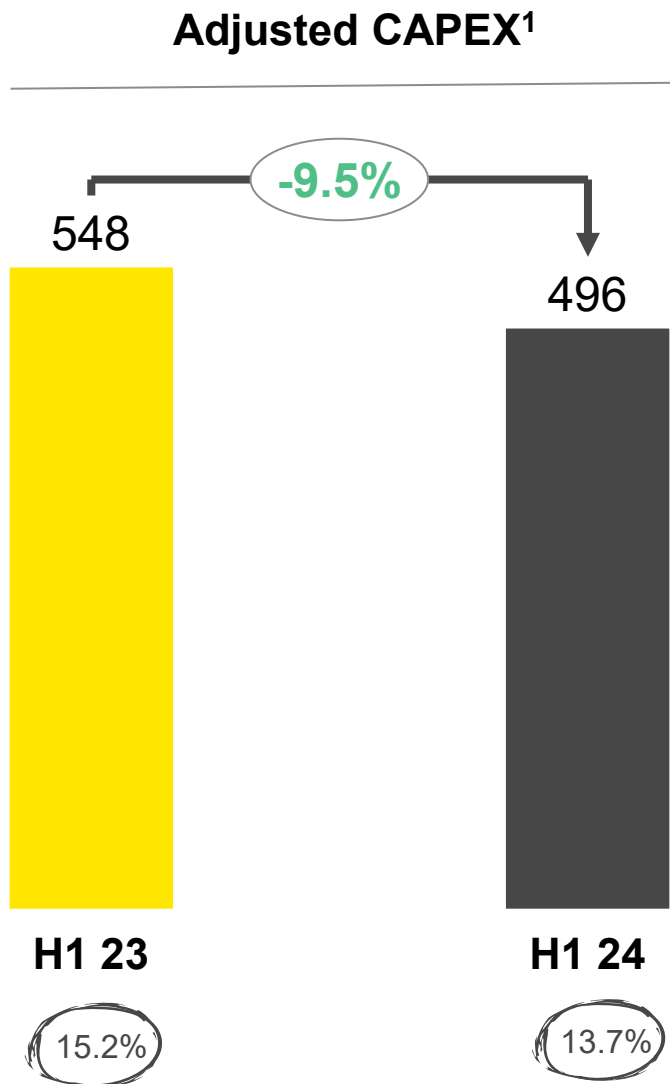
¹ Adjusted for Restructuring and Integration costs

² Historical 2023 proforma figures and 1Q24 based on aggregated numbers from Grupo Masmovil and Orange Spain, clean of intercompany transactions. 1H24 figures include 1Q24 as indicated previously plus 2Q24 figures for MASORANGE. Equivalent to an EBITDAaL of €1,159m.



Reported Net CAPEX

CAPEX decline lowers capex/sales to c.13.7% on Adjusted basis and to 14.2% on Reported basis
€M



% Capex to Sales

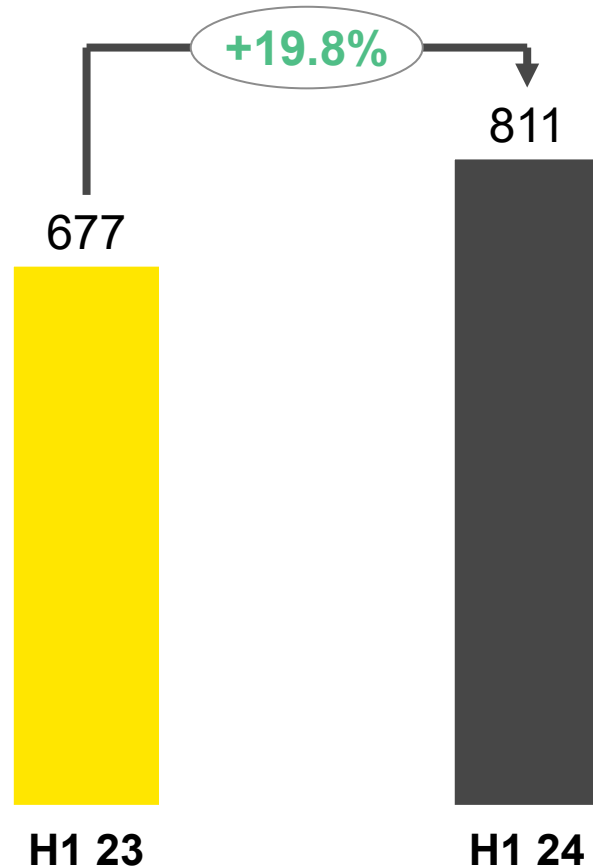
¹ Adjusted for Restructuring and Integration capex



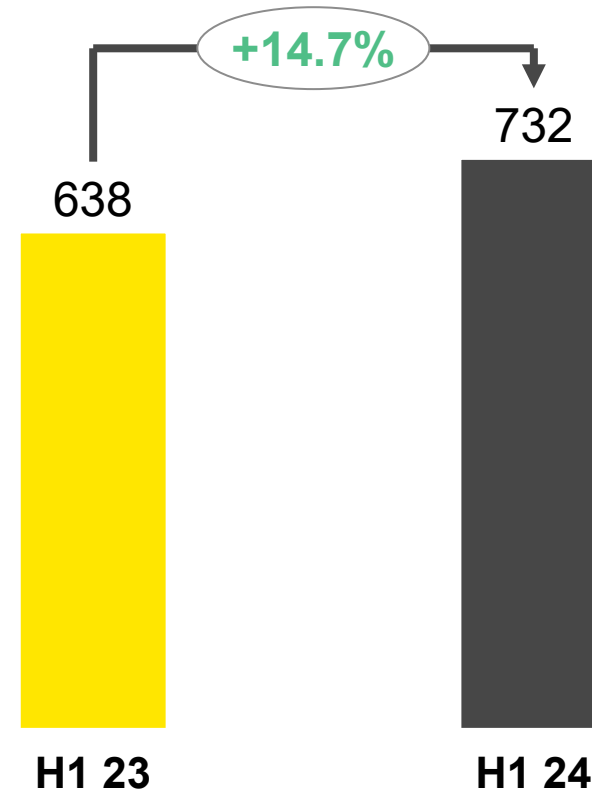
EBITDA – Net CAPEX

Increasing EBITDA & lower Net CAPEX increases Operating CF by c.+20% on Adjusted basis¹ (+c.15% reported)
€M

Adjusted EBITDA¹ – Adj. Net CAPEX¹



Reported EBITDA – Net CAPEX

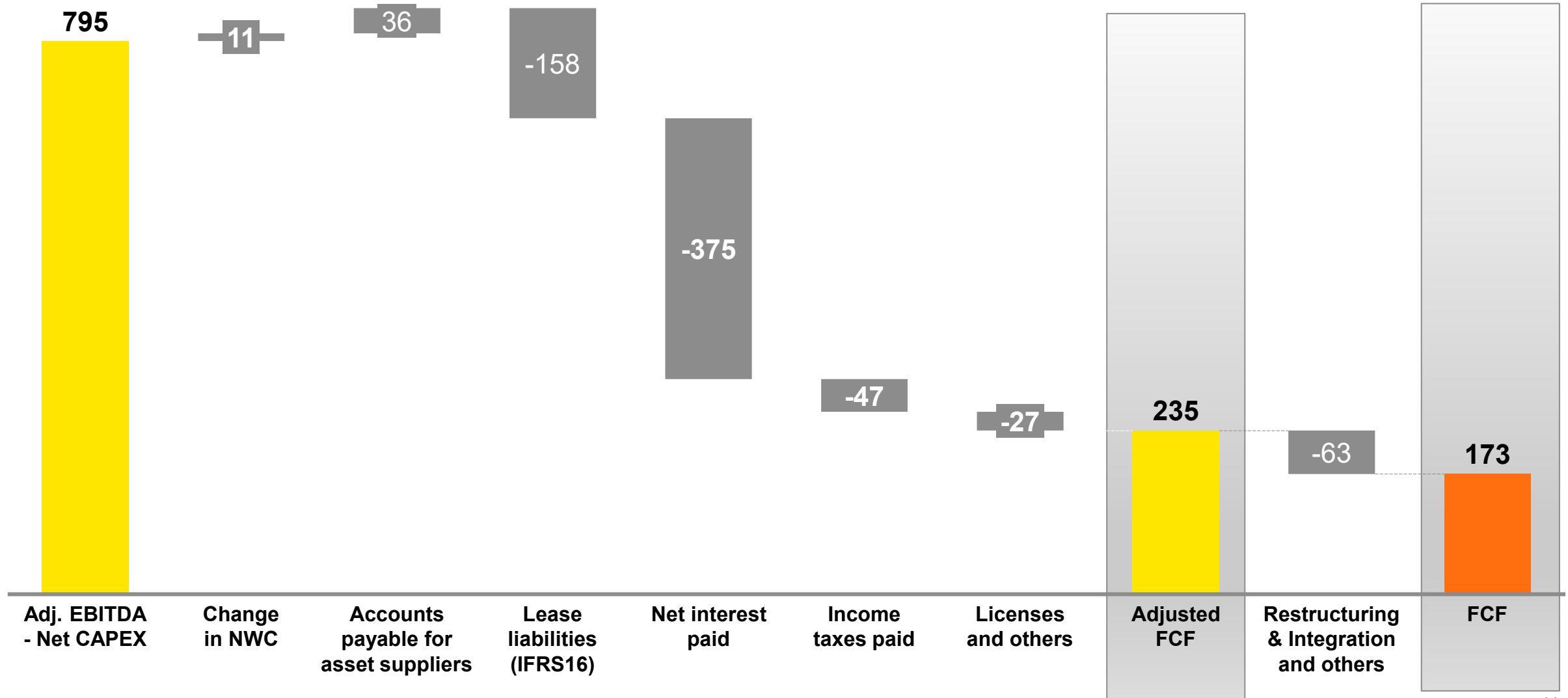


¹ Adjusted for Restructuring and Integration costs



Cash Flow from operations

Positive Free Cash Flow €170M despite higher interest payments and restructuring and integration costs





Nominal debt position

Total net debt LTM leverage of 4.7x; Senior secured net debt leverage of 3.8x
€M

Nominal Debt (€m)	June'24
TL Nominal Debt	8,636
TLA	4,350
TLB2	250
TLB3	3,661
TLB4	375
Notes	3,403
SSN	2,950
SUN	453
Commercial Papers	426
Other Debts	309
Cash	36
Net Debt	12,738
Leases	1,541
Net Debt & Leases	14,279
LTM Reference EBITDA ¹	3,024
Total Net Debt LTM Leverage	4.7
Senior Secured Net Debt	11,640
Senior Secured Net Debt LTM Leverage	3.8

1 Based on LTM Adj. EBITDA, long tail Euskaltel and MASORANGE run rate synergies expected to be realised by Dec 2027

Note: The above net debt is nominal and includes debt from leases for leverage purposes

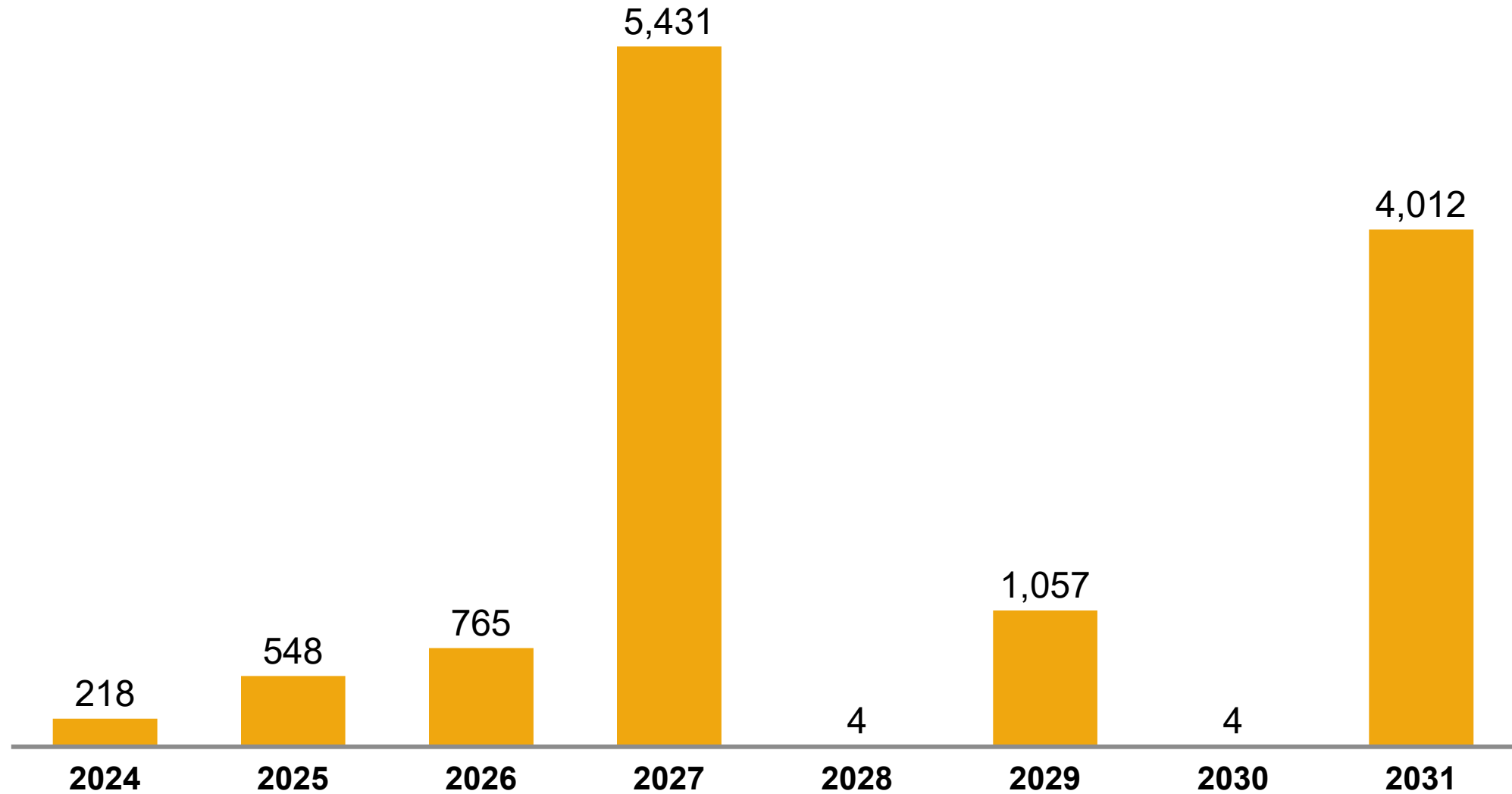
Source: Company.



Debt maturities

Increased and comfortable maturity schedule following successful refinancing exercises

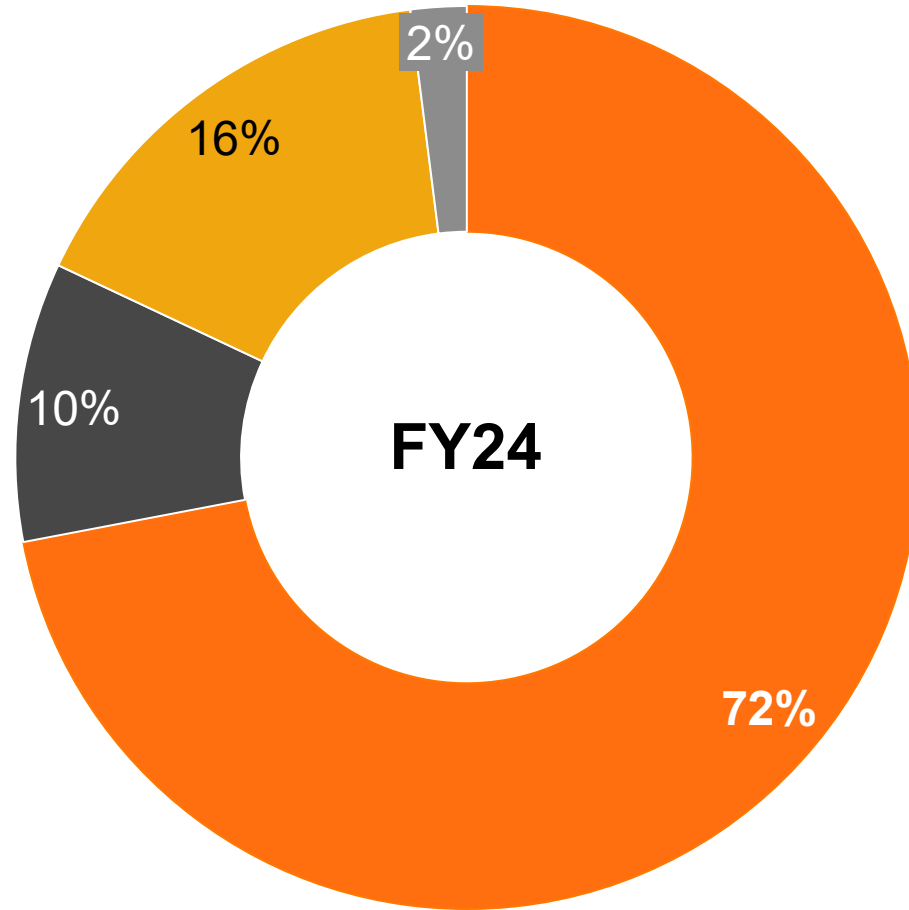
€M





Synergies

On track for c.500M€ total synergies; c30% of total & >70% of FY24 in execution phase. 1H24 crystallized c.€50M €M



- Execution
- Validated
- Planned
- Identified



MASORANGE defines its fiber network strategy

Focus on value creation through...



...maximisation of FTTH network utilisation...

- Signing on 24th July of a non-binding term-sheet with Vodafone Spain to enter into exclusive discussions to create a joint FiberCo in Spain which would cover approximately 11.5 million premises
- MASORANGE and Vodafone to become **long term anchor tenants** of the FiberCo
- c.4m customers on the FiberCo's footprint



... and value crystallisation

- FiberCo's capital to be opened to a financial investor
- Cash upstream to MASORANGE, accelerating the deleverage plan
- Benefit for Spanish customers by accessing **best-in-class FTTH connectivity meeting highest ESG standards**

The future FiberCo at a glance

- Closing expected in H1 2025 (subject to final agreement & regulatory approval)
- c.11.5m premises connected with FTTH
- c.4m connected households
- MASORANGE and Vodafone Spain to keep operating and maintaining their contributed networks
- Targeted capital structure: 50% MASORANGE, 50% financial investor / Vodafone Spain
- Deconsolidated from MASORANGE



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