Telenet Reports Preliminary Q2 2024 Results

YoY trend impacted by tough comparison base against Q2 last year, on track to deliver on our full year guidance

Mechelen, July 25, 2024 – Telenet Group Holding NV ("Telenet" or the "Company") announces its unaudited consolidated results under International Financial Reporting Standards as adopted by the European Union ("EU IFRS") for the three months ("Q2") and six months ("H1", or "YTD") ended June 30, 2024.

John Porter, CEO of Telenet, commented:

"I'm excited about our commercial innovations in the second quarter, which will help strengthen our operating performance outlook against the continued intense market environment. Following the June launch of BASE Internet and TV in Wallonia as well as in our Flemish and Brussels footprint, BASE has now become a nationwide FMC brand, well positioned to compete in the value-for-money segment, with promising initial take-up. Separately, we launched 'Check & Smile' through the MyTelenet app, which underpins our customer-centric strategy. Our financial performance in the quarter was impacted by a tough comparison base in Q2 last year, while our cash generation strongly improved versus a seasonally weaker Q1. We therefore remain confident to deliver on our full year guidance.

Earlier today, we announced the signing of a Memorandum of Understanding with Proximus and Fiberklaar for a potential future collaboration on the further deployment of fiber networks in Flanders. The intended collaboration, which is dependent on the parties reaching a final agreement, obtaining regulatory and antitrust approvals and subject to no adverse regulatory findings or impacts, would cover approximately 2.7 million homes across zones with medium to low population density, while continuing to leverage our existing HFC network to benefit consumers, businesses and society as a whole."

Operating and strategic highlights:

- Improved net RGU loss[1] trend in Q2 2024 (52,100) relative to preceding quarters (Q1 2024: 59,300) despite a continued intensely competitive environment driven by our successful marketing campaigns and the launch of BASE Internet and TV in early June
- Sequentially lower telephony, video, broadband and mobile postpaid RGU declines in Q2 2024 of 20,600, 17,700, 4,800 and 500, respectively (H1 2024: -41,900, -38,300, -10,800 and -1,300, respectively) with the lowest quarterly declines for broadband and video since Q1 2023 and Q2 2022, respectively
- FMC households totaled 849,700 at June 30, 2024 (+2,500 in Q2 2024), representing 49.4% of broadband RGUs. Our FMC customers continue to have access to one of the best broadband and mobile networks in our footprint and the richest premium entertainment experience, including domestic and international streaming services and sports
- Monthly ARPU per fixed customer relationship of €62.12 and €61.86 in Q2 2024 and H1 2024, up 4.9% and 4.3% YoY, respectively, on a reported basis as a result of the June 2023 rate increase, partially offset by an average lower RGU count
- Early June 2024, we extended BASE's mobile line-up to include attractively priced internet and TV tiers. Through last year's commercial agreement with Orange Belgium, we have started to provide fixed connectivity and TV services in Wallonia, expanding to 1.8 million addressable homes and becoming a nationwide FMC operator. In Telenet's Flemish and Brussels footprint, we will tactically use BASE as a complimentary brand, providing value-for-money fixed and mobile services

- At the end of June 2024, we activated the 'Check & Smile' tool in the MyTelenet app, allowing customers to check whether their products and services are working optimally and ensuring they are fit for purpose. This results in a hyper-personalized customer experience thanks to data, predictive AI models and our investments in a new state-of-the-art IT platform. To date, over 200,000 customers, or approximately 50% of app users, have already completed their network and product check

Financial highlights:

- Revenue of €701.4 million in Q2 2024 and €1,403.8 million in H1 2024, broadly stable YoY on both a reported and rebased[2] basis, in line with our full year outlook
    - Consumer fixed revenue contracted moderately by 0.2% and 1.0% YoY in Q2 2024 and H1 2024 on both a reported and rebased basis as the benefit of the June 2023 rate increase was more than offset by a lower RGU base for our broadband, video and telephony services
    - Consumer mobile revenue decreased 2.2% YoY in Q2 2024 on both a reported and rebased basis, reflecting lower interconnect revenue and less revenue from handset sales. H1 2024 consumer mobile revenue was up 0.9% on both a reported and rebased basis, driven by the benefit of the June 2023 rate increase and a higher proportion of revenue allocated to mobile for our ONE and ONEup FMC bundles, partly offset by lower interconnect revenue and a decline in our mobile customers
    - B2B revenue, which includes the revenue generated by commercial and regulated wholesale customers in addition to the revenue from large enterprise customers, small and medium-sized companies and SOHO customers, remained broadly stable YoY in Q2 2024 and H1 2024, respectively, on a reported basis. On a rebased basis, our B2B revenue fell 1.7% and 2.0% YoY in Q2 2024 and H1 2024, respectively, as solid B2B subscription revenue growth was more than offset by lower wholesale revenue from the loss of the VOO MVNO contract following the acquisition by Orange Belgium
    - Other revenue,which includes amongst others the advertising and production revenue from our media business, was up 2.6% and 2.3% YoY in Q2 2024 on a reported and rebased basis, respectively, reflecting higher advertising revenue from our commercial Play broadcasting channels. Other revenue in H1 2024 increased 1.9% and 2.0% YoY in H1 2024 on a reported and rebased basis, respectively, on the back of higher advertising revenue
- Net profit of €44.4 million in Q2 2024 (H1 2024: €81.2 million) compared to a net loss of €28.8 million in Q2 2023 and €12.0 million in H1 2023, which was adversely impacted by the derecognition of a deferred tax asset on tax losses carried forward. Net finance expense of €44.5 million in the quarter, up 8.3% YoY, reflecting (i) a €58.2 million higher non-cash gain on derivatives, (ii) 31.5% higher accrued interest expenses as a result of our increased debt balance and (iii) a €22.6 million non-cash foreign exchange loss versus a non-cash gain of €12.5 million in Q2 last year.
- Adjusted EBITDA of €329.6 million in Q2 2024, marking YoY decreases of 7.8% and 8.1% on a reported and rebased basis, respectively, reflecting a tough comparison base against Q2 last year which included a €10.5 million one-time benefit from expected settlements of certain operational contingencies. H1 2024 Adjusted EBITDA of €644.5 million, down 4.8% and 5.1% YoY on a reported and rebased basis, respectively
    - In addition to the one-off benefit last year, the YoY decline in Adjusted EBITDA in both periods was caused by (i) higher staff-related expenses following the mandatory 1.5% wage indexation as of January 2024 as well as growth in our overall FTE base and (ii) increased sales and marketing expenses relative to the same period last year when we deliberately scaled back our marketing efforts on the back of the IT platform migration issues. These factors more than

offset the combined benefit of (i) the June 2023 rate increase, (ii) lower interconnect costs and costs related to handset purchases and (iii) reduced energy costs

    - Adjusted EBITDA margin contracted from 50.8% in Q2 2023 to 47.0% in Q2 2024, representing a YoY reduction of 380 and 370 basis points on a reported and rebased basis, respectively. H1 2024 Adjusted EBITDA margin of 45.9%, representing a YoY decline of 220 basis points on both a reported and rebased basis

- Adjusted EBITDAaL of €309.8 million in Q2 2024, representing YoY reductions of 8.2% and 10.4% on a reported and rebased basis, respectively, reflecting the same drivers as those having impacted our Adjusted EBITDA. H1 2024 Adjusted EBITDAaL of €606.2 million, moderately down by 2.1% YoY on a reported basis, reflecting the benefit of the Wyre Transaction as a result of which the emphyteutic lease with Fluvius was terminated leading to lower depreciation and interest on leases. Excluding this impact, our rebased Adjusted EBITDAaL in the first half showed a 6.3% YoY decline

    - Adjusted EBITDAaL margin of 44.2% in Q2 2024 (Q2 2023: 47.9%). On a rebased basis, our Adjusted EBITDAaL margin declined 470 basis points YoY. H1 2024 Adjusted EBITDAaL margin of 43.2% (H1 2023: 44.0%), equivalent to a 260 basis point decline on a rebased basis

- P&E Additions of €216.2 million and €414.4 million in Q2 2024 and H1 2024, up 28.5% and 16.2% YoY, respectively. Excluding the recognition of football broadcasting rights and certain leases-related capital additions, as per our full year guidance, P&E Additions represented 29.4% and 27.7% of revenue in Q2 2024 and H1 2024, respectively. This is expected to ramp up throughout the year as Wyre accelerates its FTTH build and we continue our 5G upgrade program

    - Customer premises equipment ("CPE") additions, which includes our spending on set-top boxes, modems and WiFi powerlines were €41.0 million in Q2 2024 (H1 2024: €72.4 million, -9.7% YoY), down 23.4% YoY due to phasing relative to Q2 last year

    - Q2 2024 network-related investments increased 68.5% YoY to €63.7 million (H1 2024: €117.6 million, +64.9% YoY) due to higher investments in our mobile (5G) and fixed (FTTH) networks

    - Expenditures for products and services, which reflects investments in product development and the upgrade of our IT platforms and systems, totaled €30.5 million in Q2 2024 (H1 2024: €61.9 million, -3.7% YoY), representing a 31.5% increase YoY due to phasing relative to Q2 last year

    - The remainder of our P&E Additions include (i) refurbishments and replacements of network equipment, (ii) sports and programming acquisition costs, including certain content acquired by Play Media, (iii) certain recurring investments in our IT platform and systems and (iv) lease-related capital additions. All combined, these reached €81.0 million and €162.5 million in Q2 2024 and H1 2024, respectively. Excluding the recognition of certain football broadcasting rights and certain lease-related capital additions, other accrued capital expenditures reached €71.0 million and €136.5 million in Q2 2024 and H1 2024, respectively . The above implies that approximately 65.6% and 64.9% of our P&E Additions (excluding the recognition of certain football broadcasting rights and certain lease-related capital additions) in Q2 2024 and H1 2024 were scalable and subscriber growth related

- Adjusted EBITDA less P&E Additions of €123.4 million in Q2 2024, marking YoY declines of 35.4% and 35.8% on a reported and rebased basis, respectively, as a result of higher CAPEX intensity across our business and a lower Adjusted EBITDA result. The same drivers resulted in Adjusted EBITDA less P&E Additions of €256.1 million in H1 2024, down 23.5% and 24.1% YoY on a reported and rebased basis, respectively

- Q2 2024 net cash from operating activities, net cash used in investing activities and net cash used in financing activities of €300.1 million (H1 2024: €502.2 million), €157.4 million (H1 2024: €311.4 million) and €17.1 million (H1 2024: €59.2 million), respectively

- Strong Adjusted FCF achieved of €125.5 million in Q2 2024 relative to a seasonally weaker Q1, yet down 8.5% YoY due to higher investments and a €8.8 million lower contribution from our vendor financing program due to seasonality in some of our payments. Adjusted FCF of €138.3 million in H1 2024, up 35% YoY as the combined effect of increased capital intensity and a €18.8 million decrease in our vendor financing program was more than offset by an improved working capital trend and the returns on our investments in AAA-rated money market funds
- At June 30, 2024, our blended fully-swapped debt borrowing cost was 3.9% (March 31, 2024: 3.8%) and the average tenor of our third-party debt was approximately 4.1 years (March 31, 2024: 4.3 years) with no debt repayments, excluding shorter-term liabilities under our vendor financing program, prior to March 2028
- At June 30, 2024, and subject to the completion of our corresponding compliance reporting requirements, the ratios of Net Total Leverage and Net Covenant Leverage were 4.4x and 3.2x, respectively, compared to 4.3x and 3.2x at March 31, 2024
    - The modest QoQ increase in Net Total Leverage was driven by a lower annualized Adjusted EBITDAaL, which more than offset the robust increase in our cash balance in the quarter
    - Net Covenant Leverage remains significantly below the springing maintenance covenant of 6.0x and the incurrence test of 4.5x net senior leverage. The maintenance covenant is only triggered in the event we draw 40% or more of our revolving credit facilities. At June 30, 2024, our revolving credit facilities were fully undrawn as mentioned below
- At June 30, 2024, we had access to total liquidity of €1,569.1 million, consisting of €954.1 million cash and cash equivalents and €615.0 million of undrawn commitments under our revolving credit facilities. When our quarterly compliance reporting requirements have been completed and assuming no change from June 30, 2024 borrowing levels, we anticipate the full €615.0 million of borrowing capacity will continue to be available

FY 2024 financial guidance:

- Based on our financial performance over the first half of 2024, we reaffirm our full year outlook as presented on February 15, 2024:
    - Revenue[(i)] (rebased FY 2023: €2,860.2 million): Broadly stable
    - Adjusted EBITDAaL[(ii)] (rebased FY 2023: €1,307.3 million): Mid-single digit decline
    - P&E Additions[(iii)] as a percentage of revenue: Around 32%
    - Adjusted FCF[(ii, iv)]: Between €50.0 - €75.0 million

(i) On a reported based, our expected revenue growth for the full year 2024 would be broadly stable.

(ii) Adjusted EBITDAaL and Adjusted Free Cash Flow are non-GAAP measures, see the Glossary for definitions. Quantitative reconciliations to net profit/loss (including net profit/loss growth rates) and cash flow from operating activities for our Adjusted EBITDAaL and Adjusted Free Cash Flow guidance cannot be provided without unreasonable efforts as we do not forecast (i) certain non-cash charges including the components of non-operating income/expense, depreciation and amortization, and impairment, restructuring and other operating items included in net profit/loss, nor (ii) specific changes in working capital that impact cash flows from operating activities. The items we do not forecast may vary significantly from period to period.

(iii) Property and equipment additions exclude the recognition of (i) capitalized football broadcasting rights, (ii) mobile spectrum licenses and (iii) the impact of certain lease-released capital additions on our accrued capital expenditures.

(iv) Excluding payments on mobile spectrum licenses acquired as part of the 2022 multiband spectrum auction and assuming the tax payment on our 2023 tax return will not occur until early 2025.

Operating Statistics Summary

	As of and for the three months ended June 30, 2024	As of and for the three months ended June 30, 2023
Footprint		
Homes Passed[(i)]	4,202,400	3,598,600
Fixed-Line Customer Relationships		
Fixed-Line Customer Relationships	1,980,100	2,041,200
Q2 Organic[1] Fixed-Line Customer Relationship net losses	(12,500)	(13,100)
Fixed Services per Customer Relationship	2.14	2.17
Q2 Monthly ARPU per Fixed-Line Customer Relationship	€ 62.12	€ 59.24
Mobile Subscribers		
Postpaid	2,676,000	2,679,400
Prepaid	214,100	252,200
Total Mobile subscribers	2,890,100	2,931,600
Q2 Organic Postpaid net additions	(500)	(5,400)
Q2 Organic Prepaid net losses	(8,500)	(8,400)
Total Organic Mobile net losses	(9,000)	(13,800)
Q2 Monthly ARPU per Mobile Subscriber:		
Including interconnect revenue	€ 16.92	€ 17.10
Excluding interconnect revenue	€ 15.47	€ 15.23
Fixed Mobile Convergence		
Converged Households	849,700	839,900
Converged Households as a % of Internet RGUs	49.4%	48.0%

(i) Amount for June 30, 2024 includes an aggregate adjustment of 580,000 Homes Passed to correct the understatement of our December 31, 2023 reported Homes Passed as detailed in our Q1 2024 earnings release.

Selected Financial Results, Adjusted EBITDA and Adjusted EBITDAaL Reconciliation, Property and Equipment Additions

The following table reflects preliminary unaudited selected financial results for the three and six months ended June 30, 2024 and 2023:

	Three months ended June 30,		Increase/(decrease)		Six months ended June 30,		Increase/(decrease)	
	2024	2023	Reported	Rebased[2]	2024	2023	Reported	Rebased[2]
	in millions, except % amounts							
Revenue[(i)]								
Consumer fixed revenue:								
Subscription	€ 305.2	€ 304.0	0.4%	0.4%	€ 610.3	€ 612.2	(0.3%)	(0.3%)
Non-subscription	2.7	4.6	(41.3%)	(41.3%)	5.1	9.4	(45.7%)	(45.7%)
Total consumer fixed revenue	307.9	308.6	(0.2%)	(0.2%)	615.4	621.6	(1.0%)	(1.0%)
Consumer mobile revenue:								
Subscription	104.5	104.3	0.2%	0.2%	208.6	207.0	0.8%	0.8%
Non-subscription	37.6	41.0	(8.3%)	(8.3%)	78.4	77.5	1.2%	1.2%
Total consumer mobile revenue	142.1	145.3	(2.2%)	(2.2%)	287.0	284.5	0.9%	0.9%
B2B revenue:								
Subscription	95.6	90.1	6.1%	6.1%	190.4	179.7	6.0%	6.0%
Non-subscription	89.7	95.7	(6.3%)	(8.9%)	175.6	188.2	(6.7%)	(9.4%)
Total B2B revenue	185.3	185.8	(0.3%)	(1.7%)	366.0	367.9	(0.5%)	(2.0%)
Other revenue	66.1	64.4	2.6%	2.3%	135.4	132.9	1.9%	2.0%
Total	€ 701.4	€ 704.1	(0.4%)	(0.8%)	€ 1,403.8	€ 1,406.9	(0.2%)	(0.6%)
Adjusted EBITDA	€ 329.6	€ 357.4	(7.8%)	(8.1%)	€ 644.5	€ 677.0	(4.8%)	(5.1%)
Adjusted EBITDAaL	€ 309.8	€ 337.3	(8.2%)	(10.4%)	€ 606.2	€ 619.1	(2.1%)	(6.3%)
Adjusted EBITDA less P&E Additions	€ 123.4	€ 191.1	(35.4%)	(35.8%)	€ 256.1	€ 334.8	(23.5%)	(24.1%)

(i) Our categorization of revenue for both the 2024 and 2023 periods has been updated to align with Liberty Global's presentation.

The following table provides a reconciliation of net profit to Adjusted EBITDA and Adjusted EBITDAaL for the three and six months ended June 30, 2024 and 2023:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	in millions, except % amounts			
Net profit (loss)	€ 44.4	€ (28.8)	€ 81.2	€ (12.0)
Income tax expense	23.2	137.7	48.3	139.5
Share of the result of equity accounted investees	(0.9)	2.7	(0.3)	2.3
Impairment of investments in and/or loans to equity accounted investees	0.5	—	0.5	—
Remeasurement to fair value of pre-existing interest in an acquiree	—	—	(0.7)	(1.9)
Losses (gains) on disposal of assets/liabilities related to a subsidiary or a joint venture	—	2.2	—	(0.9)
Net finance expense	44.5	41.1	72.7	134.7
Depreciation, amortization, impairment and gain on disposal of assets	202.7	190.6	410.8	390.2
EBITDA	314.4	345.5	612.5	651.9
Share based compensation	9.4	6.3	18.4	12.6
Operating charges related to acquisitions or divestitures	0.1	3.3	1.2	7.4
Restructuring charges	(0.4)	2.2	0.2	4.7
Measurement period adjustments related to business acquisitions	—	0.1	—	0.4
Related-party fees and allocations[3]	6.1	—	12.2	—
Adjusted EBITDA	329.6	357.4	644.5	677.0
Depreciation on assets under leases	(11.6)	(18.2)	(22.1)	(42.7)
Interest expense on leases	(8.2)	(1.9)	(16.2)	(15.2)
Adjusted EBITDAaL	€ 309.8	€ 337.3	€ 606.2	€ 619.1
Adjusted EBITDA margin	47.0%	50.8%	45.9%	48.1%
Adjusted EBITDAaL margin	44.2%	47.9%	43.2%	44.0%
Net profit (loss) margin	6.3%	(4.1)%	5.8%	(0.9)%

The following table provides a reconciliation net cash from operating activities to Adjusted Free Cash Flow for the three and six months ended June 30, 2024 and 2023:

	Three months ended June 30,		Six months ended June 30,	
	2024	**2023**	**2024**	**2023**
	in millions			
Net cash from operating activities	€ 300.1	€ 287.7	€ 502.2	€ 474.5
Operating-related vendor financing additions	67.3	66.9	156.0	135.7
Purchases of property and equipment	(83.6)	(68.5)	(167.9)	(157.3)
Purchases of intangibles	(74.2)	(58.0)	(140.7)	(121.6)
Principal payments on operating-related vendor financing	(56.6)	(66.2)	(146.8)	(171.5)
Principal payments on capital-related vendor financing	(15.5)	(14.4)	(42.2)	(36.8)
Principal payments on leases (excluding network-related leases assumed in acquisitions)	(12.0)	(10.3)	(22.3)	(20.5)
Adjusted Free Cash Flow	€ 125.5	€ 137.2	€ 138.3	€ 102.5

The following table details the categories of our property and equipment additions and reconciles those additions to the capital expenditures that we present in our consolidated statements of cash flows:

	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
	in millions, except % amounts			
Customer premises equipment	€ 41.0	€ 53.5	€ 72.4	€ 80.2
Network growth and upgrades	63.7	37.8	117.6	71.3
Products and services	30.5	23.2	61.9	64.3
Other	81.0	53.7	162.5	140.9
Property and equipment additions	216.2	168.2	414.4	356.7
Assets acquired under capital-related vendor financing arrangements	(10.6)	(28.1)	(41.8)	(62.4)
Assets acquired under lease arrangements	(13.8)	(11.7)	(24.7)	(30.2)
Changes in current liabilities related to capital expenditures (including related-party amounts)	(34.0)	(1.9)	(39.3)	14.8
Total capital expenditures[4]	€ 157.8	€ 126.5	€ 308.6	€ 278.9
Property and equipment additions as a percentage of revenue	30.8%	23.9%	29.5%	25.4%
Adjusted EBITDA less P&E Additions				
Adjusted EBITDA	€ 329.6	€ 357.4	€ 644.5	€ 677.0
Property and equipment additions	216.2	168.2	414.4	356.7
Recognition of football broadcasting rights	3.8	1.5	(1.3)	0.9
Recognition of certain lease-related capital additions	(13.8)	(3.4)	(24.7)	(15.4)
P&E Additions excluding the recognition of football broadcasting rights, mobile spectrum licenses and certain lease-related capital additions	206.2	166.3	388.4	342.2
Adjusted EBITDA less P&E Additions	€ 123.4	€ 191.1	€ 256.1	€ 334.8
P&E Additions excluding the recognition of football broadcasting rights, mobile spectrum licenses and certain lease-related capital additions as a percentage of revenue	29.4%	23.6%	27.7%	24.3%

Third-Party Debt, Lease Obligations and Cash and Cash Equivalents

The following table details our consolidated third-party debt, lease obligations and cash and cash equivalents. The borrowing currency figures reported below reflect the principal amount of the debt instrument in the borrowing currency, while the euro equivalent figures include interest accrued on the respective obligations.

	June 30, 2024		March 31, 2024
	Borrowing currency	€ equivalent	
		in millions	
2024 Amended Senior Credit Facility			
Term Loan AR (Term SOFR + 2.00%) USD due 2028	$ 2,295.0	€ 2,145.1	€ 2,130.2
Term Loan AQ (EURIBOR + 2.25%) EUR due 2029	€ 1,110.0	1,112.5	1,113.2
Term Loan AT1 (EURIBOR + 3.00%) EUR due 2028	€ 890.0	892.3	892.9
€570.0 million Revolving Credit Facility B (EURIBOR + 2.25%) due 2029		—	—
Total Senior Credit Facility		4,149.9	4,136.3
Senior Secured Notes			
5.50% USD Senior Secured Notes due 2028	$ 1,000.0	958.2	938.4
3.50% EUR Senior Secured Notes due 2028	€ 540.0	548.7	543.9
Total Senior Secured Notes		1,506.9	1,482.3
Other			
Lease obligations		633.4	632.0
Mobile spectrum		383.4	380.6
Vendor financing		360.3	352.9
Other debt		45.4	45.2
€20.0 million Revolving Credit Facility (EURIBOR + 2.25%) due 2026		—	—
€25.0 million Overdraft Facility (EURIBOR + 1.60%) due 2025		—	—
Total third-party debt and lease obligations		7,079.3	7,029.3
Less: deferred financing fees		(20.0)	(21.9)
Total carrying amount of third-party debt and lease obligations		7,059.3	7,007.4
Less: cash and cash equivalents		954.1	828.5
Net carrying amount of third-party debt and lease obligations[5]		€ 6,105.2	€ 6,178.9
Exchange rate ($ to €)		1.0716	1.0797

Covenant Debt Information

The following table reconciles our consolidated third-party debt to the total covenant amount of third-party gross and net debt and includes information regarding the projected principal-related cash flows of our cross-currency derivative instruments. The euro equivalents presented below are based on exchange rates that were in effect as of June 30, 2024 and March 31, 2024. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments or receipts in future periods.

	June 30, 2024	March 31, 2024
	in millions	
Total third-party debt and lease obligations (€ equivalent)	€ 7,079.3	€ 7,029.3
Lease obligations	(633.4)	(632.0)
Mobile spectrum	(383.4)	(380.6)
Vendor financing	(360.3)	(352.9)
Other debt	(45.4)	(45.2)
Accrued interest on term loans and senior secured notes	(39.7)	(23.8)
Credit Facility excluded amount	(400.0)	(400.0)
Projected principal-related cash payments (receipts) associated with our cross-currency derivative instruments	(152.8)	(130.5)
Total covenant amount of third-party gross debt	5,064.3	5,064.3
Less: cash and cash equivalents[6]	946.4	821.0
Total covenant amount of third-party net debt	€ 4,117.9	€ 4,243.3

Forward-Looking Statements

Various statements contained in this document constitute “forward-looking statements” as that term is defined under the U.S. Private Securities Litigation Reform Act of 1995. Words like “believe,” “anticipate,” “should,” “intend,” “plan,” “will,” “expects,” “estimates,” “projects,” “positioned,” “strategy,” and similar expressions identify these forward-looking statements related to our financial and operational outlook; future growth prospects; strategies; product, network and technology launches and expansion and the anticipated impact of acquisitions on our combined operations and financial performance, which involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted whether expressed or implied, by these forward-looking statements. These factors include: potential adverse developments with respect to our liquidity or results of operations; potential adverse competitive, economic or regulatory developments, our significant debt payments and other contractual commitments; our ability to fund and execute our business plan; our 2024 financial guidance; expectations with respect to the cost of energy and inflation; our ability to generate cash sufficient to service our debt; interest rate and currency exchange rate fluctuations; the impact of new business opportunities requiring significant up-front investments, including the continuing rollout of fiber in Belgium through Wyre; expectations with respect to our anticipated broadband speed capabilities across our footprint and the technologies to be used; our ability to attract and retain customers and increase our overall market penetration, including the anticipated launch of certain FMC offerings in Wallonia in 2024 and the anticipated timing and benefits to be derived therefrom; our ability to compete against other communications and content distribution businesses, including an intensifying competitive landscape due to the entry of new telecommunications operators as well as the availability of attractive programming and the costs associated with such programming; expectations with respect to our B2B growth; expectations regarding the recovery of our media business; our ability to maintain contracts that are critical to our operations; our ability to respond adequately to technological developments; our ability to develop and maintain back-up for our critical systems; our ability to continue to design networks, install facilities, obtain and maintain any required governmental licenses or approvals and finance construction and development, in a timely manner at reasonable costs and on satisfactory terms and conditions; our ability to have an impact upon, or to respond effectively to, new or modified laws or regulations; the strength of our and our affiliates’ respective balance sheets (including cash and liquidity position); the amount and tenor of our third-party debt and anticipated borrowing capacity and our ability to make value-accretive investments.. We assume no obligation to update these forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.

Contact Information

Telenet Investor Relations:		**Telenet Press & Media Relations:**	
Rob Goyens	+32 15 333 054	Stefan Coenjaerts	+32 15 335 006
Liberty Global Investor Relations:		**Liberty Global Corporate Communications:**	
Michael Bishop	+44 20 8483 6246	Bill Myers	+1 303 220 6686
		Matt Beake	+44 20 8483 6428

About Telenet

About Telenet – As a provider of entertainment and telecommunication services in Belgium, Telenet Group is always looking for the perfect experience in the digital world for its customers. Under the brand name Telenet, the company focuses on offering digital television, high-speed Internet and fixed and mobile telephony services to residential customers in Flanders and Brussels. Under the brand name BASE, it supplies mobile telephony in Belgium. The Telenet Business department serves the business market in Belgium and Luxembourg with connectivity, hosting and security solutions. More than 3,000 employees have one aim in mind: making living and working easier and more pleasant. Telenet Group is part of Telenet Group Holding NV and is a 100% owned subsidiary of Liberty Global. Additional information on Telenet and its products can be obtained from the the Company’s website http://www.telenet.be.

About Liberty Global – Liberty Global is a world leader in converged broadband, video and mobile communications services. It delivers next-generation products through advanced fiber and 5G networks, and currently provides over 85 million* connections across Europe. Liberty Global's businesses operate under some of the best-known consumer brands, including Sunrise in Switzerland, Telenet in Belgium, Virgin Media in Ireland, UPC in Slovakia, Virgin Media-O2 in the U.K. and VodafoneZiggo in The Netherlands. Liberty Global, through its global investment arm, Liberty Global Ventures, has a portfolio of more than 75 companies and funds across the content, technology and infrastructure industries, including stakes in companies like ITV, Televisa Univision, Plume, AtlasEdge and the Formula E racing series.

* Represents aggregate consolidated and 50% owned non-consolidated fixed and mobile subscribers. Includes wholesale mobile connections of the VMO2 JV and B2B fixed subscribers of the VodafoneZiggo JV.

Selected Operating Data & Subscriber Variance Table — As of and for the quarter ended June 30, 2024	Homes Passed	Fixed-Line Customer Relationships	Total RGUs	Internet Subscribers	Video Subscribers	Telephony Subscribers	Total Mobile Subscribers
Operating :							
Belgium	4,049,300	1,931,900	4,165,300	1,701,200	1,580,200	883,900	2,887,800
Luxembourg	153,100	48,200	66,000	18,400	39,200	8,400	2,300
Telenet Group	4,202,400	1,980,100	4,231,300	1,719,600	1,619,400	892,300	2,890,100
Q2 Organic Subscriber Variance:							
Belgium	—	(11,900)	(42,200)	(5,200)	(16,700)	(20,300)	(8,900)
Luxembourg	1,800	(600)	(900)	400	(1,000)	(300)	(100)
Telenet Group	1,800	(12,500)	(43,100)	(4,800)	(17,700)	(20,600)	(9,000)

Selected Operating Data — As of June 30, 2024	Prepaid Mobile Subscribers	Postpaid Mobile Subscribers	Total Mobile Subscribers
Total Mobile Subscribers			
Belgium	214,100	2,673,700	2,887,800
Luxembourg	—	2,300	2,300
Telenet Group	214,100	2,676,000	2,890,100

June 30, 2024 vs. March 31, 2024	Prepaid Mobile Subscribers	Postpaid Mobile Subscribers	Total Mobile Subscribers
Q2 Organic Mobile Subscriber Variance			
Belgium	(8,500)	(400)	(8,900)
Luxembourg	—	(100)	(100)
Telenet Group	(8,500)	(500)	(9,000)

General Notes to Tables:

Telenet provides broadband internet, telephony, data, video or other B2B services. Certain of our B2B revenue is derived from SOHO subscribers that pay a premium price to receive enhanced service levels along with internet, video or telephony services that are the same or similar to the mass marketed products offered to our residential subscribers. All mass marketed products provided to SOHOs, whether or not accompanied by enhanced service levels and/or premium prices, are included in the respective RGU and customer counts of our broadband communications operations, with only those services provided at premium prices considered to be “SOHO RGUs” or “SOHO customers”. To the extent our existing customers upgrade from a residential product offering to a SOHO product offering, the number of SOHO RGUs or SOHO customers will increase, but there is no impact to our total RGU or customer counts. With the exception of our B2B SOHO subscribers and mobile subscribers at medium and large enterprises, we generally do not count customers of B2B services as customers or RGUs for external reporting purposes.

Footnotes

1 Organic figures exclude the customer relationships and subscribers of acquired entities at the date of acquisition and other non-organic adjustments, but include the impact of changes in customers or subscribers from the date of acquisition. All customer relationship and subscriber additions or losses refer to net organic changes, unless otherwise noted

2 Rebased growth rates, which are non-GAAP measures, are presented as a basis for assessing growth on a comparable basis. For purposes of calculating rebased growth rates for all businesses that we owned during 2024, we have adjusted our historical revenue, Adjusted EBITDA, Adjusted EBITDAaL and Adjusted EBITDA less P&E Additions for the three and six months ended June 30, 2023 to include the pre-acquisition revenue, Adjusted EBITDA, Adjusted EBITDAaL and P&E Additions to the same extent these entities are included in our results for the three and six months ended June 30, 2024. Investors should view rebased growth as a supplement to, and not a substitute for, EU IFRS measures of performance. For further information on the calculation of rebased growth rates, see the discussion in Revenue and Adjusted EBITDA in Liberty Global's press release dated July 25, 2024, Liberty Global Reports Q2 2024 Results. The following table provides adjustments made to the 2023 amounts to derive our rebased growth rates:

	Three months ended June 30, 2023				Six months ended June 30, 2023			
	Revenue	Adjusted EBITDA	Adjusted EBITDAaL	Adjusted EBITDA less P&E Additions	Revenue	Adjusted EBITDA	Adjusted EBITDAaL	Adjusted EBITDA less P&E Additions
	in millions							
Acquisitions[(i)]	€ 3.0	€ 1.2	€ 8.6	€ 1.2	€ 5.5	€ 2.4	€ 28.2	€ 2.4

[(i)] For purposes of calculating rebased growth rates, we have adjusted these historical metrics to the extent they are impacted by the Wyre Transaction with Fluvius on July 1, 2023, creating a new infrastructure company.

3 From Q1 2024, Adjusted EBITDA excludes related-party fees and allocations. These amounts, which are based on our company's estimated share of the applicable costs (including personnel-related and other costs associated with the services provided) incurred by Liberty Global subsidiaries, represent the aggregate net effect of charges between our company and various other Liberty Global subsidiaries that are outside of our company. These charges generally relate to management, finance, legal and other services that support our company's operations.

4 The capital expenditures that we report in our combined statements of cash flows do not include amounts that are financed under vendor financing or lease arrangements. Instead, these expenditures are reflected as non-cash additions to our property and equipment when the underlying assets are delivered, and as repayments of debt when the related principal is repaid.

5 Net third-party debt including lease obligations is not a defined term under IFRS and therefore may not be comparable with other similarly titled measures reported by other companies.

6 The cash and cash equivalents used in the calculation of our Net Covenant Leverage differs from the cash and cash equivalents used in the calculation of our Net Total Leverage as the former only includes the cash and cash equivalents within Telenet's restricted banking group, whereas the latter reflects all of Telenet's cash and cash equivalents as reported in its consolidated statement of financial position.

Glossary

Adjusted EBITDA, Adjusted EBITDAaL, Adjusted EBITDA less P&E Additions and Property and Equipment Additions:

- ***Adjusted EBITDA***: We define Adjusted EBITDA as profit (loss) from continuing operations before net income tax benefit (expense), our share of the result of equity-accounted investees, net finance income (expense), depreciation and amortization, share-based compensation, related-party fees and allocations, measurement period and post-measurement period adjustments related to business acquisitions, provisions and provision releases related to significant litigation and impairment, restructuring and other operating items. Other operating items include (a) gains and losses on the disposition of long-lived assets, (b) third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, including legal, advisory and due diligence fees, as applicable, and (c) other acquisition-related items, such as gains and losses on the settlement of contingent consideration. We believe our consolidated Adjusted EBITDA measure, which is a non-GAAP measure, is useful to investors because it is one of the bases for comparing our performance with the performance of other companies in the same or similar industries, although our measure may not be directly comparable to similar measures used by other public companies. Adjusted EBITDA should be viewed as a measure of operating performance that is a supplement to, and not a substitute for, the most directly comparable EU IFRS measure of income included in our condensed consolidated statements of profit or loss.

- *Adjusted EBITDA after leases (**Adjusted EBITDAaL**)*: Adjusted EBITDAaL is the primary measure used by our chief operating decision maker to evaluate segment operating performance and is also a key factor that is used by our internal decision makers to (i) determine how to allocate resources to segments and (ii) evaluate the effectiveness of our management for purposes of annual and other incentive compensation plans. We define Adjusted EBITDAaL as Adjusted EBITDA as further adjusted to include finance lease related depreciation and interest expense. Our internal decision makers believe Adjusted EBITDAaL is a meaningful measure because it represents a transparent view of our recurring operating performance that includes recurring lease expenses necessary to operate our business. We believe Adjusted EBITDAaL, which is a non-GAAP measure, is useful to investors because it is one of the bases for comparing our performance with the performance of other companies in the same or similar industries, although our measure may not be directly comparable to similar measures used by other public companies. Adjusted EBITDAaL should be viewed as a measure of operating performance that is a supplement to, and not a substitute for, the most directly comparable EU IFRS measure of income included in our condensed consolidated statements of profit or loss.

- ***Adjusted EBITDA less P&E Additions***: We define Adjusted EBITDA less P&E Additions, which is a non-GAAP measure, as Adjusted EBITDA less property and equipment additions on an accrual basis. For this purpose, property and equipment additions excludes the recognition of (i) football broadcasting rights, (ii) mobile spectrum licenses and (iii) certain lease related capital additions. Adjusted EBITDA less P&E Additions is a meaningful measure because it provides (i) a transparent view of Adjusted EBITDA that remains after our capital spend, which we believe is important to take into account when evaluating our overall performance, and (ii) a comparable view of our performance relative to other telecommunications companies. Our Adjusted EBITDA less P&E Additions measure may differ from how other companies define and apply their definition of similar measures. Adjusted EBITDA less P&E Additions should be viewed as a measure of operating performance that is a supplement to, and not a substitute for, the most directly comparable EU IFRS measure of income included in our condensed consolidated statements of profit or loss.

- *Property & Equipment Additions (**P&E Additions**)*: P&E Additions includes capital expenditures on an accrual basis, amounts financed under vendor financing or finance lease arrangements and other non-cash additions.

Adjusted Free Cash Flow: We define Adjusted Free Cash Flow (**Adjusted FCF**) as net cash provided by the our operating activities, plus operating-related vendor financed expenses (which represents an increase in the period to our actual cash available as a result of extending vendor payment terms beyond normal payment terms, which are typically 90 days or less, through non-cash financing activities), less (i) cash payments in the period for capital expenditures as reported in our consolidated statement of cash flows, (ii) principal payments on operating- and capital-related amounts financed by vendors and intermediaries (which represents a decrease in the period to our actual cash available as a result of paying amounts to vendors and intermediaries where we previously had extended vendor payments beyond the normal payment terms), and (iii) principal payments on leases (which represents a decrease in the period to our actual cash available) each as reported in our consolidated statements of cash flows. We believe our presentation of Adjusted FCF, which is a non-GAAP measure, provides useful information to our investors because this measure can be used to gauge our ability to (i) service debt and (ii) fund new investment opportunities after consideration of all actual cash payments related to working capital activities and expenses that are capital in nature whether paid inside normal vendor payment terms or paid later outside normal vendor payment terms (in which case we typically pay in less than 365 days). Adjusted FCF should not be understood to represent our ability to fund discretionary amounts, as we have various mandatory and contractual obligations, including debt repayments, that are not deducted to arrive at these amounts. Investors should view Adjusted FCF as a supplement to, and not a substitute for EU IFRS measures of liquidity included in our consolidated statements of cash flows. Further, our Adjusted FCF may differ from how other companies define and apply their definition of Adjusted FCF.

Average revenue Per Unit: Average Revenue Per Unit (**ARPU**) is the average monthly subscription revenue per average fixed customer relationship or mobile subscriber, as applicable. ARPU per average fixed-line customer relationship is calculated by dividing the average monthly subscription revenue from residential fixed and small or home office (**SOHO**) services by the average number of fixed-line customer relationships for the period. ARPU per average mobile subscriber is calculated by dividing mobile subscription revenue for the indicated period by the average number of mobile subscribers for the period. ARPU per RGU (as defined below) refers to average monthly revenue per average RGU, which is calculated by dividing the average monthly subscription revenue from residential and SOHO services for the indicated period, by the average number of the applicable RGUs for the period. Unless otherwise noted, ARPU in this release is considered to be ARPU per average fixed customer relationship or mobile subscriber, as applicable.

ARPU per Mobile Subscriber: Our ARPU per mobile subscriber calculation that excludes interconnect revenue refers to the average monthly mobile subscription revenue per average mobile subscriber and is calculated by dividing the average monthly mobile subscription revenue (excluding handset sales and late fees) for the indicated period, by the average of the opening and closing balances of mobile subscribers in service for the period. Our ARPU per mobile subscriber calculation that includes interconnect revenue increases the numerator in the above-described calculation by the amount of mobile interconnect revenue during the period.

Blended fully-swapped debt borrowing cost: The weighted average interest rate on our aggregate variable- and fixed-rate indebtedness (excluding leases and including vendor financing obligations), including the effects of derivative instruments, original issue premiums or discounts and commitment fees, but excluding the impact of financing costs. The weighted average interest rate calculation includes principal amounts outstanding associated with all of our secured and unsecured borrowings.

B2B: Business-to-Business.

Customer Churn: The rate at which customers relinquish their subscriptions. The annual rolling average basis is calculated by dividing the number of disconnects during the preceding 12 months by the average number of customer relationships. For the purpose of computing churn, a disconnect is deemed to have occurred if the customer no longer receives any level of service from us and is required to return our equipment. A partial product downgrade, typically used to encourage customers to pay an outstanding bill and avoid complete service disconnection, is not considered to be disconnected for purposes of our churn calculations. Customers who move within our footprint and upgrades and downgrades between services are also excluded from the disconnect figures used in the churn calculation.

Fixed-Line Customer Relationships: The number of customers who receive at least one of our internet, video or telephony services that we count as RGUs, without regard to which or to how many services they subscribe. Fixed-Line Customer Relationships generally are counted on a unique premises basis. Accordingly, if an individual receives our services in two premises (e.g., a primary home and a vacation home), that individual generally will count as two Fixed-Line Customer Relationships. We exclude mobile-only customers from Fixed-Line Customer Relationships.

Fixed-Mobile Convergence: Fixed-mobile convergence (**FMC**) penetration represents the number of customers who subscribe to both a fixed broadband internet service and postpaid mobile telephony service, divided by the total number of customers who subscribe to our fixed broadband internet service.

Homes Passed: Homes, residential multiple dwelling units or commercial units that can be connected to our networks without materially extending the distribution plant. Certain of our Homes Passed counts are based on census data that can change based on either revisions to the data or from new census results.

Internet Subscriber: A home, residential multiple dwelling unit or commercial unit that receives internet services over our networks, or that we service through a partner network.

Mobile Subscriber Count: For residential and business subscribers, the number of active subscriber identification module (**SIM**) cards in service rather than services provided. For example, if a mobile subscriber has both a data and voice plan on a smartphone this would equate to one mobile subscriber. Alternatively, a subscriber who has a voice and data plan for a mobile handset and a data plan for a laptop would be counted as two mobile subscribers. Customers who do not pay a recurring monthly fee are excluded from our mobile telephony subscriber counts after periods of inactivity ranging from 30 to 90 days, based on industry standards within the respective country. In a number of countries, our mobile subscribers receive mobile services pursuant to prepaid contracts.

Net Total Leverage: Net Total Leverage is defined as the sum of loans and borrowings under current and non-current liabilities (excluding lease-related liabilities) minus cash and cash equivalents (**Net Total Debt**), as recorded in our statement of financial position, divided by the last two quarters' Consolidated Annualized Adjusted EBITDAaL. In our statement of financial position, our USD-denominated debt has been converted into EUR using the June 30, 2024 EUR/USD exchange rate. As we have entered into several derivative transactions to hedge both the underlying floating interest rate and exchange risks, the EUR-equivalent hedged amounts were €2,041.5 million (USD 2,295.0 million Term Loan AR) and €882.8 million (USD 1.0 billion Senior Secured Notes due 2028), respectively. For the calculation of our net leverage ratio, we use the EUR-equivalent hedged amounts given the underlying economic risk exposure. Net total leverage is a non-GAAP measure.

Net Covenant Leverage: Net Covenant Leverage is calculated as per the 2024 Amended Senior Credit Facility definition, using Net Total Debt (using the €-equivalent hedged amounts for its USD-denominated debt as explained above), excluding (i) subordinated shareholder loans, (ii) lease obligations, (iii) outstanding debt related to mobile spectrum licenses, (iv) any vendor financing-related liabilities, (v) cash and cash equivalents outside of Telenet's restricted banking group, and including (vi) the Credit Facility Excluded Amount (which is the greater of (a) €400.0 million and (b) 0.25x Consolidated Annualized Adjusted EBITDA), divided by last two quarters' Consolidated Annualized Adjusted EBITDA.

Revenue Generating Unit: A Revenue Generating Unit (**RGU**) is separately an Internet Subscriber, Video Subscriber or Telephony Subscriber. A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer subscribed to our broadband internet service, video service and fixed-line telephony service, the customer would constitute three RGUs. Total RGUs is the sum of Internet, Video and Telephony Subscribers. RGUs generally are counted on a unique premises basis such that a given premise does not count as more than one RGU for any given service. On the other hand, if an individual receives one of our services in two premises (e.g., a primary home and a vacation home), that individual will count as two RGUs for that service. Each bundled internet, video or telephony service is counted as a separate RGU regardless of the nature of any bundling discount or promotion. Non-paying subscribers are counted as subscribers during their free promotional service period. Some of these subscribers may choose to disconnect after their free service period. Services offered without charge on a long-term basis (e.g., VIP subscribers or free service to employees) generally are not counted as RGUs. We do not include subscriptions to mobile services in our externally reported RGU counts. In this regard, our RGU counts exclude our separately reported postpaid and prepaid mobile subscribers.

Telephony Subscriber: A home, residential multiple dwelling unit or commercial unit that receives voice services over our networks, or that we service through a partner network. Telephony Subscribers exclude mobile telephony subscribers.

Video Subscriber: A home, residential multiple dwelling unit or commercial unit that receives our video service over our broadband network or through a partner network.

YoY: Year-over-year.

Select Condensed Consolidated Interim EU IFRS Financial Statements
Telenet Group Holding NV

TELENET GROUP HOLDING NV
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(unaudited)

	June 30, 2024	December 31, 2023 - restated[i]
	in millions	
ASSETS		
Non-current assets:		
Property and equipment, net	€ 2,906.8	€ 2,921.5
Goodwill	2,080.1	2,077.6
Other intangible assets, net	1,298.6	1,288.2
Deferred tax assets	79.0	78.1
Investments in and loans to equity accounted investees	48.0	48.0
Other investments	8.6	8.5
Derivative financial instruments	320.5	208.6
Other non-current assets	68.4	62.3
Total non-current assets	6,810.0	6,692.8
Current assets:		
Inventories	32.3	31.5
Trade receivables	211.9	207.5
Derivative financial instruments	249.1	181.6
Other current assets	150.3	175.2
Cash and cash equivalents	954.1	822.5
Total current assets	1,597.7	1,418.3
Total assets	€ 8,407.7	€ 8,111.1

TELENET GROUP HOLDING NV
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION — (Continued)
(unaudited)

	June 30, 2024	December 31, 2023 - restated[(i)]
	in millions	
EQUITY AND LIABILITIES		
Equity:		
Share capital	€ 20.4	€ 20.4
Share premium	80.7	80.7
Other reserves	1,775.8	1,765.3
Retained loss	(2,297.8)	(2,353.7)
Remeasurements	5.1	(0.2)
Total equity attributable to shareholders of Telenet	(415.8)	(487.5)
Non-controlling interests	(47.2)	(73.0)
Total equity	(463.0)	(560.5)
Non-current liabilities:		
Loans and borrowings	6,572.6	6,478.1
Derivative financial instruments	78.4	44.1
Deferred revenue	2.1	1.9
Deferred tax liabilities	313.1	304.8
Provisions	21.3	21.3
Other non-current liabilities	118.2	116.3
Total non-current liabilities	7,105.7	6,966.5
Current liabilities:		
Loans and borrowings	486.7	475.2
Trade payables	228.8	225.3
Accrued expenses and other current liabilities	573.1	499.0
Provisions	101.6	95.3
Deferred revenue	124.3	118.2
Derivative financial instruments	120.5	120.3
Current tax liability	130.0	171.8
Total current liabilities	1,765.0	1,705.1
Total liabilities	8,870.7	8,671.6
Total equity and liabilities	€ 8,407.7	€ 8,111.1

(i) **Finalized purchase price allocation for Wyre Transaction:** In the course of the six months ended June 30, 2024, we finalized our accounting for the business combination related to the Wyre Transaction (“purchase price allocation”), which resulted in the recognition of fair value adjustments on our (i) property and equipment amounting to €87.9 million, related to the network assets, (ii) other intangible assets of €81.7 million, mainly related to the legal rights or the additional value of having an operational network including all required permits to put cables in the ground and including all contractual relationships with landowners, and (iii) other non-current liabilities (€0.6 million). Together with the deferred tax impact of the above-mentioned adjustments (€42.2 million), goodwill was reduced by €126.8 million. The condensed consolidated statement of financial position as per December 31, 2023 has been restated accordingly. The recognition of the aforementioned fair value adjustments resulted in additional depreciation and amortization expenses (€20.7 million for the year ended December 31, 2023 and €11.8 million for the three months ended March 31, 2024), as well as the deferred tax impact (€5.2 million for the year ended December 31, 2023 and €1.8 million for the three months ended March 31, 2024) from the acquisition date (July 1, 2023) through the close of the respective periods. The condensed consolidated statement of profit and loss and other comprehensive income for the year ended December 31, 2023 and for the three months ended March 31, 2024 have been restated accordingly. These impacts have been reflected in retained loss (€10.4 million for the year ended December 31, 2023 and €6.7 million for the three months ended March 31, 2024) and non-controlling interests (€5.1 million for the year ended December 31, 2023 and €3.3 million for the three months ended March 31, 2024).

TELENET GROUP HOLDING NV
CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024(i)	2023
	in millions			
Revenue	€ 701.4	€ 704.1	€ 1,403.8	€ 1,406.9
Cost of services provided	(406.5)	(367.3)	(805.3)	(768.8)
Gross profit	294.9	336.8	598.5	638.1
Selling, general and administrative expenses	(183.2)	(181.9)	(396.8)	(376.4)
Operating profit	111.7	154.9	201.7	261.7
Finance income	94.1	46.5	255.1	69.4
Interest income, net foreign exchange gain and other finance income	9.4	20.0	17.7	69.4
Net gain on derivative financial instruments	84.7	26.5	237.4	—
Finance expense	(138.6)	(87.6)	(327.8)	(204.1)
Interest expense, net foreign exchange loss and other finance expense	(138.6)	(87.6)	(327.8)	(179.5)
Net loss on derivative financial instruments	—	—	—	(24.6)
Net finance expense	(44.5)	(41.1)	(72.7)	(134.7)
Share of the result of equity accounted investees	0.9	(2.7)	0.3	(2.3)
Impairment of investments in and/or loans to equity accounted investees	(0.5)	—	(0.5)	—
Remeasurement to fair value of pre-existing interest in an acquiree	—	—	0.7	1.9
Gain (loss) on disposal of assets/liabilities related to a subsidiary or a joint venture	—	(2.2)	—	0.9
Profit before income tax	67.6	108.9	129.5	127.5
Income tax expense	(23.2)	(137.7)	(48.3)	(139.5)
Net profit (loss)	€ 44.4	€ (28.8)	€ 81.2	€ (12.0)
Other comprehensive income for the period, net of taxes:				
Items that will not be reclassified to profit or loss:				
Remeasurements of defined benefit liability (asset)	€ 6.2	€ 1.5	€ 6.1	€ 1.4
Equity-accounted investees - share of other comprehensive income	—	—	(0.9)	1.2
Items that are or may be reclassified subsequently to profit or loss:				
Foreign operations - foreign currency translation differences	0.1	—	0.3	(0.2)
Other comprehensive income for the period, net of income tax	6.3	1.5	5.5	2.4
Total comprehensive income (loss) for the period	€ 50.7	€ (27.3)	€ 86.7	€ (9.6)
Net profit (loss) attributable to:				
Shareholders of Telenet	€ 30.4	€ (28.1)	€ 55.9	€ (11.3)
Non-controlling interests	14.0	(0.7)	25.3	(0.7)
	€ 44.4	€ (28.8)	€ 81.2	€ (12.0)
Total comprehensive income (loss) for the period, attributable to:				
Shareholders of Telenet	€ 36.6	€ (26.6)	€ 61.2	€ (8.8)
Non-controlling interests	14.1	(0.7)	25.5	(0.8)
	€ 50.7	€ (27.3)	€ 86.7	€ (9.6)

(i) Includes impacts of finalization of Wyre purchase price allocation, see note on statement of financial position.

TELENET GROUP HOLDING NV
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	in millions			
Cash flows from operating activities:				
Net profit (loss)	€ 44.4	€ (28.8)	€ 81.2	€ (12.0)
Adjustments to reconcile net profit to net cash provided by operating activities:	—		—	—
Depreciation, amortization, impairment and restructuring charges	202.3	192.8	411.0	394.9
Related-party fees and allocations	6.1	—	12.2	—
Working capital changes and other non-cash items	(6.3)	(50.2)	68.4	5.8
Income tax expense	23.2	137.7	48.3	139.5
Net interest income, foreign exchange gain and other finance income	(9.4)	(20.0)	(17.7)	(69.4)
Net interest expense, foreign exchange loss and other finance expenses	138.6	87.6	327.8	179.5
Net loss (gain) on derivative financial instruments	(84.7)	(26.5)	(237.4)	24.6
Share in the result of equity accounted investees	(0.9)	2.7	(0.3)	2.3
Remeasurement to fair value of pre-existing interest in an acquiree	—	—	(0.7)	(1.9)
Impairment of investments in and/or loans to equity accounted investees	0.5	—	0.5	—
Loss (gain) on disposal of assets/liabilities related to a subsidiary or a joint venture	—	2.2	—	(0.9)
Net cash interest paid and cash derivatives	(13.4)	(5.1)	(107.9)	(102.7)
Income taxes paid	(0.3)	(4.7)	(83.2)	(85.2)
Net cash provided by operating activities	€ 300.1	€ 287.7	€ 502.2	€ 474.5
Cash flows from investing activities:				
Purchases of property and equipment	€ (83.6)	€ (68.5)	€ (167.9)	€ (157.3)
Purchases of intangibles	(74.2)	(58.0)	(140.7)	(121.6)
Acquisitions and disposals of and loans to equity accounted investees	(0.2)	(8.3)	(3.3)	(8.8)
Acquisition of subsidiaries, net of cash acquired	—	—	(0.5)	(18.4)
Proceeds from sale of property and equipment	—	1.7	0.1	8.9
Other investing activities	0.6	—	0.9	—
Net cash used in investing activities	€ (157.4)	€ (133.1)	€ (311.4)	€ (297.2)
Cash flows from financing activities:				
Repayments of loans and borrowings	€ (73.3)	€ (93.5)	€ (195.7)	€ (227.5)
Proceeds from loans and borrowings	68.2	67.6	158.8	136.7
Payments related to capital reductions and dividends	—	(108.6)	—	(108.6)
Other financing activities	(12.0)	(15.5)	(22.3)	(25.2)
Net cash used in financing activities	€ (17.1)	€ (150.0)	€ (59.2)	€ (224.6)
Net increase (decrease) in cash and cash equivalents				
Cash and cash equivalents at beginning of period	€ 828.5	€ 1,012.5	€ 822.5	€ 1,064.4
Cash and cash equivalents at end of period	954.1	1,017.1	954.1	1,017.1
Net cash generated (used)	€ 125.6	€ 4.6	€ 131.6	€ (47.3)