



# H1 2023 results

August 30, 2023



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# Q2/H1 2023 Key Messages

**TOPLINE GROWTH  
OUTPERFORMANCE  
CONTINUES**

Market shares gains in every country and every segment, ARPU growth driven by subscribers' demand for higher-end product

**FINANCIAL  
PERFORMANCE  
VALIDATES  
BUSINESS MODEL**

OFCF growth of 8.1% (organic pro forma growth of 4.1%) despite heavy energy headwinds and high success-driven capex intensity (FTTH, new Freebox, Private & Public Cloud solutions)

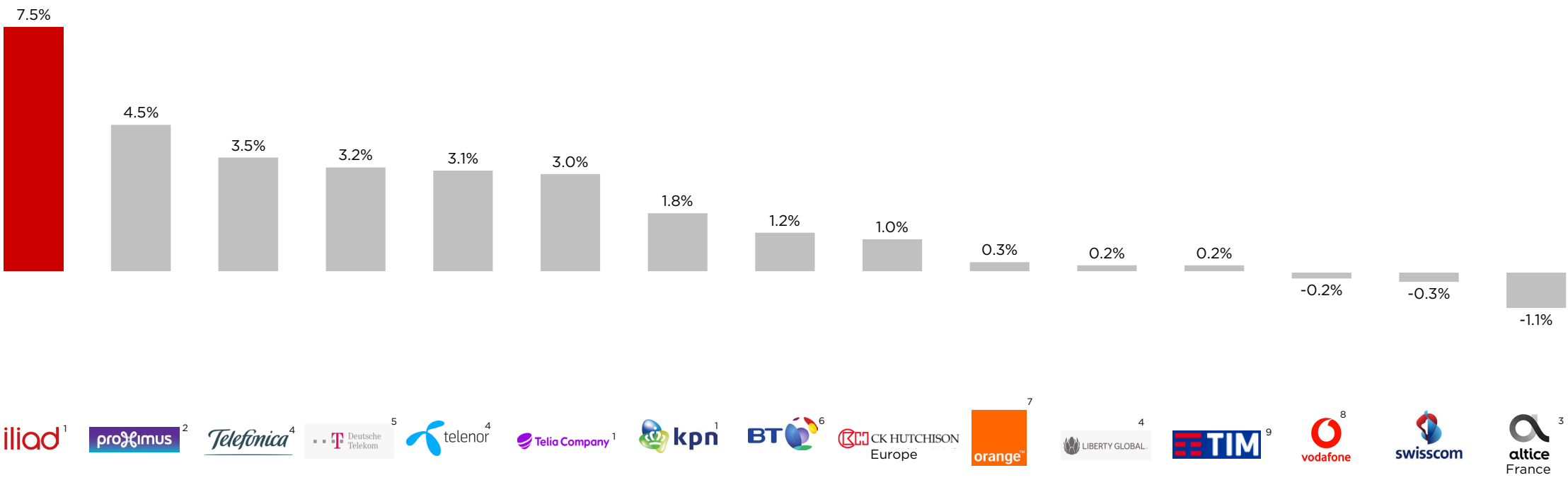
**STRONG FINANCIAL  
DISCIPLINE**

Financial performance & corporate strategy enables the Group to maintain its strong financial discipline

- o iliad Group financial leverage at 3.1x end-June 2023
- o iliad Holding financial leverage at 4.1x end-June 2023

# Growth leader in Europe among the 15 largest independent telecom Groups

## H1 2023 YOY GROWTH EUROPEAN OPERATIONS

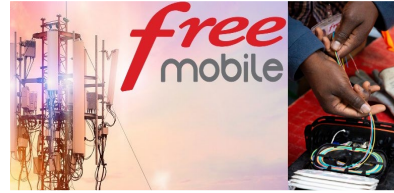


(1) Organic growth as reported (2) Domestic only (3) Reported number excluding Media (4) iliad estimates (organic service revenue growth)  
 (5) iliad estimates (Germany + Europe) (6) iliad estimates (excluding Global Services) (7) iliad estimates (France+Europe segments, organic) (8)  
 Organic service revenue growth as reported (9) Organic growth for domestic revenues, excluding Brazil

# The iliad way, in a nutshell



EUROPEAN EXPANSION WITH BEST PRACTICE SHARING



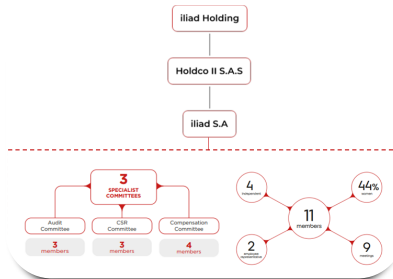
INVESTING IN NETWORK INFRASTRUCTURES (4G/5G,FTTH)



KEEPING OUR COSTS STRUCTURE LEAN



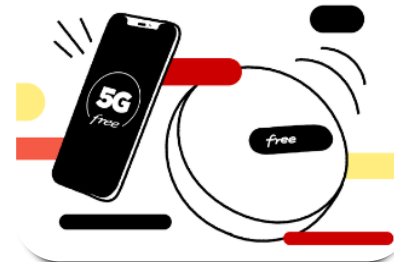
LEVERAGING OUR B2C EXPERTISE INTO THE B2B MARKET



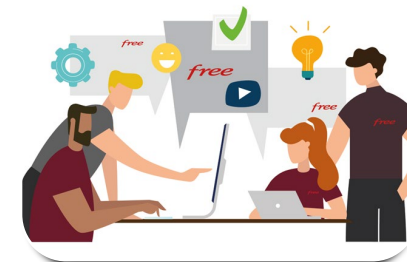
A CLEAR SHAREHOLDING STRUCTURE WITH GOOD GOVERNANCE MODEL



MAINTAINING OUR INNOVATION SPIRIT



CONVERGENCE EVERYWHERE AND FOR ALL TYPES OF CLIENTS



START-UP MINDSET WITH SIMPLE HIERARCHY TO REMAIN AGILE

# Operational review

Thomas Reynaud  
iliad Group CEO

iliad  
GROUP

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# Sales performance

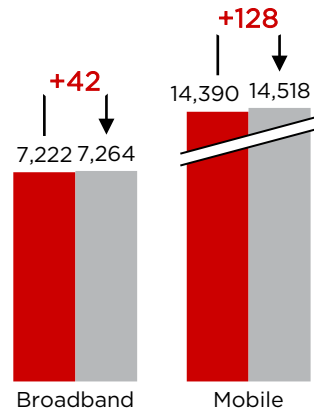
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**47.0M SUBSCRIBERS**

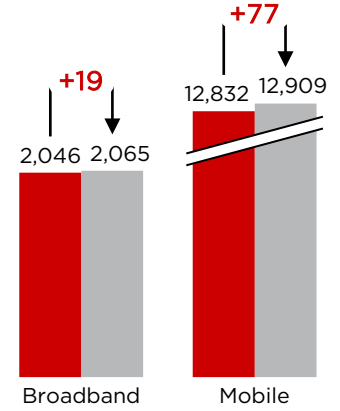
**+551K IN Q2 2023**

SUBSCRIBERS (000s)

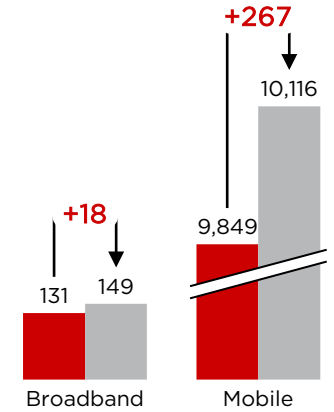
■ Q1 2023  
■ Q2 2023



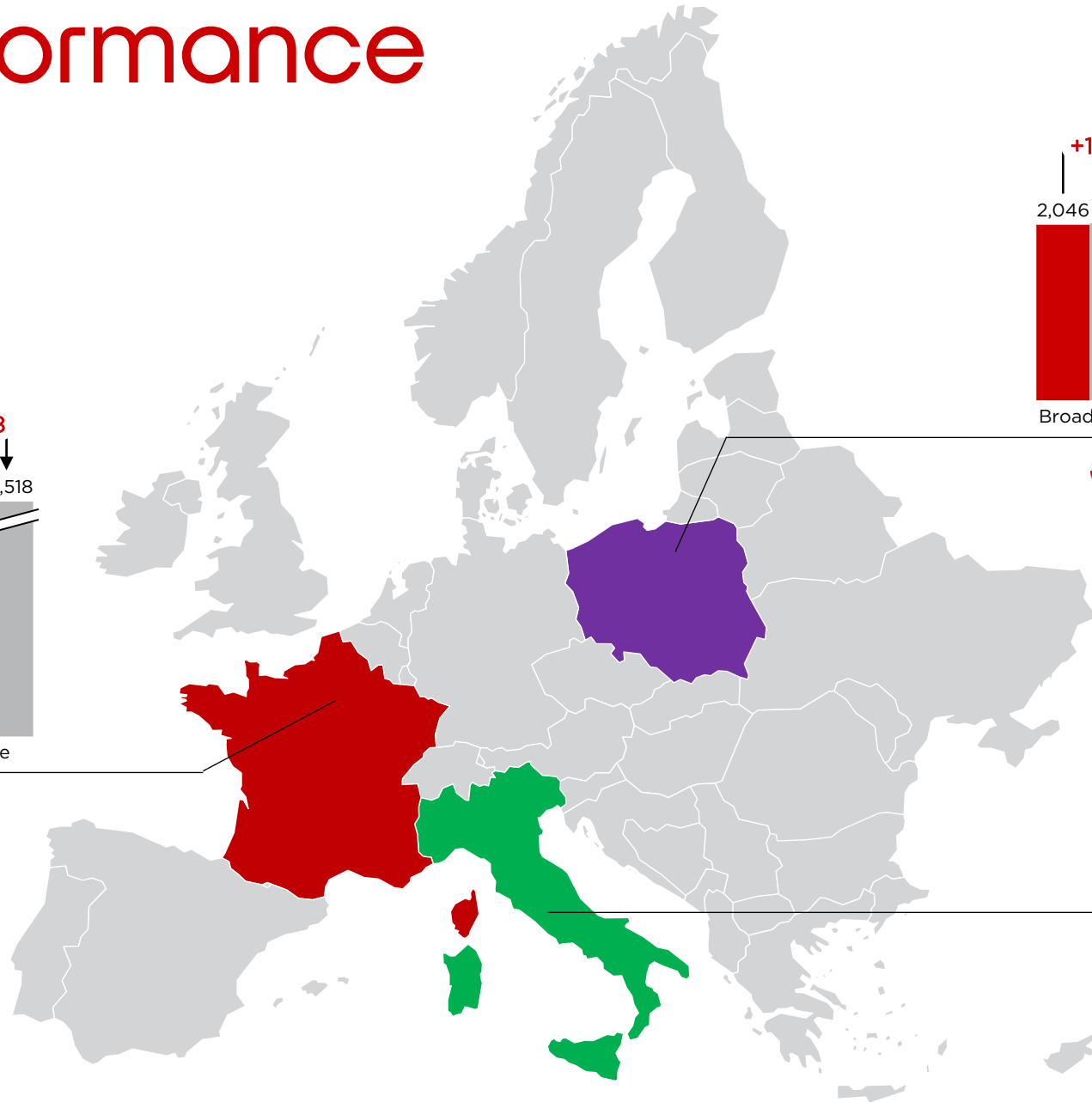
**France**



**Poland**



**Italy**



# Commercial performance in Q2 2023



LEADER IN MOBILE NET ADDS<sup>1</sup>



LEADER IN BROADBAND NET  
ADDS



LEADER IN BROADBAND NET ADDS<sup>2</sup>



LEADER IN MOBILE NET ADDS<sup>1</sup>



LEADER IN MOBILE NET ADDS<sup>1</sup>



n2 IN BROADBAND NET ADDS<sup>3</sup>

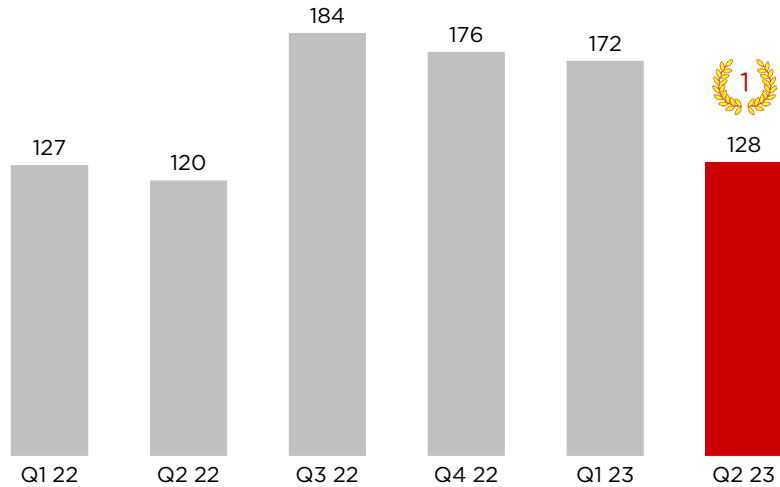
(1) internal estimates / excluding M2M  
(2) among the 5 largest telecom operators in Italy  
(3) internal estimates





## Leader in net adds on both markets

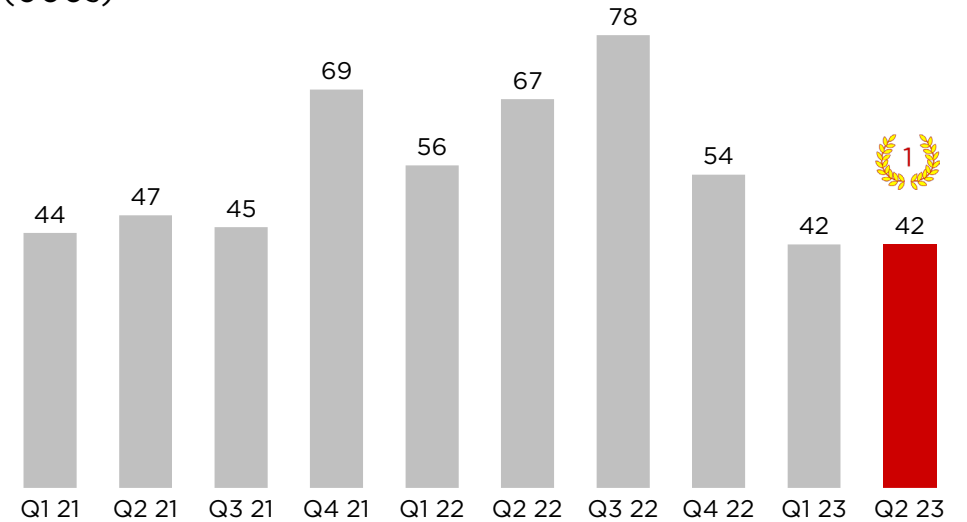
### MOBILE NET ADDS (000s)



Leader in net adds in a weak market, best second quarter over the last 5 years

NPS improving to **29**

### BROADBAND NET ADDS (000s)



Steady performance in net adds with higher frontbook ARPU

FTTH now **70%** of the subscribers base

NPS improving to **22**, FTTH NPS at **25**

# Key events in France in H1 2023

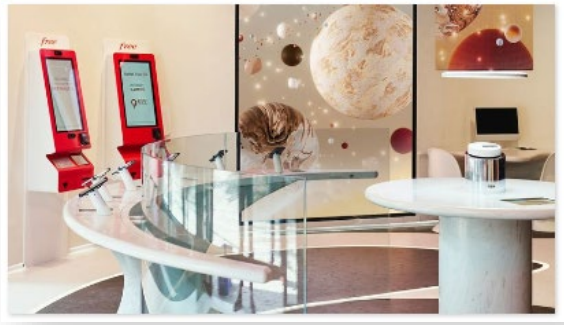
IN JUNE, FREE REACHED THE MILESTONE OF 5 MILLION FIBER SUBSCRIBERS

**free**  
Fiber

- 5 million fiber subscribers
- Over 33 million connectible sockets
- 3,600 Free employees dedicated to fiber
- Fastest fiber in 2022\*
- 95% of our Freebox fiber subscribers recommend us\*\*

70% OF OUR FIXED SUBSCRIBERS ARE NOW USING FIBER

GETTING CLOSER TO OUR SUBSCRIBERS: CELEBRATING OUR 200<sup>th</sup> STORE WITH OUR LARGE CONCEPT STORE IN PARIS, LAUNCH OF FREE PROXY IN MAIN CITIES



OPENING, ON AVERAGE, MORE THAN 1 NEW STORE EVERY WEEK SINCE THE START OF THE YEAR

A NEW MANAGEMENT TEAM IN FRANCE



Nicolas Thomas  
Chief Executive Officer Free



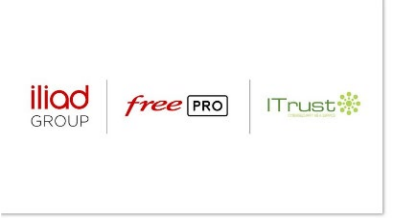
Thomas Robin  
Chief Financial Officer Free

GEARING UP IN B2B

Launch of our Cybersecurity suite of services



Acquisition of a majority stake in ITRUST



Inauguration of FreePro new HQ in Marseille

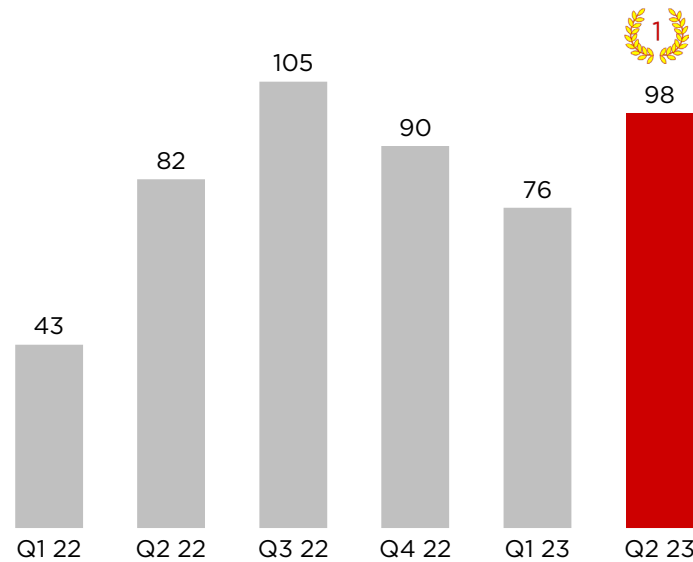


# Poland



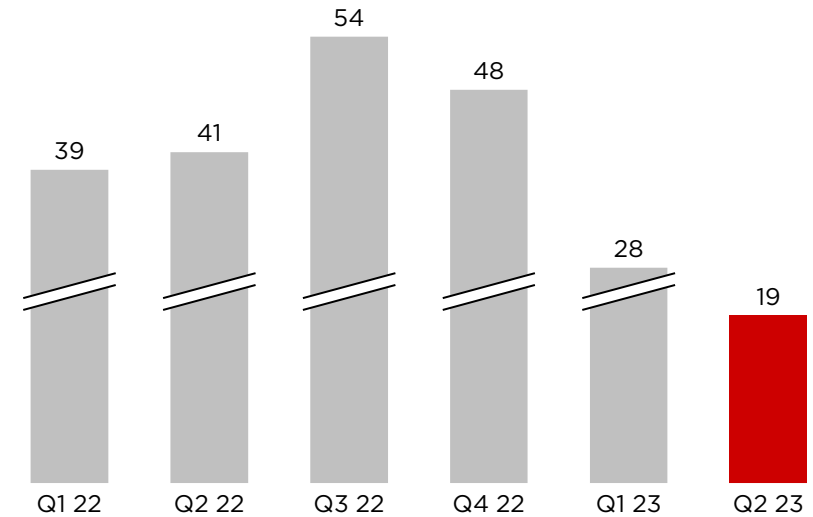
Postpaid net adds improves, limited Fixed net adds as focus is put on UPC footprint / Integration + inflation + n1

**MOBILE POSTPAID NET ADDS**  
(000s)



Strong performance combined with more-for-more initiatives driving ARPU billed to subscribers up 2.5% in Q2, prepaid losses like the competition as boost from Ukrainian refugees from 2022 is fading

**FIXED NET ADDS**  
(000s)



The shift of commercial focus since end-2022 on UPC & POPC's footprint and the merger of UPC and Play's IT platforms are limiting for the moment the commercial performance in Fixed Broadband

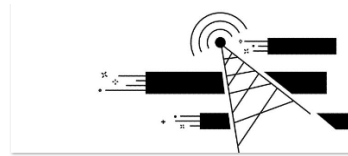
# Key events in Poland in H1 2023

Finalization of Fiberco transaction in Poland



OUR AMBITION FOR PSO IS TO BECOME n1 PLATFORM IN POLAND

Sale of the 30% stake in OTP for 510M€



TOTAL PROCEEDS FROM THE SALE OF 100% OTP AMOUNT TO €1.46BN

Acquisitions of small regional ISPs and small tech players in content

SferaNET

Syrion

Vestigit

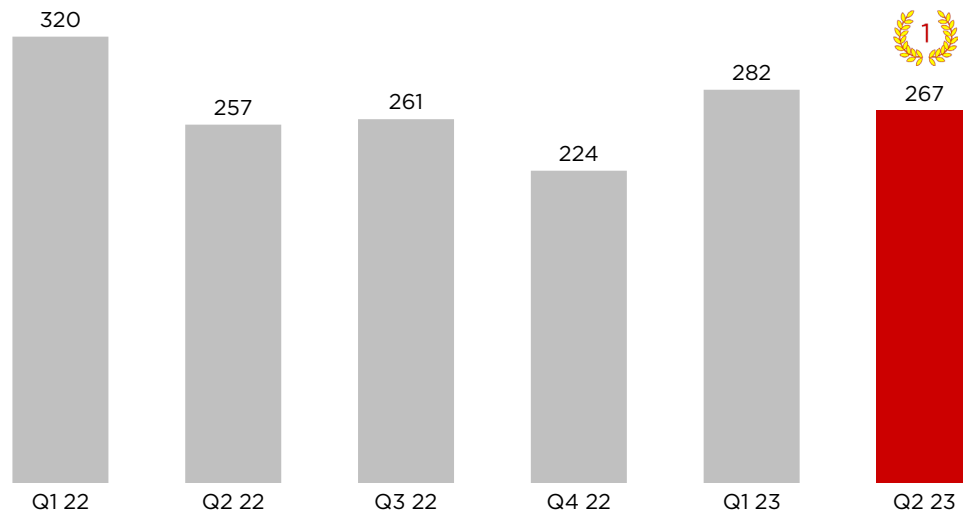
mediatool



## Mobile sales momentum remained good in Q2, steady progress in Fibre

### MOBILE POSTPAID NET ADDS

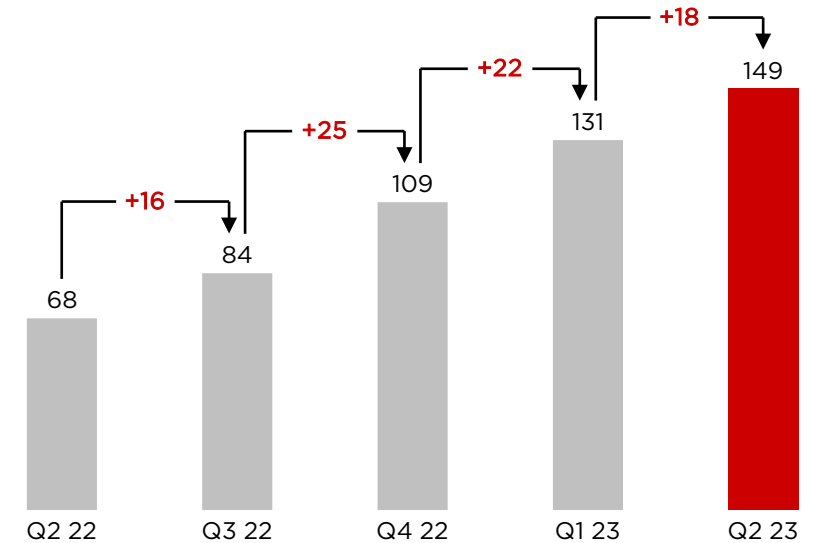
(000s)



21st consecutive quarter of net adds leadership despite no change to the competition modus operandi targeting specifically Iliad Italia

### FIBER NET ADDS

(000s)



Steady progress in Fibre with expansion on FiberCop and Fastweb's footprints too recent to increase sales

# Key events in Italy in H1 2023

Launch of our B2B offer in Italy



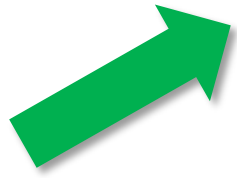
Over **10** million mobile subscribers in 5 years



iliadbox designated Product of the year in the Telco category

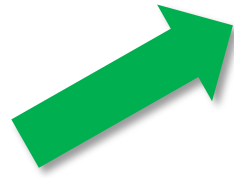


# H1 in a nutshell



ORGANIC REVENUE  
GROWTH

+7.5%



ORGANIC OFCF  
GROWTH

+4.1%



LEVERAGE  
EVOLUTION

From 3.2x to 3.1x

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GROUP

From 4.4x to 4.1x

iliad  
HOLDING

# ESG update



NEAR-TERM (2030) AND  
LONG TERM (2050)  
TARGETS SUBMITTED  
END-JUNE, AIMING FOR  
VALIDATION IN Q1 2024



2023 QUESTIONNAIRE  
COMPLETED MID-JULY



2023 EMPLOYEE  
SURVEY - FRANCE:  
THE ILIAD GROUP  
RECORDS EXCELLENT  
RESULTS

62% participation rate  
82% overall satisfaction rate



# Financial review

Nicolas Jaeger,  
iliad Group Deputy CEO - Finance

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# Group revenues

Still ahead of the pack on organic revenue growth

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GROUP  
H1 / Q2 23 revenues  
**+7.5% / +7.1%**<sup>(1)</sup>

 **France**

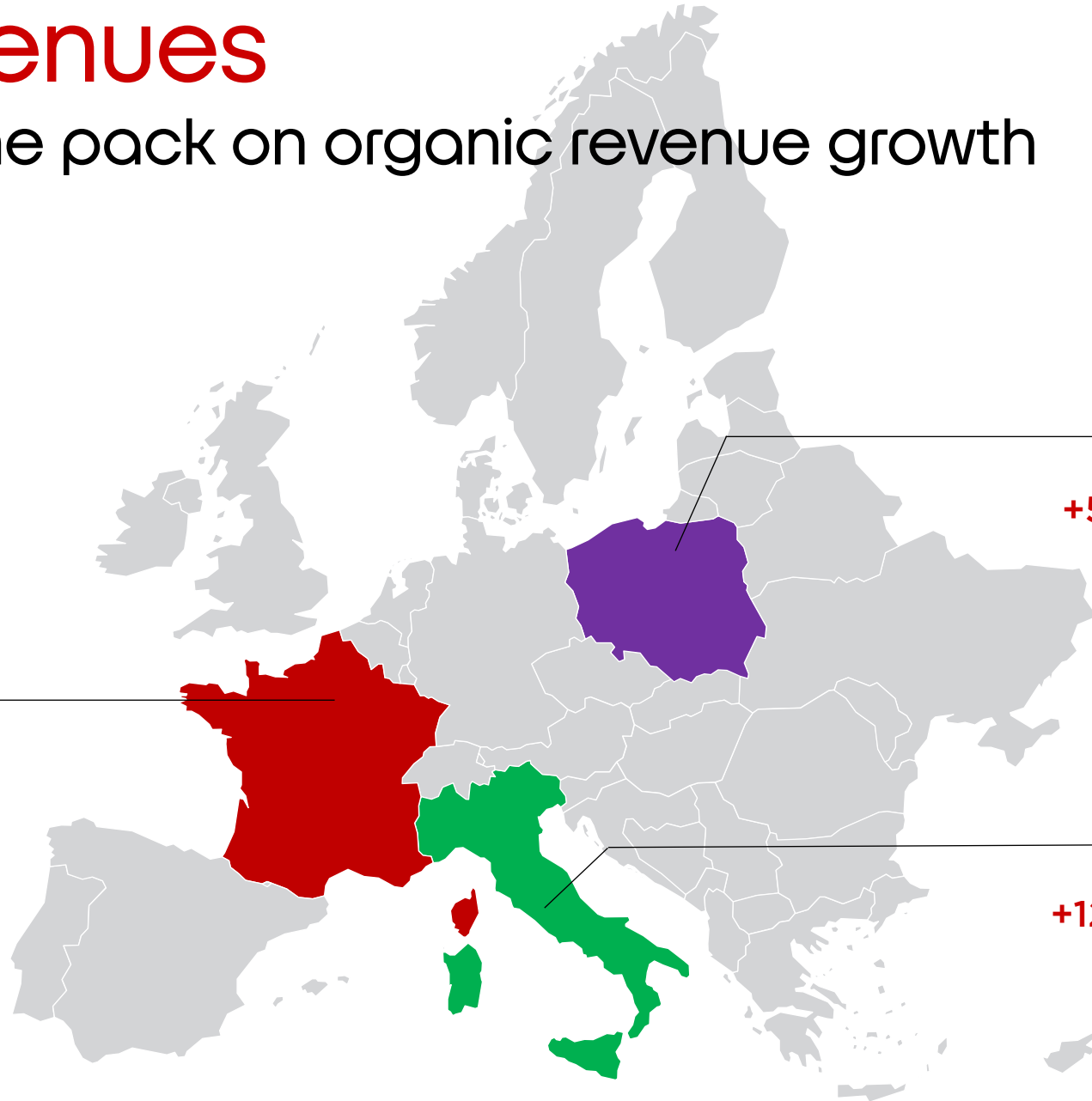
H1 / Q2 23  
**+7.7% / +7.7%**

 **Poland**

H1 / Q2 23<sup>(1)</sup>  
**+5.6% / +4.3%**

 **Italy**

H1 / Q2 23  
**+12.2% / +11.8%**

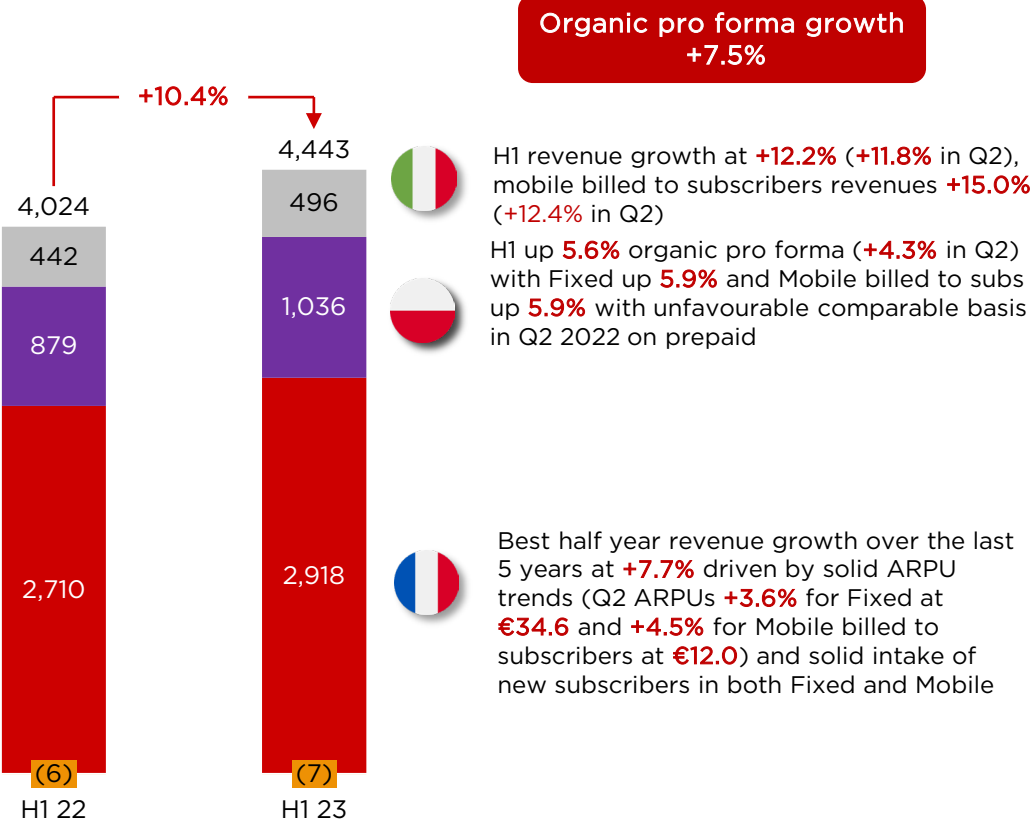


# Group revenues & EBITDAaL



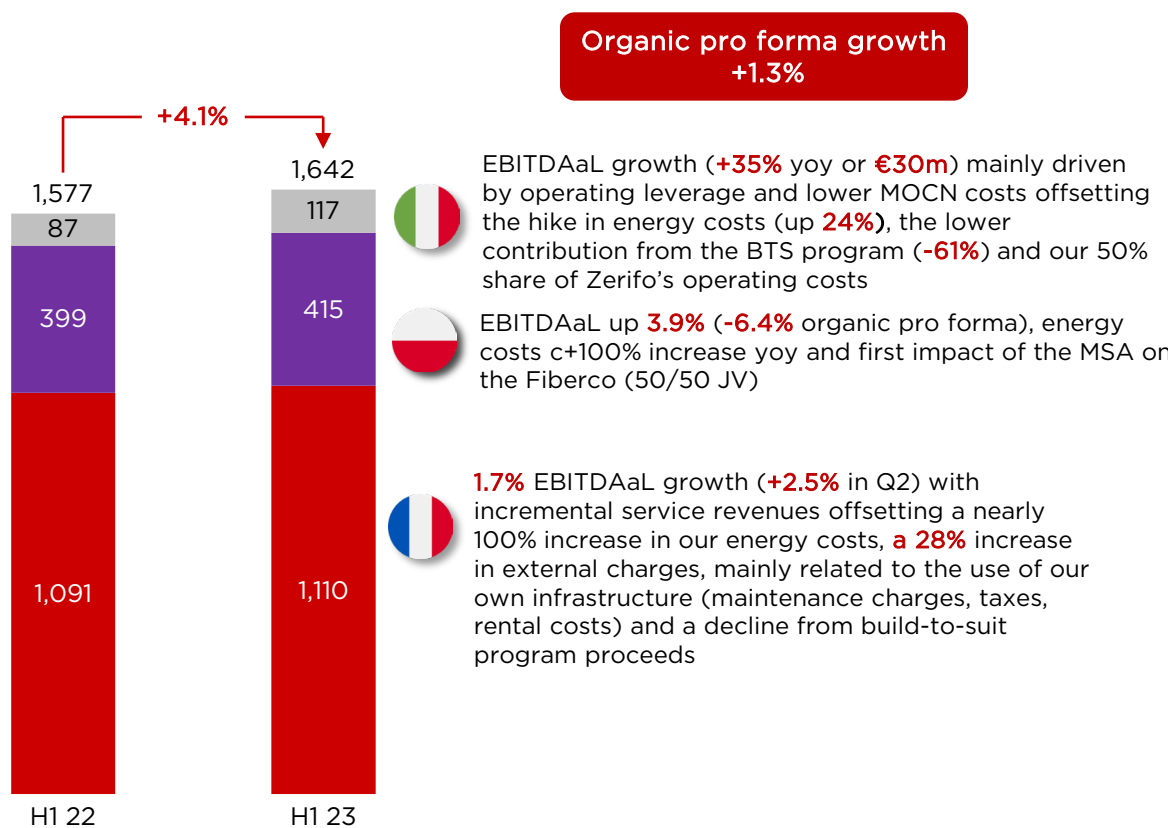
## H1 2023 REVENUES

(€m)



## H1 2023 EBITDAaL

(€m)



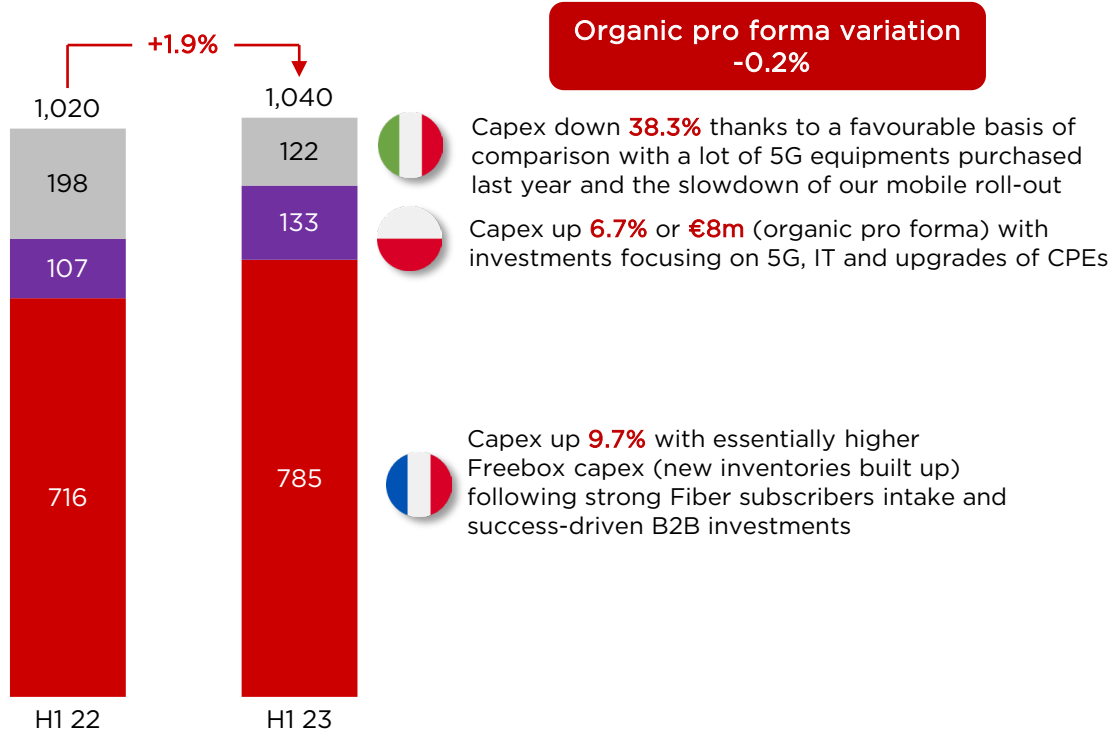
# Group capex & OFCF



## H1 2023 CAPEX

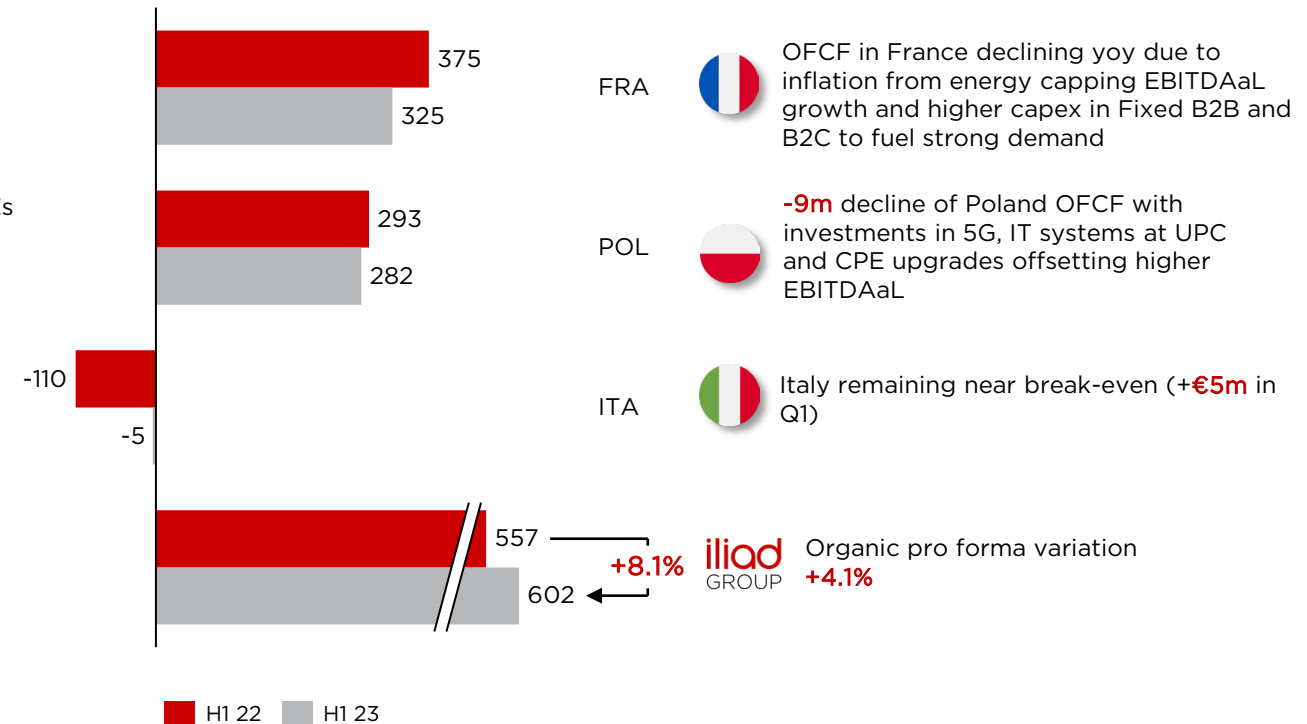
(€m)

Italy Poland France



## H1 2023 OFCF

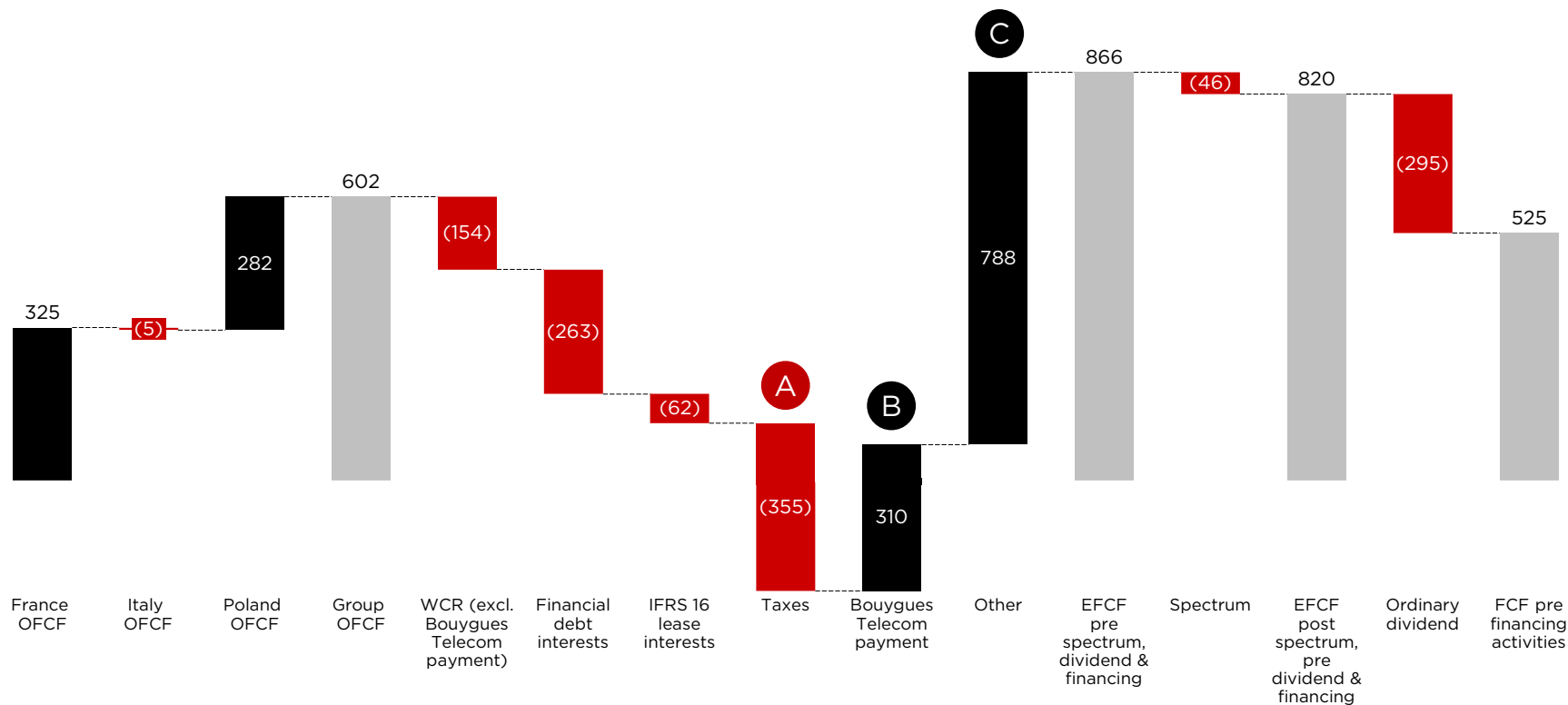
(€m)



(1) Organic pro forma : adjusted from acquisitions and at constant FX

# FCF iliad Group

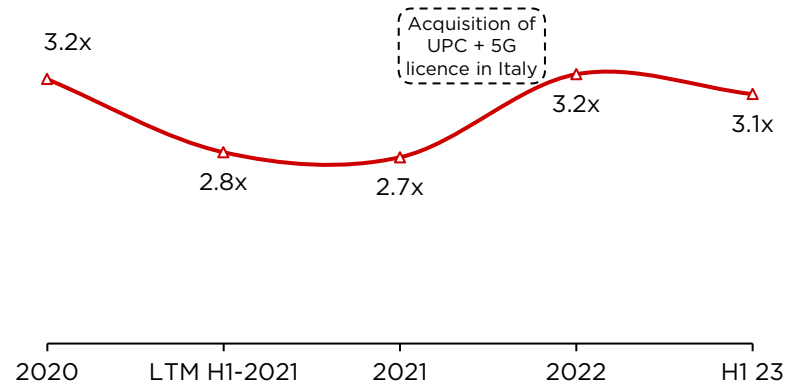
## H1 2023 FCF BRIDGE (€M)



- A** Lower level than last year (tax on gain on sale on OTP disposal) but above normative runrate in 2023 due to fiscal integration implementation within iliad Holding Group
- B** Inflow from Bouygues Telecom as part of the legal case regarding mobile phone subsidies (still under appeal by Bouygues Telecom)
- C** o.w. c€875m inflow from sale of 30% of OTP to Cellnex and from Fiberco deal in Poland, and €60m outflow from JV in Italy with WindTre (1<sup>st</sup> annual tranche out of 4)

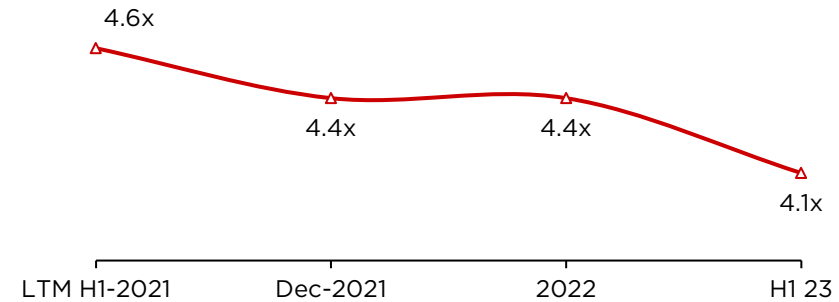
# iliad Group and iliad holding capital structure

## LEVERAGE ILIAD GROUP



€M	31/12/2022	30/06/2023
Gross financial debt	11,337	11,273
Cash & cash equivalents	521	801
<b>Net debt</b>	<b>10,815</b>	<b>10,472</b>
LTM EBITDAaL (€M)	3,346	3,368
Leverage ratio	3.2x	3.1x
Interests coverage (LTM) <sup>1</sup>	11.9x	8.1x

## LEVERAGE ILIAD HOLDING



€M	31/12/2022	30/06/2023
Gross financial debt	15,215	15,053
Cash & cash equivalents	530	987
<b>Net adjusted financial debt<sup>2</sup></b>	<b>14,563</b>	<b>13,959</b>
LTM EBITDAaL (€M)	3,343	3,365
Leverage ratio	4.4x	4.1x
Interests coverage (LTM) <sup>1</sup>	6.5x	5.6x

(1) Interests coverage defined as LTM EBITDAaL / net financial interests paid

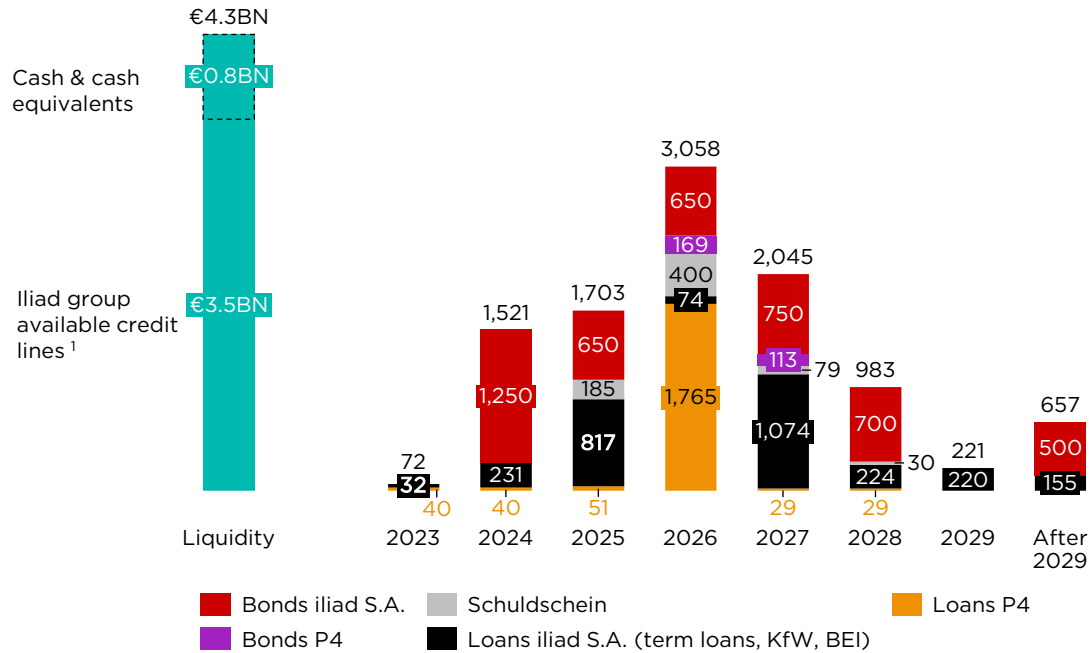
(2) Net adjusted financial debt as per the presentation in iliad Holding OM, including 12 months contribution of UPC Polska

# Liquidity profile

## DEBT MATURITY PROFILE AT END-JUNE 2023

iliad  
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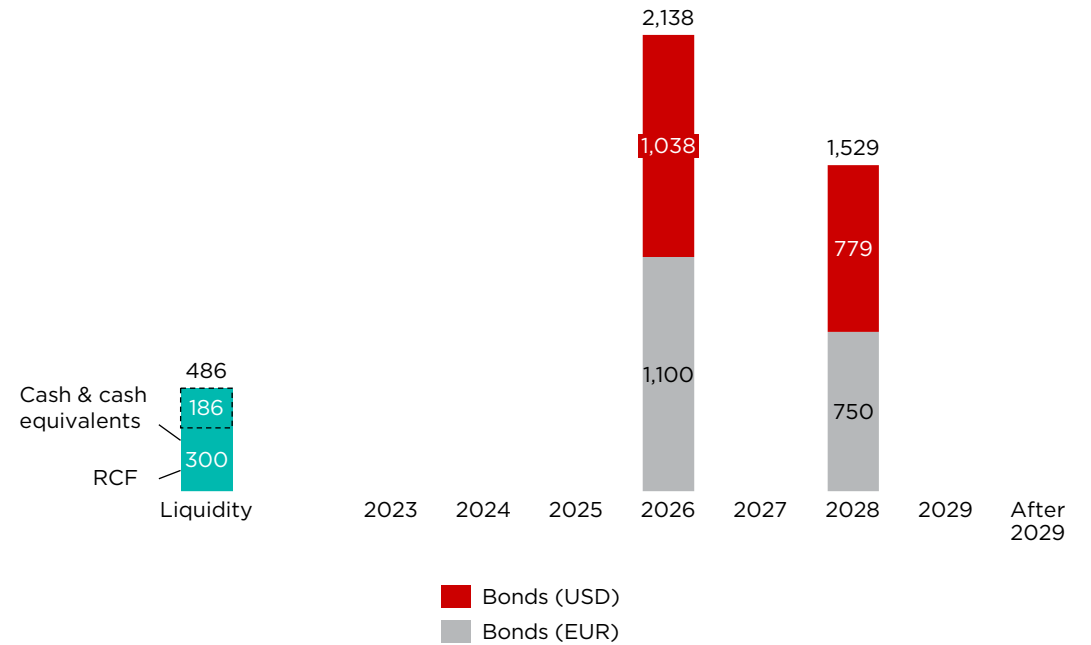
(€m)



## DEBT MATURITY PROFILE AT END-JUNE 2023

iliad  
HOLDING

(€m)



(1) Includes €750M available mid-term facility, €300M EIB and RCFs at Iliad SA and Play levels



# Appendix



# iliad KPIs

	2021				2022				2023	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>FRANCE</b>										
Mobile subscribers (000s)	13,382	13,345	13,486	13,611	13,738	13,858	14,042	14,218	14,390	14,518
o.w. 4G/5G plans	8,657	8,754	9,049	9,259	9,479	9,712	9,989	10,190	10,397	10,584
o.w. voice plan	4,725	4,592	4,437	4,352	4,258	4,146	4,053	4,027	3,993	3,934
Broadband subscribers (000s)	<b>6,765</b>	<b>6,812</b>	<b>6,857</b>	<b>6,925</b>	<b>6,981</b>	<b>7,048</b>	<b>7,126</b>	<b>7,180</b>	<b>7,222</b>	<b>7,264</b>
o.w. FTTH	3,072	3,318	3,546	3,773	4,012	4,216	4,447	4,658	4,870	5,072
% FTTH take-up	45.4%	48.7%	51.7%	54.5%	57.5%	59.8%	62.4%	64.9%	67.4%	69.8%
<b>Total subscriber base (000s)</b>	<b>20,147</b>	<b>20,157</b>	<b>20,343</b>	<b>20,537</b>	<b>20,719</b>	<b>20,906</b>	<b>21,168</b>	<b>21,398</b>	<b>21,612</b>	<b>21,782</b>
Broadband & Ultra Fast BB ARPU (€ per month)	32.6	32.7	33.0	33.4	33.5	33.4	33.5	34.1	34.4	34.6
Mobile ARPU billed to subscribers (€ per month)	10.8	10.9	11.4	11.4	11.4	11.5	11.9	11.8	11.8	12.0
Connectible FTTH sockets	21.1m	22.7m	24.0m	25.5m	27.1m	28.6m	29.8m	31.3m	32.5m	33.5m
<b>ITALY</b>										
Mobile subscribers (000s)	7,540	7,820	8,165	8,505	8,825	9,082	9,343	9,567	9,849	10,116
Broadband subscribers (000s)					nd	68	84	109	131	149
<b>Total subscriber base (000s)</b>	<b>7,540</b>	<b>7,820</b>	<b>8,165</b>	<b>8,505</b>	<b>8,825</b>	<b>9,150</b>	<b>9,427</b>	<b>9,676</b>	<b>9,980</b>	<b>10,265</b>
<b>POLAND</b>										
Active mobile subscribers (000s) ex-M2M and technical SIMs	11,924	12,019	12,087	12,129	12,614	12,694	12,762	12,763	12,832	12,909
o.w. postpaid	8,392	8,428	8,469	8,522	8,706	8,788	8,894	8,984	9,060	9,157
o.w. prepaid	3,533	3,591	3,618	3,606	3,908	3,906	3,869	3,779	3,773	3,752
Fixed subscribers (incl. Home products from Play) (000s)	<b>162</b>	<b>198</b>	<b>235</b>	<b>267</b>	<b>1,875</b>	<b>1,916</b>	<b>1,970</b>	<b>2,018</b>	<b>2,046</b>	<b>2,065</b>
<b>Total active subscriber base (000s)</b>	<b>12,086</b>	<b>12,217</b>	<b>12,322</b>	<b>12,396</b>	<b>14,489</b>	<b>14,611</b>	<b>14,732</b>	<b>14,781</b>	<b>14,878</b>	<b>14,974</b>
Mobile ARPU billed to subscribers (PLN per month)	27.7	28.2	29.1	28.1	28.3	29.0	29.2	29.2	29.1	29.6
<b>GROUP TOTAL SUBSCRIBERS BASE</b>	<b>39,774</b>	<b>40,191</b>	<b>40,826</b>	<b>41,438</b>	<b>44,033</b>	<b>44,666</b>	<b>45,327</b>	<b>45,855</b>	<b>46,471</b>	<b>47,021</b>

(UPC Polska added from Q1 2022)

# iliad Revenues

	2020							2021							2022							2023		
	Q1	Q2	H1	Q3	9M	Q4	FY	Q1	Q2	H1	Q3	9M	Q4	FY	Q1	Q2	H1	Q3	9M	Q4	FY	Q1	Q2	H1
Group revenues	1,382	1,402	2,784	1,420	4,205	1,666	5,871	1,846	1,875	3,722	1,912	5,633	1,954	7,587	1,934	2,090	4,024	2,150	6,173	2,195	8,369	2,186	2,256	4,443
France (€m)	1,233	1,242	2,475	1,252	3,728	1,277	5,004	1,263	1,280	2,542	1,306	3,849	1,347	5,195	1,339	1,370	2,710	1,405	4,114	1,441	5,555	1,442	1,476	2,918
Fixed services	663	672	1,336	673	2,009	686	2,695	692	712	1,405	716	2,121	739	2,860	741	759	1,500	766	2,265	781	3,046	796	822	1,618
Mobile services	527	514	1,041	537	1,578	545	2,123	529	533	1,062	550	1,612	561	2,173	548	563	1,112	576	1,688	588	2,276	580	595	1,175
o/w billed to subscribers	422	408	830	439	1,270	442	1,711	436	438	874	459	1,333	465	1,798	468	479	947	498	1,445	504	1,949	510	525	1,034
Equipment	45	58	103	44	146	48	194	43	36	79	42	121	53	174	51	50	101	64	165	84	239	71	70	141
Intercompany sales – France	(1)	(3)	(4)	(1)	(5)	(2)	(7)	(1)	(2)	(3)	(1)	(4)	(7)	(12)	(1)	(1)	(3)	(1)	(4)	(2)	(6)	(2)	(8)	(10)
Italy (€m)	150	162	312	171	483	192	674	188	195	383	207	590	213	802	214	228	442	238	679	247	927	241	254	496
Service revenues	149	161	309	170	479	190	670	186	193	380	206	586	210	796	212	227	440	236	675	244	919	239	252	488
Poland (€m)	-	-	-	-	-	200	200	398	404	801	401	1,203	397	1,600	384	495	879	512	1,390	516	1,907	507	529	1,036
Service revenues	-	-	-	-	-	152	152	312	319	631	309	940	304	1,244	301	405	705	405	1,110	411	1,521	405	426	831
Poland (PLN)	1,745	1,755	3,499	1,802	5,302	1,858	7,160	1,808	1,828	3,636	1,833	5,470	1,833	7,302	1,773	2,300	4,074	2,423	6,497	2,438	8,935	2,377	2,416	4,792
Mobile billed to subscribers	943	937	1,880	977	2,858	993	3,851	991	1,013	2,004	1,052	3,056	1,019	4,075	1,045	1,087	2,133	1,117	3,249	1,118	4,368	1,116	1,141	2,257
Other service revenues	422	441	863	398	1,261	430	1,691	418	422	840	347	1,187	373	1,560	328	341	669	347	1,016	361	1,377	308	316	624
Fixed (previously Home)	2	3	5	4	9	6	14	8	10	18	12	30	15	44	17	454	471	459	930	469	1,400	477	486	963
Equipment	377	373	751	423	1,174	429	1,603	391	383	775	422	1,196	426	1,622	383	418	801	500	1,301	489	1,790	476	472	948
i-group sales	(1)	(2)	(3)	(2)	(5)	(2)	(8)	(3)	(3)	(5)	(3)	(8)	(2)	(10)	(3)	(4)	(6)	(4)	(14)	(11)	(25)	(5)	(12)	(17)

# iliad Key Financial Indicators

	2018		2019		2020		2021			2022			2023			
	H1	FY	H1	FY	H1	FY	Q1	H1	9M	FY	Q1	H1	9M	FY	Q1	H1
<b>Group revenues</b>	<b>2,404</b>	<b>4,891</b>	<b>2,607</b>	<b>5,332</b>	<b>2,784</b>	<b>5,871</b>	<b>1,846</b>	<b>3,722</b>	<b>5,633</b>	<b>7,587</b>	<b>1,934</b>	<b>4,024</b>	<b>6,174</b>	<b>8,369</b>	<b>2,186</b>	<b>4,443</b>
o.w. France	2,395	4,768	2,432	4,912	2,475	5,004	1,263	2,542	3,849	5,195	1,339	2,710	4,114	5,555	1,442	2,918
o.w. Italy	9	125	177	427	312	674	188	383	590	802	214	442	679	927	241	496
o.w. Poland	-	-	-	-	-	200	398	801	1,203	1,600	384	879	1,390	1,907	507	1,036
<b>EBITDA (until 2018) / EBITDAaL</b>	<b>866</b>	<b>1,755</b>	<b>802</b>	<b>1,654</b>	<b>876</b>	<b>1,957</b>	<b>677</b>	<b>1,398</b>	<b>2,151</b>	<b>2,949</b>	<b>714</b>	<b>1,577</b>	<b>2,421</b>	<b>3,303</b>	<b>783</b>	<b>1,642</b>
o.w. France	894	1,807	910	1,907	960	2,021	460	1,019	1,603	2,185	493	1,091	1,669	2,287	498	1,110
o.w. Italy	(28)	(52)	(108)	(253)	(84)	(133)	(30)	6	10	80	40	87	147	211	64	117
o.w. Poland	-	-	-	-	-	70	248	373	538	684	181	399	605	805	221	415
<b>Cash Capex (excluding frequencies)</b>	<b>864</b>	<b>1,816</b>	<b>940</b>	<b>1,976</b>	<b>845</b>	<b>1,858</b>	<b>713</b>	<b>1,036</b>	<b>1,773</b>	<b>2,283</b>	<b>465</b>	<b>1,020</b>	<b>1,598</b>	<b>2,139</b>	<b>553</b>	<b>1,040</b>
o.w. France	773	1,555	779	1,607	622	1,312	603	771	1,371	1,673	332	716	1,115	1,492	442	785
o.w. Italy	91	261	161	369	223	512	74	201	271	413	94	198	303	381	59	122
o.w. Poland	-	-	-	-	-	34	36	64	131	198	40	107	181	265	52	133
<b>Net financial debt</b>	<b>3,257</b>	<b>3,983</b>	<b>4,610</b>	<b>3,609</b>	<b>3,733</b>	<b>7,747</b>	<i>Nd</i>	<b>7,380</b>	<i>Nd</i>	<b>8,012</b>	<b>8,067</b>	<b>10,031</b>	<b>10,732</b>	<b>10,815</b>	<b>10,614</b>	<b>10,472</b>
<b>LTM EBITDAaL</b>		<b>1,755</b>	<b>1,691</b>	<b>1,654</b>	<b>1,728</b>	<b>1,957</b>	<i>Nd</i>	<b>2,479</b>	<i>Nd</i>	<b>2,949</b>	<b>2,986</b>	<b>3,259</b>	<b>3,305</b>	<b>3,346</b>	<b>3,372</b>	<b>3,368</b>