PLT VII FINANCE S.à r.l.

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

30 September 2024

49, Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg

Company registration number B242945

Contents

KPIs

Non-IFRS measures	**30 September 2024**	**31 December 2023**
RGUs*, end of period in thousands		
Mobile services Lithuania	1,192	1,212
Mobile services Latvia	542	554
Fixed broadband	346	336
PayTV	840	821
Total	**2,920**	**2,923**

ARPU, per month in EUR**	**Three months ended 30 September 2024**	**Three months ended 30 September 2023**	**Nine months ended 30 September 2024**	**Nine months ended 30 September 2023**
Mobile services Lithuania	10.9	10.4	10.6	10.5
Mobile services Latvia	12.8	12.3	12.4	11.9
Fixed broadband	14.9	13.8	14.4	13.4
PayTV	9.1	8.1	8.9	7.9

* Revenue generating units (“RGUs”). The Group counts each subscriber as a separate RGU for each of the mobile, PayTV and fixed broadband service. Total RGUs are, therefore, not equal to the total number of subscribers. RGUs count do not include M2M and IOT RGUs. For example, one subscriber who receives handset mobile services and mobile data services over the network and subscribes to PayTV service is counted as two RGUs, and one subscriber who receives handset mobile services, mobile data services, PayTV and OTT services over the network is counted as three RGUs.

** Average revenue per user (“ARPU”) is a measure we use to evaluate how effectively we are realizing potential revenues from subscribers of our various services. ARPU is calculated by adding together, for each month in a given period, the total subscription-related revenues for that particular month divided by the average number of RGUs for that period.

(All amounts in thousands EUR unless otherwise stated)

Condensed consolidated statement of profit or loss and other comprehensive income

Note		Three months ended 30 September 2024	Three months ended 30 September 2023 Reclassified*	Nine months ended 30 September 2024	Nine months ended 30 September 2023 Reclassified*
5,6	REVENUE	144,916	139,214	428,745	415,106
	Equipment costs	(23,938)	(25,870)	(70,235)	(78,744)
	Employee compensation and benefit expenses	(22,650)	(20,319)	(65,506)	(62,909)
11,12	Depreciation and amortisation expenses	(21,156)	(23,053)	(62,622)	(70,216)
	Content and programming costs	(15,181)	(13,778)	(46,099)	(40,575)
	Materials, consumables and maintenance costs	(5,834)	(5,653)	(16,564)	(17,098)
13	Amortization of capitalized contract costs	(4,426)	(3,805)	(12,772)	(10,946)
	Advertising and marketing costs	(3,923)	(4,277)	(12,433)	(11,950)
	Roaming and interconnect costs	(3,842)	(5,181)	(11,140)	(15,483)
15	Net impairment losses on trade receivable and contract assets	(1,201)	(1,091)	(3,990)	(3,144)
	Media distribution costs	(815)	(919)	(2,773)	(2,690)
	Rental costs	(244)	(498)	(864)	(1,502)
7	Other expenses	(10,700)	(9,835)	(31,531)	(28,388)
	OPERATING PROFIT	**31,006**	**24,935**	**92,216**	**71,461**
8	Finance income	1,203	37	2,461	75
8	Finance costs	(18,335)	(13,626)	(49,070)	(35,604)
8	Unrealised fair value losses on derivative financial instrument	(7,829)	-	(8,888)	-
	Total finance income and costs	**(24,961)**	**(13,589)**	**(55,497)**	**(35,529)**
	PROFIT BEFORE INCOME TAX	**6,045**	**11,346**	**36,719**	**35,932**
9	Income tax	(5,218)	(2,027)	(18,426)	(5,748)
	NET PROFIT	**827**	**9,319**	**18,293**	**30,184**
	Profit attributable to:				
	Equity holders of the parent	827	9,319	18,293	30,184
	Non-controlling interests	-	-	-	-
	Profit for the period	**827**	**9,319**	**18,293**	**30,184**
10	Other comprehensive income	-	-	20	-
	Total comprehensive income for the period	**827**	**9,319**	**18,313**	**30,184**
	Total comprehensive income for the period attributable to:				
	Equity holders of the parent	827	9,319	18,313	30,184
	Non-controlling interests	-	-	-	-

* Information on the reclassification items is provided in note 3.

The accompanying notes on pages 10 to 31 form an integral part of this condensed consolidated interim financial information.

(All amounts in thousands EUR unless otherwise stated)

Condensed consolidated statement of financial position

Note		30 September 2024	31 December 2023
	ASSETS		
	NON-CURRENT ASSETS		
11	Intangible assets:		
	Goodwill	154,771	154,771
	Software	21,612	17,724
	License costs	37,176	27,365
	Other intangible assets	53,243	77,987
	Software under development	4,647	4,670
	Total intangible assets	**271,449**	**282,517**
11	Property, plant and equipment:		
	Land and buildings	3,584	4,670
	Network equipment	97,848	89,515
	Other property, plant and equipment	21,880	15,588
	Construction in progress	12,241	11,446
	Total property, plant and equipment	**135,553**	**121,219**
12	Right of use assets	53,458	64,227
13	Capitalized contract costs	19,834	18,620
6	Contract assets	413	474
10	Other investments at fair value through other comprehensive income	5,810	5,790
	Interest in joint ventures	6	6
	Deferred tax asset	1,236	1,251
16	Other non-current assets and receivables at amortised cost	8,328	7,405
	TOTAL NON-CURRENT ASSETS	**496,087**	**501,509**
	CURRENT ASSETS		
14	Inventory	54,809	46,131
6	Contract assets	1,253	1,549
17	Financial assets at fair value through profit or loss	4,672	6,584
	Current portion of loans receivable at amortised cost	39	44
15	Trade accounts receivable	78,442	79,912
	Current income tax prepayment	1,669	36
18	Other current assets at amortised cost	8,243	7,472
	Cash and cash equivalents	33,799	23,450
	TOTAL CURRENT ASSETS	**182,926**	**165,178**
	TOTAL ASSETS	**679,013**	**666,687**

The accompanying notes on pages 10 to 31 form an integral part of this condensed consolidated interim financial information.

(All amounts in thousands EUR unless otherwise stated)

Condensed consolidated statement of financial position (continued)

Note		30 September 2024	31 December 2023
	SHAREHOLDERS' EQUITY AND LIABILITIES		
	SHAREHOLDERS' EQUITY		
	Equity attributable to owners of the parent:		
19	Share capital	33,585	33,585
19	Share premium	5,837	6,720
19	Reorganization reserve	(336,653)	(336,653)
	Legal reserve	9,213	9,213
	Retained earnings	(215,363)	(25,369)
	TOTAL SHAREHOLDER'S EQUITY	**(503,381)**	**(312,504)**
	NON-CURRENT LIABILITIES		
20	Borrowings	908,619	718,985
22	Lease liabilities	34,177	42,447
25	Provisions	12,394	13,308
6	Contract liabilities	3,330	3,450
	Deferred tax liability	26,421	19,019
21	Derivative financial instruments	8,888	-
24	Other non-current liabilities	7,611	6,635
	TOTAL NON-CURRENT LIABILITIES	**1,001,440**	**803,844**
	CURRENT LIABILITIES		
20	Borrowings	9,213	14,835
22	Lease liabilities	18,081	19,129
23	Supplier financing arrangements	50,948	39,193
	Trade accounts payable	56,756	58,304
6	Contract liabilities	9,346	10,657
	Deferred revenue	542	689
	Current income tax liabilities	5,035	1,483
24	Accrued expenses and other liabilities	31,033	31,057
	TOTAL CURRENT LIABILITIES	**180,954**	**175,347**
	TOTAL LIABILITIES	**1,182,394**	**979,191**
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**679,013**	**666,687**

The accompanying notes on pages 10 to 31 form an integral part of this condensed consolidated interim financial information.

(All amounts in thousands EUR unless otherwise stated)

Condensed consolidated statement of changes in equity

Note		Share capital	Share premium	Legal reserve	Reorganization reserve	Retained earnings/ (accumulated deficit)	Total	Total equity
		Attributable to equity holders of the Company						
	31 December 2022	**33,585**	**7,190**	**9,213**	**(336,653)**	**3,696**	**(282,969)**	**(282,969)**
	Net profit for the period ended 30 September 2023	-	-	-	-	30,184	30,184	30,184
	Total comprehensive income for the period	**-**	**-**	**-**	**-**	**30,184**	**30,184**	**30,184**
	Transactions with owners in their capacity as owners							
19	Decrease in share premium	-	(470)	-	-	-	(470)	(470)
	Employee share-based payment schemes expenses	-	-	-	-	62	62	62
	30 September 2023	**33,585**	**6,720**	**9,213**	**(336,653)**	**33,942**	**(253,193)**	**(253,193)**
	31 December 2023	**33,585**	**6,720**	**9,213**	**(336,653)**	**(25,369)**	**(312,504)**	**(312,504)**
	Net profit for the period ended 30 September 2024	-	-	-	-	18,293	18,293	18,293
10	Other comprehensive income	-	-	-	-	20	20	20
	Total comprehensive income for the period	-	-	-	-	**18,313**	**18,313**	**18,313**
	Transactions with owners in their capacity as owners							
19	Decrease in share premium	-	(883)	-	-	-	(883)	(883)
	Dividends to shareholders	-	-	-	-	(208,410)	(208,410)	(208,410)
	Employee share-based payment scheme expenses	-	-	-	-	103	103	103
	30 September 2024	**33,585**	**5,837**	**9,213**	**(336,653)**	**(215,363)**	**(503,381)**	**(503,381)**

The accompanying notes on pages 10 to 31 form an integral part of this condensed consolidated interim financial information.

(All amounts in thousands EUR unless otherwise stated)

Condensed consolidated statement of cash flows

Note		Three months ended 30 September 2024	Three months ended 30 September 2023 Reclassified*	Nine months ended 30 September 2024	Nine months ended 30 September 2023 Reclassified*
	Cash flows from operating activities				
	Net profit before tax	6,045	11,346	36,719	35,932
	Adjustments to operating activities:				
11,12	Depreciation and amortisation	21,156	23,053	62,622	70,216
	Gain on disposal of property, plant and equipment	(1,898)	(11)	(1,994)	(125)
	Employee share-based payment scheme expenses	34	21	103	62
	Finance costs	17,132	12,951	46,609	33,577
	Unrealized FV of derivative financial instruments	7,829	-	8,888	-
	Changes in working capital (excluding effects of acquisition):				
	Decrease/(increase) in trade receivables	6,084	691	3,382	(3,029)
	(Increase)/decrease in trading inventory	(3,256)	(3,075)	(8,678)	(6,936)
	(Increase)/decrease in contract assets	133	(185)	357	(382)
	(Decrease)/increase in contract liabilities	21	224	(1,431)	305
	Increase/(decrease) in trade payables	(3,540)	(663)	(871)	(12,028)
	Change in other assets, provisions and other liabilities	2,158	1,246	630	1,363
	(Increase) in capitalised contract costs	(476)	(739)	(1,214)	(1,756)
23	Increase/(decrease) in supplier financing arrangement	(68)	5,188	3,186	9,490
20	Borrowing transaction costs/Arrangement fee	(7,130)	-	(13,274)	-
	Interest paid	(22,017)	(17,142)	(50,971)	(38,504)
	Income tax paid	(3,035)	(2,341)	(9,083)	(9,284)
	Net cash flows from operating activities	**19,172**	**30,564**	**74,980**	**78,901**

* Information on the reclassification items is provided in note 3.

(All amounts in thousands EUR unless otherwise stated)

Condensed consolidated statement of cash flows (continued)

Note		Three months ended 30 September 2024	Three months ended 30 September 2023	Nine months ended 30 September 2024	Nine months ended 30 September 2023
	Cash flows from investing activities:				
24	Acquisition of subsidiary or business, net of cash acquired, and investment in joint ventures	-	-	(555)	(718)
	Acquisition of intangible assets and property, plant and equipment for cash	(14,712)	(8,039)	(39,980)	(51,094)
	Proceeds from sale of intangible assets and property, plant and equipment	2,717	90	2,963	520
	Interest received	1,261	16	2,356	49
	Loan repayments received	-	18	-	88
	Net cash flows used in investing activities	**(10,734)**	**(7,915)**	**(35,216)**	**(51,155)**
	Cash flows from financing activities:				
	Repayment of share capital and premium	(811)	-	(883)	(470)
20	Borrowings from bondholders	-	-	920,000	-
20	Repayment of borrowings to bondholders	(475,000)	-	(725,000)	-
	Dividends paid to shareholders	(208,410)	-	(208,410)	-
	Principal element of lease payments	(5,130)	(4,630)	(15,122)	(13,753)
	Net cash flows used in financing activities	**(689,351)**	**(4,630)**	**(29,415)**	**(14,223)**
	Net increase/(decrease) in cash and cash equivalents	(680,913)	18,019	10,349	13,523
	Cash and cash equivalents at the beginning of the period	714,712	38,110	23,450	42,606
	Cash and cash equivalents at the end of the period	**33,799**	**56,129**	**33,799**	**56,129**

The accompanying notes on pages 10 to 31 form an integral part of this condensed consolidated interim financial information.

Notes to condensed consolidated interim financial information

1. General information

PLT VII Finance S.à r.l. (**'the Company'**) was incorporated on 3 March 2020 in Luxembourg as a private limited liability company (*société à responsabilité limitée*). The registered address of the Company is at 49, Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg. The Company is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des sociétés, Luxembourg)* under number B242945.

Text and terms in **bold** font are defined terms used consistently herein.

The sole shareholder of the Company is PLT VII Holding S.à r.l., registration number B242838, a private limited liability company with registered address at 18 rue Dicks, L-1417 Luxembourg, the Grand Duchy of Luxembourg. Since 4 June 2024 the ultimate parent entity and controlling party of PLT VII Finance S.à r.l. is Providence Equity GP (Unity) L.P. which is registered in the Cayman Islands.

The Company is the sole shareholder of PLT VII International S.à r.l. incorporated on 3 March 2020 in Luxembourg as a limited liability company (*société à responsabilité limitée*), with registered address at 18 rue Dicks, L-1417 Luxembourg, the Grand Duchy of Luxembourg. PLT VII International S.à r.l. is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des sociétés, Luxembourg)* under number B243024.

The main activities of the Company are holding and finance activities. The Company manages and controls the group of entities in the Baltic States, which are engaged in providing Mobile, PayTV and Fixed Broadband, as well as Media and Content services. In addition to these primary businesses, it sells various equipment to support its above-mentioned services to customers. As at 30 September 2024, the Group consisted of the Company, the direct subsidiary PLT VII International S.à r.l. and its subsidiaries.

The Group provides various mobile services to private and business customers through own front-line sales and care channels and own infrastructure companies. The Group's mobile business is focused on meeting the growing demand in the region for high quality network experience by providing excellent customer service through retail companies that distribute products and services and through separate companies that are responsible for ownership, management, development and rental of towers and masts.

The Group's Fixed Broadband and PayTV business include fixed broadband internet services, ICT services and PayTV offering through Home3 satellite platform and Go3 OTT streaming solution.

The Group's Media and Content business includes TV, video on demand services, commercial radio, streaming radio, digital advertising, news and entertainment portals, advertising services across own portfolio of media assets as well as through third party channels and digital production and distribution services.

The Group implements strategic initiatives to converge the technologies and services offered by the Group of entities. This strategy results in higher effectiveness and revenue synergies, as well as cross-sell opportunities and additional values to the customer, all of which provide competitive advantages over traditional telecommunication operators.

Group reorganization in 2024

On 1 July 2024 the Group subsidiary Baltcom SIA was reorganized by merging with Bite Latvija SIA, which took over all of Baltcom SIA rights and obligations, assets and liabilities. Baltcom SIA ceased to exist.

2. Basis of preparation and material accounting policies

These condensed consolidated interim financial statements for the three and nine months ended 30 September 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting.

This condensed consolidated interim financial information does not include all the notes of the type normally included in the annual financial statements. Accordingly, this report is to be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2023.

This condensed consolidated interim financial information has been prepared under the historical cost convention. The accounting policies and methods of computation applied are consistent with those of the annual consolidated financial statements of the Group for the year ended 31 December 2023, except for

- taxes on income, which are recognised in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. A separate estimated average annual effective income tax rate is determined for each taxing jurisdiction and applied individually to the interim period pre-tax income of each jurisdiction and

- the adoption of new and amended IFRS® (“IFRS”) Accounting Standards as set out below.

New and amended standards adopted by the Group

The Group has applied the following amendments for the first time from 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1.
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7.
- Leases: Lease Liability in a Sale and Leaseback – Amendments to IFRS 16.

As a result of the adoption of the amendments to IAS 1, the Group changed its accounting policy for the classification of borrowings: borrowings are classified as current liabilities unless at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the reporting period. This new policy did not result in a change in the classification of Group’s borrowings. The Group did not make retrospective adjustments as a result of adopting the amendments to IAS 1.

As disclosed in the 2023 annual consolidated financial statements, the Group has supplier financing arrangements. The adoption of the amendments to IAS 7 and IFRS 7 will result in the Group providing more disclosures about these arrangements in the consolidated financial statements for the year ending 31 December 2024. The new disclosures are not required to be provided in the condensed consolidated interim financial information for the nine months ended 30 September 2024.

Amendments to IFRS 16 Leases did not have any impact on the amounts recognised and disclosures made in the condensed consolidated interim financial information for the nine months ended 30 September 2024.

Impact of standards issued but not yet applied by the Group.

As of the end of the reporting period there were no new standards, amendments to standards and interpretations that are endorsed by the EU and effective for the periods beginning after 1 January 2024.

This condensed consolidated interim financial information was approved for issue on 13 November 2024 by the board of managers.

This condensed consolidated interim financial information is denominated in Euros.

(All amounts in thousands EUR unless otherwise stated)

3. Critical accounting estimates, judgements and reclassifications

The preparation of consolidated interim financial information in accordance with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements of the Group for the year ended 31 December 2023.

During 2023 the Group has changed the classification of the proceeds from sale of impaired trade receivables, previously included under other expenses. In addition, the Group has introduced more detailed disclosure of Changes in working capital in the consolidated statement of cash flows. As the result of these changes the Group has reclassified the affected financial statement line items for comparative amounts.

Reclassification in the consolidated statement of profit or loss and other comprehensive income for the three months period ended 30 September 2023:

	Amount reported three months ended 30 September 2023	Reclassification	Reclassified amounts
Net impairment losses on trade receivables and contract assets	(2,417)	1,326	(1,091)
Other expenses	(8,509)	(1,326)	(9,835)
OPERATING PROFIT	**24,935**	**-**	**24,935**

Reclassification in the consolidated statement of profit or loss and other comprehensive income for the nine months period ended 30 September 2023:

	Amount reported nine months ended 30 September 2023	Reclassification	Reclassified amounts
Net impairment losses on trade receivables and contract assets	(6,915)	3,771	(3,144)
Other expenses	(24,617)	(3,771)	(28,388)
OPERATING PROFIT	**71,461**	**-**	**71,461**

Reclassification in the consolidated statement of cash flows for the three months period ended 30 September 2023:

	Amount reported three months ended 30 September 2023	Reclassification	Reclassified amounts
Adjustments to reconcile profit before income tax to the net cash flows from operating activities:			
Amortisation of capitalised contract costs	3,805	(3,805)	-
Allowances and other provisions	2,417	(2,417)	-
Change in working capital (excluding effects of acquisition):			
(Increase) in receivables	(1,726)	2,417	691
Change in capitalised contract costs	-	(739)	(739)
(Decrease) in trade payables	-	(663)	(663)
Change in other assets, provisions, accounts payable and other liabilities	(3,961)	5,207	1,246
Net cash flows from operating activities	**30,564**	**-**	**30,564**

(All amounts in thousands EUR unless otherwise stated)

Reclassification in the consolidated statement of cash flows for the nine months period ended 30 September 2023:

	Amount reported nine months ended 30 September 2023	Reclassification	Reclassified amounts
Adjustments to reconcile profit before income tax to the net cash flows from operating activities:			
Amortisation of capitalised contract costs	10,946	(10,946)	-
Allowances and other provisions	6,865	(6,865)	-
Change in working capital (excluding effects of acquisition):			
(Increase) in receivables	(9,944)	6,915	(3,029)
(Increase) in trading inventory	(6,886)	(50)	(6,936)
Change in capitalised contract costs	-	(1,756)	(1,756)
(Decrease) in trade payables	-	(12,028)	(12,028)
Change in other assets, provisions, accounts payable and other liabilities	(23,367)	24,730	1,363
Net cash flows from operating activities	**78,901**	**-**	**78,901**

Expected change in accounting policies

The Group is reporting all acquired and produced content in FreeTV and PayTV business channel broadcasting as well as OTT service Go3 as inventories since the acquisition of Media Group in 2017. At the time, the classification of content as inventory was appropriate based on the Group's business model and usage of the content.

Since 2020, the Group investment into content rights has been constantly growing, especially in PayTV business mainly due to development of OTT service Go3. As part of the ongoing efforts to enhance the clarity and transparency of the financial reporting, the Group is currently implementing a change in the accounting policy regarding the classification of acquired and produced content. Historically, this content has been classified as inventory in accordance with IAS 2 *Inventories*. However, with the introduction of OTT platform and continuous development of Go3 service, the Group's management believes that classifying content as intangible assets, in accordance with IAS 38 *Intangible Assets*, will provide a clearer and more accurate reflection of the nature and long-term value of these assets.

Classifying the content as intangible assets aligns more closely with its economic substance and expected future benefits, offering a more comprehensive view of the Group's financial position for users of the financial statements. The shift to IAS 38 reflects an evolution in the Group's business, particularly in response to the digital landscape and changing content consumption patterns.

The Group is currently in the process of a detailed assessment of the impact of this potential change. A summary of the preliminary amounts analyzed is presented below.

Reclassification in the consolidated statement of profit or loss and other comprehensive income for the three months and nine months ended 30 September 2024:

	Amount reported three months ended 30 September 2024	Reclassification	Reclassified amounts	Amount reported nine months ended 30 September 2024	Reclassification	Reclassified amounts
Depreciation and amortisation expenses	(21,156)	(8,706)	(29,862)	(62,622)	(27,596)	(90,218)
Content and programming costs	(15,181)	8,706	(6,475)	(46,099)	27,596	(18,503)
OPERATING PROFIT	**31,006**	**-**	**31,006**	**92,216**	**-**	**92,216**

(All amounts in thousands EUR unless otherwise stated)

Reclassification in the consolidated statement of profit or loss and other comprehensive income for the three months and nine months ended 30 September 2023:

	Amount reported three months ended 30 September 2023	Reclassification	Reclassified amounts	Amount reported nine months ended 30 September 2023	Reclassification	Reclassified amounts
Depreciation and amortisation expenses	(23,053)	(7,947)	(31,000)	(70,216)	(24,463)	(94,679)
Content and programming costs	(13,778)	7,947	(5,831)	(40,575)	24,463	(16,112)
OPERATING PROFIT	**24,935**	**-**	**24,935**	**71,461**	**-**	**71,461**

Reclassification in the consolidated statement of financial position to the closing balance as at 30 September 2024:

	30 September 2024	Reclassification	Reclassified amounts
Total intangible assets	271,449	31,893	303,342
TOTAL NON-CURRENT ASSETS	**496,087**	**31,893**	**527,980**
Inventory	54,809	(31,893)	22,916
TOTAL CURRENT ASSETS	**182,926**	**(31,893)**	**151,033**

Reclassification in the consolidated statement of financial position to the closing balance as at 31 December 2023:

	31 December 2023	Reclassification	Reclassified amounts
Total intangible assets	282,517	28,651	311,168
TOTAL NON-CURRENT ASSETS	**501,509**	**28,651**	**530,160**
Inventory	46,131	(28,651)	17,480
TOTAL CURRENT ASSETS	**165,178**	**(28,651)**	**136,527**

Reclassification in the consolidated statement of cash flows for the three months and nine months ended 30 September 2024:

	Amount reported three months ended 30 September 2024	Reclassification	Reclassified amounts	Amount reported nine months ended 30 September 2024	Reclassification	Reclassified amounts
Depreciation and amortisation	21,156	8,706	29,862	62,622	27,596	90,218
Changes in working capital	1,056	1,275	2,331	(4,639)	2,271	(2,368)
Net cash flows from operating activities	**19,172**	**9,981**	**29,153**	**74,980**	**29,867**	**104,847**
Acquisition of intangible asset and property, plant and equipment for cash	(14,712)	(9,981)	(24,693)	(39,980)	(29,867)	(69,847)
Net cash flows used in investing activities	**(10,734)**	**(9,981)**	**(20,715)**	**(35,216)**	**(29,867)**	**(65,083)**

(All amounts in thousands EUR unless otherwise stated)

Reclassification in the consolidated statement of cash flows for the three months and nine months ended 30 September 2023:

	Amount reported three months ended 30 September 2023	**Reclassification**	**Reclassified amounts**	**Amount reported nine months ended 30 September 2023**	**Reclassification**	**Reclassified amounts**
Depreciation and amortisation	(23,053)	7,947	(15,106)	70,216	24,463	94,679
Changes in working capital	2,687	687	3,374	(12,973)	4,556	(8,417)
Net cash flows from operating activities	**30,534**	**8,634**	**39,168**	**78,901**	**29,019**	**107,920**
Acquisition of intangible asset and property, plant and equipment for cash	(8,039)	(8,634)	(16,673)	(51,094)	(29,019)	(80,113)
Net cash flows used in investing activities	**(7,915)**	**(8,634)**	**(16,549)**	**(51,555)**	**(29,019)**	**(80,574)**

These figures are still subject to further review and refinement, and the final adjustments, including detailed disclosures and quantifications, will be included in the annual financial statements. As this is an ongoing change, the Group retains the flexibility to adjust the approach based on the results of the year-end analysis.

4. Financial risk management

The Group's activities expose it to a variety of financial risks, including foreign currency exchange risk, credit risk, interest rates risk and liquidity risk. The Group's management seeks to minimise potential adverse effects of financial risk on the financial performance of the Group.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Group annual financial statements as at 31 December 2023. There have been no changes in the Treasury policy and the risk management principles since the year end.

Capital risk management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders,
- maintain an optimal capital structure to reduce the cost of capital.

During 2024 and 2023 PLT VII Finance S.à r.l. has declared and paid dividends to its shareholder PLT VII Holding S.à r.l. From the standpoint of PLT VII Finance S.à r.l., it had sufficient distributable earnings available to proceed with dividend distribution.

On 30 May 2024 PLT VII Finance S.à r.l, together with a consortium of banks, entered into an amendment and restatement agreement, in respect to the super senior revolving credit facility agreement originally dated 8 July 2020. The revolving credit facility aggregate principal amount was upsized from EUR 50 million to EUR 100 million with maturity on 15 December 2030. The revolving credit facility bears interest at an annual rate of three months EURIBOR plus applicable margin, which depends on the Group's Leverage Ratio and can be set in the range from 2% to 3%. As at the date of this condensed consolidated interim financial information the margin rate is 2.500%.

On 13 June 2024 the Company as an original Issuer has issued Senior Secured notes in amount of EUR 920,000 thousand, with maturity on 15 June 2031. The Senior Secured floating rate notes in amount of EUR 500,000 thousand bear interest at an annual rate of three months EURIBOR (subject to a 0% floor) plus margin 3.500%. The interest on the Senior Secured floating rate bonds is payable quarterly on 15 March, 15 June, 15 September and 15 December of each year. The Senior Secured notes in amount of EUR 420,000 thousand bear interest at an annual rate of 6.000%; the interest on the Senior Secured notes is payable semi-annually on 15 June and 15 December of each year. The proceeds from the new issue were used to redeem the Senior Secured notes, that the Company had previously issued, in the amount of EUR 725,000 thousand. The Senior Secured notes are listed on the International Stock Exchange (**'TISE'**).

Under the Super Senior Facility Agreement, the Group is obliged to comply with the Consolidated Secured Leverage Ratio ('**the Consolidated Leverage Ratio**'), calculated as a ratio of the consolidated total net debt and the consolidated earnings before interest, tax, depreciation and amortisation expenses ('**EBITDA**'). The Consolidated Leverage Ratio shall be calculated and tested on a rolling quarter basis if the test condition is met, i.e., if the outstanding principal amount of all loans exceeds 35% of total commitment.

The Consolidated Leverage Ratio should not exceed a flat ratio of 8.00:1. The Group has the right to 'cure' a breach of the Leverage Ratio covenant by receiving additional shareholder funding in cash ('**the Cure Amount**') within 20 business days after the last day of the relevant period in which the breach would occur without the Cure Amount. Covenants are reviewed by lenders on a regular basis during the term of the Senior Secured notes and facility. A breach of the Consolidated Leverage Ratio, if not cured by no later than the date falling twenty (20) Business Days after the date of the notice thereof, would enable the holders of the defaulted debt to terminate their commitments thereunder and cause all amounts outstanding with respect to such indebtedness to become due and payable immediately.

The Treasury monitors the compliance with covenants on a regular basis as a breach of these ratios would be a major risk for the Group. No balances were withdrawn under the above agreement as at 30 September 2024 and 31 December 2023, therefore the test condition is not met and no covenants were applied.

Interest rate risk

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. Together with the issue of the new Senior Secured notes, to mitigate the arising uncertainty, the Company entered into two 'fixed for floating' interest rate swap agreements. The floating interest of EUR 175,000 thousand Senior Secured floating notes was capped at an annual interest rate of 2.8995% with ING Bank N.V., the agreement is valid until 15 June 2028. The floating interest of another EUR 175,000 thousand Senior Secured floating notes was capped at an annual interest rate of 3.023% with Deutsche Bank AG, the agreement is valid until 15 June 2027. The swaps are valid from 13 June 2024.

Liquidity risk

As at 31 December 2023 the current ratio of the Group was less than 1. This was mainly impacted by introduction of a new arrangement with one of the main suppliers to extend the payment terms for the Group since 2023. As at 30 September 2024 the current ration of the Group is more than 1.

Fair value estimation

During 2024 there were no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments and no reclassifications of financial assets.

The different levels of methods used to measure the fair value of the financial instruments (which are recognized and measured at fair value in the statement of financial position) have been defined as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The Group has longstanding arrangements with customer financing entities to transfer them the receivables owed by customers at the time the equipment is sold to customer. The accounts receivables sold to customer financing entities are less than 1 month old at the time of sale and all credit risk on the sold receivables is transferred to the customer financing entities at that time. Fair value is determined as a cashflow received less fee paid to the financing entity. Since the significant inputs required to fair value an instrument is observable, the instrument is included in level 2.

The Group's receivables for equipment sales are discounted at market interest rate. The fair values of receivables are based on cash flows discounted using applicable statistical country's interest rates for loans with a maturity more than 1 year reported by state banks of Lithuania and Latvia. This is a level 3 fair value measurement.

The fair value of the Senior Secured notes was EUR 937,428 thousand as at 30 September 2024 (31 December 2023: EUR 721,983 thousand). The carrying value of the borrowings is disclosed in note 20. This is a level 1 fair value measurement.

The fair value of interest rate swaps is calculated as present value of the estimated future cash flows.

On 28 February 2020, the Group acquired 100% shares of Baltcom SIA together with its 32.12% investment in the shares of Balticom AS, which is classified as an Other investment in the consolidated statement of financial position with a gain or loss from the changes in fair value (through annual revaluations performed) recognized in other comprehensive income (note 10). The fair value is determined using the level 3 inputs as the entity is not listed. Valuation is based on a combination of 2 methods (income capitalisation method and market valuation) with 70% weight for income approach and 30% weight for market approach.

Due to the short-term nature of the trade and other current receivables, trade and other current liabilities, their carrying amount is considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

Climate-related risks

In 2024 the Group presented ESG progress in the fourth sustainable business report. It includes a comprehensive evaluation of how well the Group coped with the management, social and environmental challenges faced in 2023. Realizing the importance of the Corporate Sustainability Reporting Directive (CSRD) and of unifying reporting standards in the transition to a sustainable EU economy, the Group took a voluntary decision to conduct double materiality assessment and issue the report for the year 2023 in accordance with European Sustainability Reporting Standards (ESRS). The report provides a comprehensive review of the Group's actions and the impact the operations had on the environment, communities, customers and employees. The report also examines how the Group is coping with various challenges when responding to climate related risks. The Group outlines steps which are being taken to further strengthen its approach to ESG and sustainability. It also lays down ambitious future plans, including a commitment to the Business Ambition for 1.5 °C and long-term Net-Zero target in order to mitigate the climate change, and achievements pursuing this commitment.

There is no significant financial impact of climate change on the Group's operations.

Geopolitical risks

Recent years have been challenging for the world economy, due in part to political turmoil and/or upheaval in a number of regions and the occurrence of terrorist attacks and armed conflict, as well as sharp global economic downturn in 2020 resulting from the first waves of the COVID-19 pandemic. In particular, the Russia-Ukraine conflict has resulted in severe political, social and economic consequences in the countries directly involved in the conflicting as well as neighbouring countries to Russia, including all three Baltic counties.

While the Group does not have operations in Russia and Ukraine, it maintains certain limited business operations with partners located in those countries, including for example in relation to roaming agreements, from which the Group generates a de minimis percentage of revenue, and for acquiring Ukrainian originated content to substitute banned Russian originated content. In addition, the ongoing war in Ukraine was a driver to increase in energy prices since 2022.

To mitigate the risks, the Group has adopted the Group Sanctions Policy, reflecting the rules of applicable sanctions regime, steps and tools, such as risk & compliance database, to be used.

There was no significant impact from geopolitical risks on the Group's financial statements for the nine months ended 30 September 2024.

(All amounts in thousands EUR unless otherwise stated)

5. Segment reporting

The Group's performance is examined based on three reportable business segments:

- Telco Lithuania – the segment includes mobile and fixed telecommunication services and PayTV services provided to customers in Lithuania.
- Telco Latvia – the segment includes mobile and fixed telecommunication services provided to customers in Latvia and PayTV services provided to customers in Latvia and Estonia.
- Media and Content – the segment includes the media operations in Lithuania, Latvia and Estonia, i.e., TV, commercial radio, streaming radio, video on demand, news and entertainment portals advertising services, wholesale and open market OTT services, content production and distribution services.

Information on reportable segments for the three months period ended 30 September 2024:

Three months ended 30 September 2024	**Telco Lithuania**	**Telco Latvia**	**Media and content**	**Eliminations and reconciling items**	**Total**
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME					
Internal	13,958	488	7,058	(21,504)	-
External	68,635	48,460	26,016	-	143,111
Revenue	**82,593**	**48,948**	**33,074**	**(21,504)**	**143,111**
ADJUSTED EBITDA	**29,929**	**17,533**	**5,728**	**(606)**	**52,584**

Information on reportable segments for the nine months period ended 30 September 2024:

Nine months ended 30 September 2024	**Telco Lithuania**	**Telco Latvia**	**Media and content**	**Eliminations and reconciling items**	**Total**
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME					
Internal	41,966	1,599	20,659	(64,224)	-
External	204,130	143,355	79,242	-	426,727
Revenue	**246,096**	**144,954**	**99,901**	**(64,224)**	**426,727**
ADJUSTED EBITDA	**89,658**	**50,822**	**16,749**	**(1,223)**	**156,006**

Information on reportable segments for the three months period ended 30 September 2023:

Three months ended 30 September 2023	**Telco Lithuania**	**Telco Latvia**	**Media and content**	**Eliminations and reconciling items**	**Total**
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME					
Internal	14,015	440	5,918	(20,373)	-
External	67,348	47,855	23,917	-	139,120
Revenue	**81,363**	**48,295**	**29,835**	**(20,373)**	**139,120**
ADJUSTED EBITDA	**27,321**	**16,566**	**4,954**	**(556)**	**48,285**

(All amounts in thousands EUR unless otherwise stated)

Information on reportable segments for the nine months period ended 30 September 2023:

Nine months ended 30 September 2023	Telco Lithuania	Telco Latvia	Media and content	Eliminations and reconciling items	Total
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME					
Internal	39,917	1,344	17,219	(58,480)	-
External	201,629	139,819	73,480	-	414,928
Revenue	**241,546**	**141,163**	**90,699**	**(58,480)**	**414,928**
ADJUSTED EBITDA	**79,380**	**47,210**	**17,261**	**(1,429)**	**142,422**

The reconciling items to reported revenue are as follows:

	Three months ended 30 September 2024	Three months ended 30 September 2023	Nine months ended 30 September 2024	Nine months ended 30 September 2023
Total segment revenue	143,111	139,120	426,727	414,928
Reconciling items to reported segment revenue:				
Divestment of real estate asset	1,605	-	1,605	-
Activation fee and other	200	94	422	178
Total revenue in the statement of profit or loss and other comprehensive income	**144,916**	**139,214**	**428,745**	**415,106**

The revenue from external parties and expenses included in Adjusted EBITDA as reported to the CODM are measured in a manner consistent with that in the consolidated statement of profit or loss and other comprehensive income, except for the activation fees that in internal reporting are classified as reduction of costs but are part of the revenues in the consolidated statement of profit or loss and other comprehensive income. The divestment of real estate asset is considered a one-off by internal reporting and therefore excluded from segment revenue.

A reconciliation of adjusted EBITDA to reported operating profit is as follows:

	Three months ended 30 September 2024	Three months ended 30 September 2023	Nine months ended 30 September 2024	Nine months ended 30 September 2023
Adjusted EBITDA	52,584	48,285	156,006	142,422
Reconciling items to reported operating profit:				
Depreciation and amortization	(21,156)	(23,053)	(62,622)	(70,216)
One-off reconciling items	(389)	(276)	(1,065)	(683)
Employee share-based payment scheme expenses	(34)	(21)	(103)	(62)
Operating profit	**31,006**	**24,935**	**92,216**	**71,461**

(All amounts in thousands EUR unless otherwise stated)

6. Revenue

Revenue based on products and services are set out below:

	Three months ended 30 September 2024	Three months ended 30 September 2023	Nine months ended 30 September 2024	Nine months ended 30 September 2023
Mobile revenue	62,405	61,063	184,793	179,905
Equipment sale revenue	22,980	24,597	68,629	75,413
PayTV revenue	22,965	19,664	66,648	56,817
Media and content revenue	17,601	17,860	56,276	56,682
Fixed broadband revenue	14,937	13,430	42,749	38,832
Lease of towers revenue	686	650	2,047	1,964
Revenue from electricity sales	129	258	736	826
Other revenue	3,213	1,691	6,867	4,667
Total revenue	**144,916**	**139,213**	**428,745**	**415,106**

The increase in other revenue during the three months and nine months ended September 2024 compared to the same period of 2023 was mostly driven by the Group's divestment of one of its real estate assets.

Revenue from external customers by the location in which the sale or service originated:

	Three months ended 30 September 2024	Three months ended 30 September 2023	Nine months ended 30 September 2024	Nine months ended 30 September 2023
Lithuania	81,602	77,366	240,215	233,234
Latvia	53,897	53,232	160,213	155,185
Estonia	9,417	8,615	28,317	26,687
Total revenue	**144,916**	**139,213**	**428,745**	**415,106**

Contract balances

The Group has recognized the assets and liabilities related to contracts with customers:

	30 September 2024	31 December 2023
Current contract assets	1,253	1,549
Non-current contract assets	413	474
Total contract assets	**1,666**	**2,023**
Current contract liabilities	9,346	10,657
Non-current contract liabilities	3,330	3,450
Total contract liabilities	**12,676**	**14,107**

(All amounts in thousands EUR unless otherwise stated)

7. Other expenses

	Three months ended 30 September 2024	Three months ended 30 September 2023 Reclassified*	Nine months ended 30 September 2024	Nine months ended 30 September 2023 Reclassified*
Frequency and other charges payable to regulatory authorities	(1,706)	(1,457)	(4,805)	(4,498)
TV technical and operations costs	(1,178)	(921)	(3,427)	(2,874)
TV related costs	(1,156)	(877)	(3,087)	(2,886)
Dealer commission costs	(857)	(618)	(2,884)	(1,848)
Data and internet costs	(773)	(755)	(2,266)	(2,400)
Audit, tax and other consultancy fees	(637)	(594)	(1,787)	(1,682)
Lease lines costs	(520)	(712)	(1,572)	(1,944)
Corporate events expenses	(490)	(506)	(1,829)	(351)
Billing costs	(334)	(316)	(952)	(1,027)
Insurance costs	(326)	(329)	(1,001)	(913)
Training and travel costs	(279)	(190)	(1,023)	(855)
Representation expenses	(262)	(202)	(1,054)	(837)
Mobile number portability and other direct costs	(192)	(695)	(1,240)	(1,689)
SIM cards and related costs	(156)	(363)	(448)	(1,027)
Other expenses	(1,834)	(1,300)	(4,156)	(3,557)
Total other expenses	**(10,700)**	**(9,835)**	**(31,531)**	**(28,388)**

* Information on the reclassification items is provided in note 3.

(All amounts in thousands EUR unless otherwise stated)

8. Finance costs and income

	Three months ended 30 September 2024	Three months ended 30 September 2023	Nine months ended 30 September 2024	Nine months ended 30 September 2023
Finance costs:				
Senior Secured notes interest expenses	(18,015)	(12,696)	(46,813)	(32,819)
Lease interest expenses	(656)	(638)	(2,036)	(1,953)
Bank and other interest expenses	(209)	(120)	(535)	(362)
Deferred payment liability for frequency charges – discounting costs	(62)	(67)	(186)	(193)
Amortization of revolving credit facility fee (note 16)	(59)	(57)	(173)	(167)
Assets' retirement obligation unwinding of the present value discount	(48)	(26)	(143)	(79)
Realised FV gains/(losses) on derivative financial instrument	656	-	792	-
Other finance costs	58	(22)	24	(31)
Total finance costs	**(18,335)**	**(13,626)**	**(49,070)**	**(35,604)**
Finance income:				
Interest from financial assets held for cash management	1,171	16	2,356	49
Other finance income	32	21	105	26
Total finance income	**1,203**	**37**	**2,461**	**75**
Unrealised FV gains/(losses) on derivative financial instrument	(7,829)	-	(8,888)	-
Total finance costs and income	**(24,961)**	**(13,589)**	**(55,497)**	**(35,529)**

9. Income tax

Income tax expense is recognized on management's estimate of weighted average effective annual income tax rate expected for the full financial year as well as dividend distribution plans (relevant for Latvia).

The estimated average annual tax rate used for nine months ended 30 September 2024 is 21% (excluding EUR 10.6 million of tax recognized for dividend distribution in Latvia), compared to 16% for nine months ended 30 September 2023. The tax rate slightly fluctuates year over year depending on the proportions and amount available for tax incentives and/or non-deductible expenses of that year.

The Group's consolidation under PLT VII Finance S.à r.l. is the final level of consolidation as entities above the Group structure benefit from the consolidation exemption. The Group is not subject to regulations under Pillar II as EU Council Directive 2022/2523 of 14 December 2022 does only apply to groups that meet the annual threshold of at least EUR 750 million of consolidated revenue, which has not yet been reached by the Group.

10. Other investments

Company	Country of incorporation and place of business	Nature of relationship	Measurement method	Proportion of ordinary shares held by the Group (%)	Nature of business	Carrying amount as at 30 September 2024	Carrying amount as at 31 December 2023
Balticom AS	Latvia	Equity instrument	Fair value through other comprehensive income ('**FVOCI**')	32.12	Mobile telecommunication services provider	5,810	5,790

(All amounts in thousands EUR unless otherwise stated)

As at 30 September 2024 the fair value of the other investment was remeasured and amounted to EUR 5,810 thousand (31 December 2023: EUR 5,790 thousand), with the gain on the change in fair value EUR 20 thousand accounted within other comprehensive income.

11. Capital expenditures

	Property, plant and equipment	Intangible assets
As at 31 December 2023		
Cost value	250,468	490,275
Accumulated depreciation	(129,249)	(207,758)
Net book amount	**121,219**	**282,517**
Opening net book amount 31 December 2023	121,219	282,517
Additions	38,948	12,479
Disposals and write-offs	(1,182)	(20)
Depreciation and amortisation	(23,432)	(23,527)
Closing net book amount 30 September 2024	**135,553**	**271,449**
As at 30 September 2024		
Cost value	278,338	485,386
Accumulated depreciation	(142,785)	(213,937)
Net book amount	**135,553**	**271,449**

12. Right of use assets

	Right of use assets
COST:	
31 December 2023	161,193
Additions and remeasurements	5,048
Write-offs due to early termination	(413)
30 September 2024	**165,828**
ACCUMULATED DEPRECIATION:	
31 December 2023	(96,966)
Charge for the period	(15,663)
Write-offs due to early termination	259
30 September 2024	**(112,370)**
NET BOOK VALUE 30 September 2024	**53,458**

13. Capitalized contract costs

As at 30 September 2024, the capitalized contract costs amounted to EUR 19,834 thousand (31 December 2023: EUR 18,620 thousand) and consisted of EUR 11,525 thousand (31 December 2023: EUR 8,812 thousand) capitalized bonuses paid to employees for signing new or extending contracts, EUR 5,165 thousand (31 December 2023: EUR 6,860 thousand) capitalized commissions paid to external parties for signing MBB/voice rate plans for Bite and EUR 3,144 thousand (31 December 2023: EUR 2,948 thousand) capitalized costs to obtain the contract for PayTV, mainly associated with STB boxes, installation costs, etc.

(All amounts in thousands EUR unless otherwise stated)

Capitalized contract costs amortization expenses are classified separately from depreciation and amortisation expense in the consolidated statement of profit or loss and other comprehensive income and amounted EUR 4,426 thousand in the three months and EUR 12,772 in the nine months ended 30 September 2024 (in the three months ended 30 September 2023: EUR 3,805 thousand; in the nine months ended 30 September 2023: EUR 10,946 thousand).

14. Inventory

	30 September 2024	31 December 2023
Programming rights	34,667	28,970
Equipment	12,871	9,273
IoT and related goods	3,857	3,970
Prepaid products and other inventories	3,544	4,046
	54,939	**46,259**
Less: loss allowance on slow moving inventory	(130)	(128)
Total inventory	**54,809**	**46,131**

15. Trade receivables

	30 September 2024	31 December 2023
Gross trade accounts receivable	97,612	98,702
Allowance for expected credit losses	(13,813)	(13,079)
Trade accounts receivable, net	**83,799**	**85,623**
Less: non-current portion	(5,357)	(5,711)
Current portion of trade accounts receivable, net	**78,442**	**79,912**

Movements on the allowance for impairment of trade receivables are as follows:

Beginning balance as at 1 January 2023	**11,840**
Loss allowance	4,299
Amounts written-off	(3,060)
Closing balance as at 31 December 2023	**13,079**
Loss allowance	3,990
Amounts written-off	(3,256)
Closing balance as at 30 September 2024	**13,813**

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade to measure the expected credit losses, trade receivables are grouped based on shared credit risk characteristics, i.e., receivables from residential and business customers and separately for services provided and equipment sold. The non-recoverability analysis is conducted for the past 4 years to determine the general default ratio.

The fair values of trade accounts receivable approximate the carrying values as of 30 September 2024 and 31 December 2023.

(All amounts in thousands EUR unless otherwise stated)

16. Other non-current assets and receivables at amortised cost

Other non-current assets and receivables comprise of:

	30 September 2024	31 December 2023
Non-current part of trade receivables for equipment	5,357	5,711
Total financial assets	**5,357**	**5,711**
Revolving credit facility fee (note 8)	1,431	310
Other non-current prepayments and assets	1,540	1,384
Total non-financial assets	**2,971**	**1,694**
Total	**8,328**	**7,405**

The Group offers to customers instalment payments for equipment purchase over a period. As at 30 September 2024, outstanding trade receivables from such equipment sales totals EUR 9,563 thousand (31 December 2023: EUR 14,199 thousand). The non-current part of trade receivables for equipment amounts to EUR 5,357 thousand (31 December 2023: EUR 5,711 thousand). The current portion of receivables from the sales amounts to EUR 4,206 thousand (31 December 2023: EUR 8,488 thousand) and is included into a line item 'Trade accounts receivable' in the statement of financial position.

The fair value of trade receivables is disclosed in note 15.

17. Financial assets at fair value through profit or loss

There are longstanding arrangements between the Group and customer financing entities for the receivables owed by customers to be transferred to the customer financing entities at the time the equipment is sold to the customer. Consistent with this arrangement the Group has been selling the full portfolio of not-due accounts receivable from the residential customers for equipment bought in instalments to customer financing entities at regular intervals, rather than at the time of sale. The accounts receivables sold to customer financing entities are less than 1 month old at the time of sale and all credit risk on the sold receivables is transferred to the customer financing entities at that time. The Group is paying one-off fixed rate commission to the financing entity at the moment of every sale and carries no further cash flow risk, as commissions paid cannot be adjusted subsequently, depending on default rates or any other factors. The Group has classified these receivables as financial assets at fair value through profit or loss and the balance as at 30 September 2024 amounted to EUR 4,672 thousand (31 December 2023: EUR 6,584 thousand).

The details on the variances during the nine months ended 30 September 2024 are presented in the note 28.

18. Other current assets at amortised cost

The current portion of the other assets and prepayments is specified below:

	30 September 2024	31 December 2023
Accrued income	345	306
Other current assets	1,735	1,440
Total financial assets	**2,080**	**1,746**
Current part of PayTV prepaid expenses	462	443
Other prepayments and deferred expenses	5,701	5,283
Total non-financial assets	**6,163**	**5,726**
Total	**8,243**	**7,472**

The fair values of financial assets approximate the carrying values as at 30 September 2024 and 31 December 2023.

(All amounts in thousands EUR unless otherwise stated)

19. Equity

Share capital

PLT VII Finance S.à r.l. was incorporated on 3 March 2020 in Luxembourg as a private limited liability company (société à responsabilité limitée) with the issued share capital set at EUR 12 thousand, divided into 12,000 ordinary shares each with a nominal value of EUR 1. The share capital was subscribed and fully paid up by the sole shareholder PLT VII Holding S.à r.l. Pursuant to the Articles of the Company, the authorised share capital (including the authorised unissued share capital and the issued share capital) amounts to EUR 500,000 thousand.

The Company carried out repayments out of the freely distributable account of the Company to the sole shareholder PLT VII Holding S.à r.l. on the following dates and with the following amounts: 18 April 2024 – EUR 72 thousand, 21 August 2024 – EUR 781 thousand, 27 August 2024 – EUR 30 thousand.

As at 30 September 2024, the share capital of PLT VII Finance S.à r.l. amounts to EUR 33,585 thousand (31 December 2023: EUR 33,585 thousand) and consists of 33,585,110 fully paid ordinary shares (31 December 2023: 33,585,110 shares) at par value of EUR 1 each. The share premium of the Company amounts to EUR 5,837 thousand as at 30 September 2024 (31 December 2023: EUR 6,720 thousand).

In July 2024, the Company paid EUR 208,410 thousand dividends to its Parent company PLT VII Holding S.à r.l.

Reorganization reserve

In the course of the Group's reorganization, on 30 April 2020 the Company became an ultimate parent of PLT VII Finance B.V. and the Group. The transaction was accounted for as a legal reorganization of the Company by PLT VII Finance B.V., therefore this condensed consolidated interim financial information is presented using the values from the consolidated financial statements of the previous holding company. The reorganization reserve was formed due to the elimination of the share capital of PLT VII Finance B.V. (EUR 14,825 thousand) and Company's investment in the Group. Since the shareholders of PLT VII Finance S.à r.l. became the ultimate shareholders of PLT VII Finance B.V. and the Group through contribution in kind as described above, the combination is accounted for as though there is a continuation of the legal subsidiary's financial information.

20. Borrowings

	30 September 2024	31 December 2023
Senior Secured notes [1]	917,683	733,768
Revolving credit facilities [2]	149	52
Outstanding balance at the end of period	**917,832**	**733,820**

The contractual maturity of the borrowings was as follows:

	30 September 2024	31 December 2023
Not later than 1 year	9,213	14,835
Later than 1 year but not later than 5 years	-	718,985
Later than 5 years	908,619	-
Outstanding balance at the end of period	**917,832**	**733,820**
Less: current portion	(9,213)	(14,835)
Total non-current borrowings	**908,619**	**718,985**

1 As at 30 September 2024, the carrying amount of Senior Secured notes includes accrued interest of EUR 9,064 thousand and an unamortised arrangement fee of EUR 11,381 thousand (EUR 14,783 thousand interest and EUR 6,015 thousand arrangement fee as at 31 December 2023).

2 As at 30 September 2024, the carrying amount of revolving credit facilities included accrued fees of EUR 149 thousand (EUR 52 thousand as at 31 December 2023).

(All amounts in thousands EUR unless otherwise stated)

On 30 May 2024 PLT VII Finance S.à r.l., together with a consortium of banks, entered into an amendment and restatement agreement, in respect to the Super Senior Revolving Credit Facility agreement originally dated 8 July 2020. The revolving credit facility aggregate principal amount was upsized from EUR 50 million to EUR 100 million with maturity on 15 December 2030. The revolving credit facility bears interest at an annual rate of three months EURIBOR plus applicable margin, which depends on the Group's Leverage Ratio and can be set in the range from 2% to 3%. As at the date of this condensed consolidated interim financial information the margin rate is 2.500%. The Group is charged with a commitment fee to maintain the facility availability. The commitment fee is calculated at the rate of 30% of the applicable margin on the un-drawn part of the respective facility. The amortization of the commitment fee is only due after the credit withdrawal date. As at 30 September 2024 the RCF agreement fee amounting to EUR 1,500 thousand is associated with the undrawn balance of the facility and is included into a line item 'Other non-current assets and receivables' in the statement of financial position (note 16). The agreement fee is amortized over the RCF term.

On 13 June 2024 the Company as an original Issuer issued Senior Secured notes in amount of EUR 920,000 thousand, with maturity on 15 June 2031. The Senior Secured floating rate notes in the amount of EUR 500,000 thousand bear interest at an annual rate of three months EURIBOR (subject to a 0% floor) plus margin 3.500%. The interest on the Senior Secured floating rate bonds is payable quarterly on 15 March, 15 June, 15 September and 15 December of each year. The Senior Secured notes in amount of EUR 420,000 thousand bear interest at an annual rate of 6.000%; the interest on the Senior Secured notes is payable semi-annually on 15 June and 15 December of each year. The transaction costs related to the new bond notes issue amount to EUR 11,800 thousand are amortized to the finance costs over the bonds' term. The proceeds from the new issue of Senior Secured notes were used to redeem the Senior Secured notes, that the Company had previously issued. The EUR 250,000 thousand principal amount of Senior Secured floating notes due 2026 together with EUR 3,945 thousand accrued interest was paid back in June 2024 and the remaining EUR 475,000 thousand principal amount of Senior Secured notes with EUR 10,984 thousand accrued interest was repaid on 15 July 2024. The floating notes were delisted from TISE on 17 June 2024, the fixed notes were delisted on 18 July 2024.

Collaterals

At the date of the issuance of the condensed consolidated financial statements, the obligations of the Group were secured with the following first-ranking collaterals:

- Pledge over the shares of PLT VII International S.à r.l., Bitė Lietuva UAB, TeleTower UAB, All Media Lithuania UAB, Bite Latvija SIA, All Media Latvia SIA, TeleTower SIA, Bitė group UAB, All Media Group UAB.
- Pledge over the existing and future funds in material bank accounts of PLT VII Finance S.à r.l., PLT VII International S.à r.l., Bitė Lietuva UAB, TeleTower UAB, All Media Lithuania UAB, Bitė group UAB, All Media Group UAB.
- Pledge over the existing and future claims in respect of material receivables, i.e. rights and claims arising under the material intragroup loans held by PLT VII Finance S.à r.l., PLT VII International S.à r.l., Bitė Lietuva UAB, TeleTower UAB, All Media Lithuania UAB, Bite Latvija SIA, TeleTower SIA, All Media Latvia SIA, Bitė group UAB, All Media Group UAB.

21. Derivative financial instruments

On 5 June 2024 the Company entered into two interest rate cap agreements: 2.8995% per annum for the floating interest of EUR 175,000 thousand Senior Secured floating notes, the agreement is valid from 15 June 2024 until 15 June 2028, and 3.023% per annum for the floating interest of another EUR 175,000 thousand Senior Secured floating notes, the agreement is valid from 15 June 2024 until 15 June 2027. The agreements essentially fixed the variable EURIBOR part of the majority of floating rate notes.

As at the end of each period presented fair value of the derivative was as follows:

	30 September 2024	31 December 2023
Interest rate swap	(8,888)	-
Total derivative financial instruments	**(8,888)**	**-**

(All amounts in thousands EUR unless otherwise stated)

22. Lease liabilities

The contractual maturity of lease liabilities are as follows:

	30 September 2024	31 December 2023
Not later than 1 year	18,081	19,129
Later than 1 year but not later than 5 years	30,987	38,430
Later than 5 years	3,190	4,017
Outstanding balance at the end of period	**52,258**	**61,576**
Less: current portion	(18,081)	(19,129)
Total non-current lease liabilities	**34,177**	**42,447**

23. Supplier financing arrangement

The Group is using a supplier financing arrangements which offers to a supplier of the Group an option to receive earlier payment of the Group's accounts payable. The Group does not provide any additional collateral or guarantee to the financial institution.

Since 2023 The Group also has an arrangement on extended payment terms with no limit assigned with one of the main suppliers. The extended payment terms are supported by a financing arrangement between the supplier and financial institution.

As at 30 September 2024, the payable under the supplier financing arrangement amounted to EUR 50,948 thousand (31 December 2023: EUR 39,193 thousand).

24. Non-current and current liabilities and accrued expenses

Other non-current liabilities comprise of:

	30 September 2024	31 December 2023
Deferred payment liabilities for frequency charges	5,379	5,355
Total financial liabilities	**5,379**	**5,355**
Other non-current liabilities	2,232	1,280
Total non-current liabilities	**2,232**	**1,280**
Total	**7,611**	**6,635**

The deferred payment liabilities for frequency charges comprises deferred payments (15-20 years since acquisition) for the right to use 900-1800 MHz bands until year 2032, acquired in 2016, the right to use 3600-3700 MHz bands until year 2042 and right to use 723-728 MHz and 778-783 MHz bands until year 2042, both acquired in 2022.

As payment of the consideration is deferred beyond normal credit terms (i.e., was not initially paid in full), the asset has been recognised at the equivalent of cash paid, and the difference between this amount and the amount to be paid overtime will be recognised as interest expense during the period of the credit.

(All amounts in thousands EUR unless otherwise stated)

Deferred payment liabilities related to frequency charges as described above are as follows:

	30 September 2024	31 December 2023
Not later than 1 year	370	466
Later than 1 year but not later than 5 years	2,137	2,067
Later than 5 years	3,242	3,288
Outstanding balance at the end of period	**5,749**	**5,821**
Less: current portion	(370)	(466)
Total non-current liability	**5,379**	**5,355**

The current accrued expenses and other liabilities comprise of the following:

	30 September 2024	31 December 2023
Current liabilities	86	145
Other accrued expenses	7,405	7,518
Total financial liabilities	**7,491**	**7,663**
Contingent consideration for business combinations	-	506
Total financial liabilities at fair value through profit or loss	**-**	**506**
Salaries, bonuses and related social security tax payable	10,536	9,725
Vacation reserve	5,038	5,469
Other taxes payable	7,968	7,694
Total current accrued expenses and other liabilities	**23,542**	**22,888**
Total	**31,033**	**31,057**

The fair values of financial liabilities approximate the carrying values as of 30 September 2024 and 31 December 2023.

25. Provisions

	30 September 2024	31 December 2023
Asset retirement obligation	11,926	12,875
Provisions for legal claims	310	310
Other provisions	158	123
Total	**12,394**	**13,308**

The provisions for legal claims comprise of the amount provided for channel distribution in Go3 AS, and a couple of disputes in relation to reports showed in the news program in All Media Latvia SIA.

26. Transactions with related parties

The Company carried out repayments out of the freely distributable account of the Company to the sole shareholder PLT VII Holding S.à r.l. on the following dates and with the following amounts: 18 April 2024 – EUR 72 thousand, 21 August 2024 – EUR 781 thousand, 27 August 2024 – EUR 30 thousand.

There were no other material transactions with related parties for the nine months ended 30 September 2024.

(All amounts in thousands EUR unless otherwise stated)

27. Key management compensation

The key management of the Group are:

- PLT VII Finance Sarl Board of Directors,
- The Supervisory Council members,
- The Group Chief Executive Officer, the Group Chief Financial Officer, the Group Chief Technology Officer, the Group Sales Director and the Group Chief Procurement Officer,
- The CEO in Bitė Lietuva UAB, the CEO in Bite Latvija and TV3 Group CEO.

Remuneration (salaries, bonuses and other compensations) to respective management in respect of their work performed for the Group is shown below:

	Three months ended 30 September 2024	Three months ended 30 September 2023	Nine months ended 30 September 2024	Nine months ended 30 September 2023
Remuneration	523	482	1,566	1,494
Bonuses	337	365	1,029	1,095
Social security contributions	37	36	101	113
Short-term employee benefits, total	**897**	**883**	**2,696**	**2,702**
Termination expenses	-	-	-	275
Total	**897**	**883**	**2,696**	**2,977**

The outstanding payable balances to respective management in respect of their work performed to the Group were EUR 1,083 thousand as at 30 September 2024 (30 September 2023: EUR 1,182 thousand).

Transactions with key management other than compensation

The Group key management is minority shareholder of PLT VII Baltic Topco S.à r.l., holding 9% of total share capital of this entity.

28. Seasonality of business and significant transactions

The Group's mobile business is not highly seasonal; however, the summer months and December are considered as the peak trading periods. The increase in trade during the summer months relates to the higher level of travelling and people on the move, which is reflected in higher usage of mobile technology and in particular – roaming. The traffic volume similarly increases in December due to the festive period.

FreeTV advertising business is significantly influenced by seasonality. In January/ February and during the summer months (July/ August), advertising sales are the lowest within the year, mainly due to lower domestic consumption. In spring (March to May, or around Easter) and fall season up until Christmas (September to December), advertising sales are the highest, peaking in November/ December. This relates to increased demand for TV advertising due to high PUT (people using TV) level, strong TV program schedule and increased domestic consumption, especially in the periods before Easter and Christmas.

Seasonality impact on PayTV is minor.

29. Events occurring after the reporting period

On 1 October 2024 the Group subsidiary Star FM SIA was reorganized by merging with All Media Latvia SIA, which took over all of Star FM SIA rights and obligations, assets and liabilities. Star FM SIA ceased to exist.

There were no other significant events occurring after the reporting period that would influence the economic decisions of the users of these condensed interim financial statements.