

PLT VII Finance S.à r.l. Q4 2024 Results

Represented by:

Pranas Kuisys, CEO Bitė Group

Kęstutis Gailius, CFO Bitė Group



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Agenda

1 Key Highlights

2 Trading Update

3 Q&A



1. Key Highlights



Key Highlights

Comments

Bité Group

- Service Revenues increased by 6% YoY to €126.2m in Q4'24, reflecting strong Mobile, Fixed Broadband and PayTV performance
- Adjusted EBITDA increased by 7% YoY to €67.5m, which was largely driven by a strong top-line growth and effective cost management
- Operating Cash Flow decreased by -26% YoY driven by higher Capex levels in Q4'24 due to variations in quarterly timing of the 5G rollout and acceleration of the end user routers rental service
- The total number of RGUs increased by 2% YoY, totaling 3.0m at the end of Q4'24

Mobile

- Mobile business grew YoY primarily due to Postpaid base price revisions in Lithuania in Q1'24 and gradual Postpaid base price revisions across the quarters in Latvia

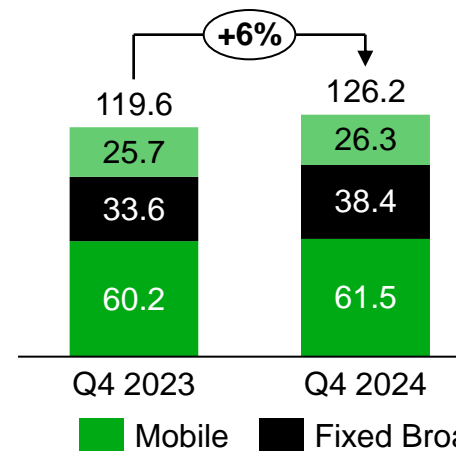
Fixed Broadband and PayTV

- Fixed Broadband segment grew YoY, driven by 5G Fixed Wireless Access (FWA) RGUs growth, price revision for FWA RGUs in Lithuania in Q1'24, gradual price revisions across the quarters in Latvia, and organic ICT business growth
- PayTV grew YoY on the back of strong OTT RGUs growth and revision of OTT package prices

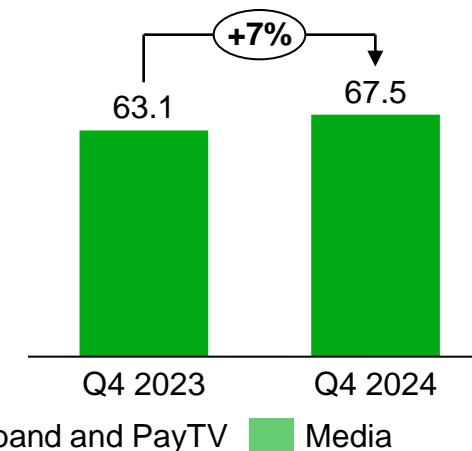
Media

- In Q4'24 Media business revenue increased by 2% YoY, primarily due to advertising sales increase in Lithuania and radio business growth across all markets

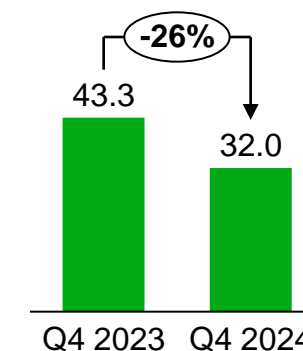
Service Revenue, €m



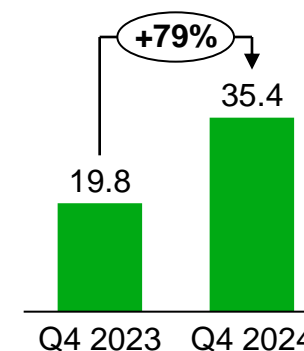
Adjusted EBITDA⁽¹⁾, €m



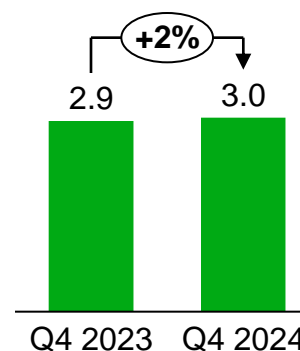
Operating Cash Flow⁽²⁾, €m



CAPEX⁽¹⁾, €m



Total RGUs⁽³⁾, m



(1) Starting Q3'24 the Group has reclassified content as intangible assets. Sports production cost were restated under current assets as a part of annual financial close. Previous periods were adjusted accordingly
 (2) Operating cash flow defined as Adjusted EBITDA minus Capex
 (3) IoT are excluded from total number of RGUs

Comments

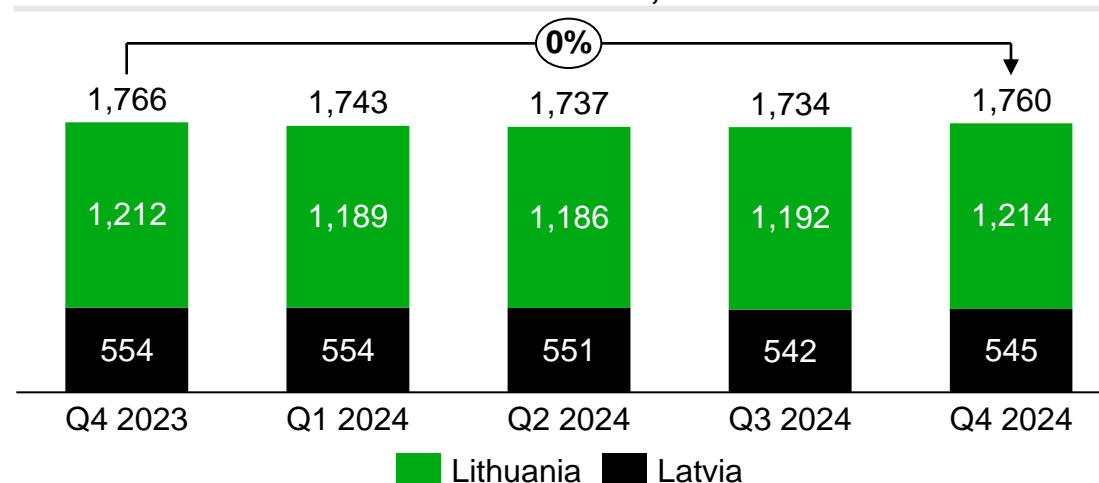
Lithuania

- Mobile RGUs increased by 3k YoY in Q4'24, Postpaid added +5k, Prepaid decreased by -5k and Data only increased by 3k
- The ARPU in Lithuania grew YoY mostly due to Postpaid base price revision in Q1'24 and reduced churn levels. Interconnect decline of 50% had no impact to consistently growing AGMPU

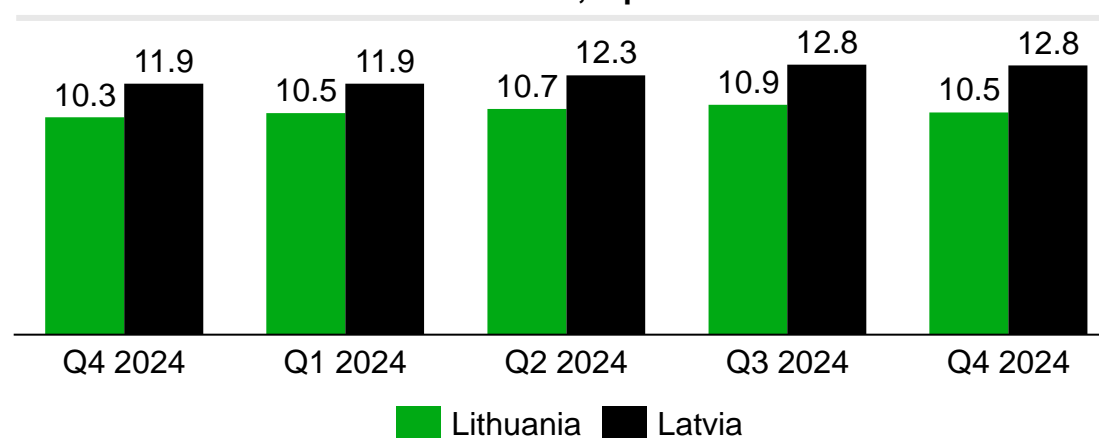
Latvia

- Mobile RGUs decreased by -9k YoY in Q4'24, Postpaid added +3k, Data only decreased by -15k due to partial migration and higher focus on Fixed Wireless Access RGU acquisition, Prepaid increased by 2k
- The ARPU in Latvia grew YoY mostly due to gradual Postpaid base price revisions across the quarters, offsetting the negative impact of the interconnect rates reduction by 50%. Interconnect decline had no impact to consistently growing AGMPU

Mobile RGUs⁽¹⁾, th.



Mobile ARPU⁽¹⁾, € per month



(1) IoT are excluded from the Mobile RGUs and ARPU; there were 349k IoT RGUs (excluding smart meters) at the end of Q4'24

Fixed Broadband & PayTV Segment

Comments

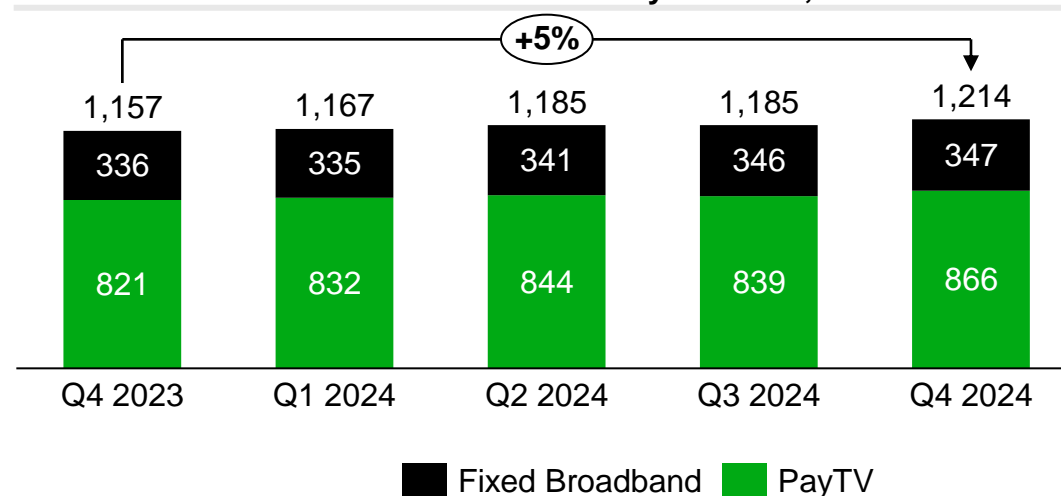
Fixed Broadband

- Fixed Broadband RGUs increased by 11k YoY, driven by growth in 5G Fixed Wireless Access (+19k). This was partially offset by a reduction in Fixed Broadband (-8k) following a one-off related to the integration of Baltcom
- The ARPU grew, both YoY and QoQ, primarily due to price revision for Fixed Wireless Access and Fixed Broadband RGUs in Lithuania in Q1'24 as well as gradual price revisions across the quarters in Latvia and organic ICT business growth

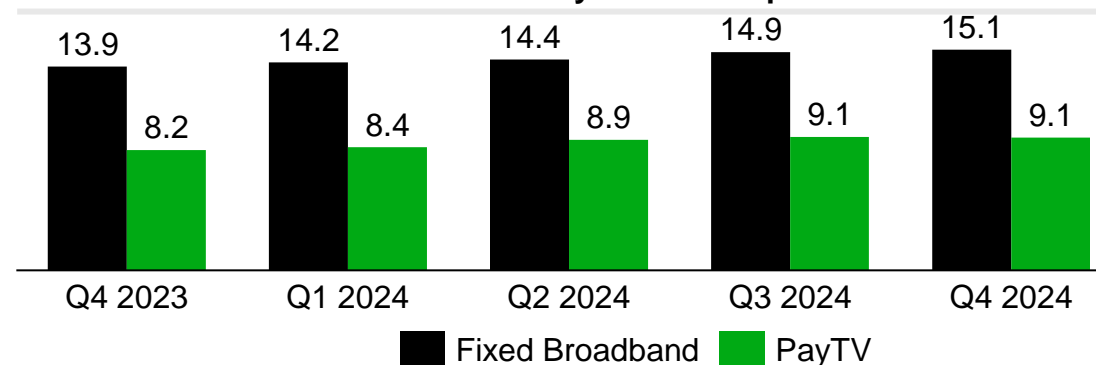
PayTV

- PayTV RGUs grew YoY on the back of strong OTT RGUs growth (+95k), which more than offset the decline in DTH (-11k), VO ⁽¹⁾ (-25k) and cable Pay TV RGUs (-13k)
- Strong growth of the OTT RGUs was driven by OTT cross-selling to our Mobile, Fixed Broadband and Fixed Wireless Access base as well as strong growth in open market base. Increase in open market base was also driven by the new partnership with Netflix launched in November
- The ARPU increased YoY mainly due to OTT package prices revision in all three countries and the launch of Extra sports package which includes sports rights sublicensed from Viaplay

Fixed Broadband and PayTV RGUs, th.



Fixed Broadband and PayTV ARPU € per month



(1) VO – sales of premium sports and movie channel packages to end customers via other PayTV operators

Comments

Media revenue

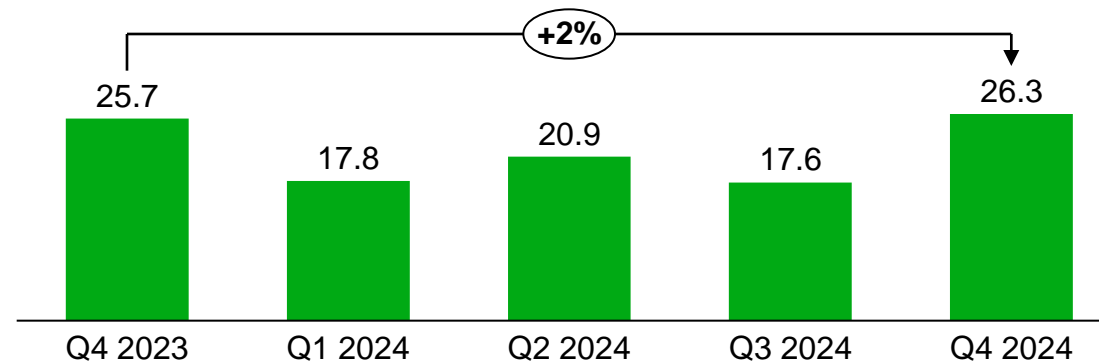
- In Q4'24 Media business revenue increased by 2% YoY, primarily due to advertising sales increase in Lithuania and radio business growth across all markets

Commercial share of viewing

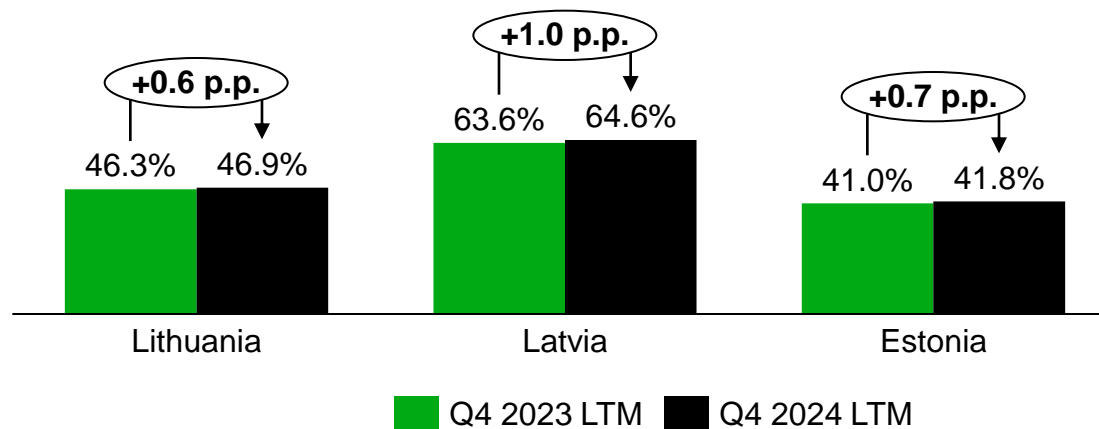
Main TV3 Group channel TV3 has maintained its #1 position in Latvia and Lithuania:

- In Lithuania, the TV3 Group CSOV increased by 0.6 p.p., due to strong performance of main TV3 channel and TV6
- In Latvia, the TV3 Group CSOV increased by 1 p.p. compared to last year, mainly driven by strong performance of secondary channels TV6 and 3+
- In Estonia, the combined TV3 Group CSOV increased by 0.7 p.p. YoY due to strong Autumn programming performance in main TV3 channel

Media Revenue, development, €m



Commercial share of viewing (CSOV), TG 15-59





2. Trading Update



- The financials presented herein have been consolidated at the PLT VII Finance S.à r.l. level and prepared in accordance with the IFRS
- The analysis is based on audited financial information for the year 2024 and unaudited information for the Q4 of 2024. Comparable information for the year 2023 and the Q4 of 2023 has been provided
- All financial information is presented in millions of euro, unless it is otherwise stated
- “Adjusted EBITDA” represents the EBITDA, as adjusted for certain items that the Group’s management considers to be exceptional, non-cash or non-recurring in nature
- “*Adjusted EBITDA pro forma*” for the twelve months ending on 31 December 2024 represents the Adjusted EBITDA for the twelve months ending on 31 December 2024, after giving a pro forma effect to the estimated annual impact of certain anticipated synergies and cost savings that we expect to realise as a result of the acquisitions

Comments

- Service revenue grew by 5.5% YoY in Q4'24. 2.1% Mobile growth was driven by Postpaid base price revisions: in Q1'24 in Lithuania and gradual revisions across the quarters in Latvia. Fixed Broadband and PayTV grew mostly due to strong OTT base development and revised pricing for OTT and Fixed Wireless Access. Media increase by 2.3%, primarily due to advertising sales increase in Lithuania and radio business growth across all markets
- Equipment and other revenue increased by 0.5% YoY in Q4'24 with equipment cost increasing by 1.8%. As a result, the overall impact to EBITDA was marginal
- Employee compensation decreased by 3.5% mainly due to Baltcom integration
- Content and programming costs increased due to the increase in channel variable fees directly related to OTT segment subscriber base growth
- Roaming and interconnect costs declined due to the interconnect rates reduction in Lithuania and Latvia
- Other costs increase was mainly related to increase in advertising cost and dealer commissions in connection with additional external sales teams
- Adjusted EBITDA increased by 7% in Q4'24

Financials

€m	Q4 2023	Q4 2024	YoY (%)	YTD 2023	YTD 2024	YoY (%)
Mobile	60.2	61.5	2.1%	240.1	246.3	2.6%
Fixed Broadband and PayTV	33.6	38.4	14.2%	129.3	147.8	14.3%
Media	25.7	26.3	2.3%	82.4	82.6	0.2%
Service Revenue	119.6	126.2	5.5%	451.8	476.7	5.5%
Equipment and other ⁽¹⁾	29.3	29.4	0.5%	112.1	106.1	(5.4%)
Total Revenue	148.9	155.6	4.6%	564.0	582.8	3.3%
Equipment costs	(28.2)	(28.7)	1.8%	(106.9)	(98.9)	(7.5%)
Employee compensation & benefit	(22.0)	(21.2)	(3.5%)	(84.9)	(86.7)	2.2%
Content and programming costs	(6.1)	(7.1)	16.9%	(22.2)	(27.0)	21.6%
Roaming and interconnect costs	(5.2)	(3.5)	(32.2%)	(20.7)	(14.7)	(29.1%)
Other costs	(27.4)	(33.2)	21.5%	(103.1)	(114.2)	10.7%
One-offs and other adjustments ⁽²⁾	3.0	5.5	86.2%	3.6	8.3	132.3%
Adjusted EBITDA	63.1	67.5	7.0%	229.8	249.7	8.7%
<i>% Margin</i>	<i>42.4%</i>	<i>43.3%</i>		<i>40.8%</i>	<i>42.8%</i>	

(1) In Q4'24, the divestment of real estate asset recorded in Q3'24 was reclassified from Total Revenue to Other Gains. One-offs were adjusted accordingly

(2) One-offs and other adjustments mainly included costs related with non-recurring transaction cost, consulting expenses related to new operational model of business, changes in organizational structure and other projects

Group Capex

Comments

- Capex level increased by 4% YoY in 2024 as planned primarily driven by the launch of end user routers rental service at the end of 2023
- The 79% YoY increase in Q4'24 was driven by variations in quarterly timing of the 5G rollout and the acceleration of the end user routers rental service

Capex⁽¹⁾, €m



% of revenue



(1) Capex is accounted on a cash basis

Comments

- Bitė sustained robust cash generation in 2024, achieving cash conversion rate⁽²⁾ of 58.2%. Despite substantial investments into 5G, cash generation increased by 13.3%
- Positive NWC change in Q4'24 was mainly driven by better inventory level in Telco business
- Yearly NWC change was neutral as the growth of accounts receivable impacted by service revenue growth was offset by improvement in accounts payable through supplier financing arrangements
- Income tax expense declined in 2024 due to the absence of dividend distributions by Bite Latvia

Cash Flow

€m	Q4 2023	Q4 2024	YoY (%)	YTD 2023	YTD 2024	YoY (%)
Adjusted EBITDA	63.1	67.5	7.0%	229.8	249.7	8.7%
<i>% margin</i>	<i>42.4%</i>	<i>43.3%</i>		<i>40.8%</i>	<i>42.8%</i>	
Adjusted Capex	(19.8)	(35.4)	78.8%	(99.9)	(104.4)	4.5%
<i>% of total revenue</i>	<i>(13.3%)</i>	<i>(22.8%)</i>		<i>(17.7%)</i>	<i>(17.9%)</i>	
Operating Cash Flow⁽¹⁾	43.3	32.0	(26.0%)	129.9	145.3	11.9%
<i>% Cash Conversion⁽²⁾</i>	<i>68.8%</i>	<i>47.5%</i>		<i>56.5%</i>	<i>58.2%</i>	
Change in NWC	8.0	1.6	(80.2%)	(0.4)	(0.3)	(27.4%)
One-offs and other adj. ⁽³⁾	(3.0)	(5.5)	86.2%	(3.6)	(6.7)	87.5%
Taxes	(6.0)	(3.8)	(36.2%)	(15.3)	(12.9)	(15.5%)
Cash Flow pre-acquisitions	42.3	24.2	(42.7%)	110.6	125.4	13.3%
Acquisitions	0.0	0.0		(0.7)	(0.6)	(22.7%)
Cash Flow pre-financing	42.3	24.2	(42.7%)	109.9	124.8	13.6%

(1) Operating Cash Flow is defined as the Adjusted EBITDA minus the Total Capex

(2) Defined as the Operating Cash Flow / Adjusted EBITDA

(3) One-offs and other adjustments mainly included costs related with non-recurring transaction cost, consulting expenses related to new operational model of business, changes in organizational structure and other projects

Capitalisation

31 December 2024	€m	x Adj. EBITDA	Maturity
Cash and cash equivalents	(28.0)		
Senior Secured Notes	420.0		June 2031
Floating Rate Notes	500.0		June 2031
Net senior secured debt	892.0	3.6x	
Lease liabilities	50.5		
Net total debt	942.4	3.8x	
New SSRFC (undrawn) ⁽¹⁾	100.0		December 2030
Adj. EBITDA pro forma (LTM)	249.7		
<i>Total Liquidity</i>	<i>128.0</i>		

(1) €1m of SSRFC limit was reserved for issuing guarantees, which was necessary to enter into IoT smart metering contract

3. Q&A

Contacts

For more information visit:
<https://www.bitegroup.net/>

For queries contact:
investors@bitegroup.net