



# Q2 2021 Results

26 August 2021

Tele Columbus AG

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All figures in this presentation are calculated based on exact numbers and results are rounded to appropriate accuracy.

# Agenda

**1. Key Messages**

***Dr Daniel Ritz (CEO)***

**2. Operational Update & KPIs**

***Dr Daniel Ritz (CEO)***

**3. Financial Performance**

***Eike Walters (CFO)***

**4. Outlook**

***Dr Daniel Ritz (CEO)***

**5. Q&A**

# Key Messages – Q2 2021

## Operational

- Continued momentum in **Internet and Telephony** net add performance (**+6k / +4k**)
  - **CATV** challenges remain (**-22k net adds**), **Premium TV** net adds broadly stable
  - **NPS** scores firmly in **positive territory**, plateauing in Q2 after a long rally
  - **PYUR** rated “**good**” in recent **connect broadband test**, significantly higher score than in 2020
  - **B2B** revenues **down 2.7% YoY** as expected slow-down materialises
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## Financial

- **Q2 Core Revenues** (excl. construction work) **down 0.6% YoY to EUR 115.7 million**
  - **Q2 Reported EBITDA** **down 6% YoY to EUR 53.6 million**, driven by lower reported revenues and opex increase
  - **Q2 Capex** **increases by 11% YoY to EUR 35.7 million** due to network quality initiatives and investments into our fibre backbone rings
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## Strategic

- Successful **EUR 475 million equity rights issue** and **EUR 360 million deleveraging** conducted
- **New Supervisory Board** appointed at AGM in May
- **Delisting offer** at EUR 3,25/share published August 4th, offer period runs until September 1st
- **FY 2021 guidance updated** to reflect operational launch of the Fibre Champion strategy

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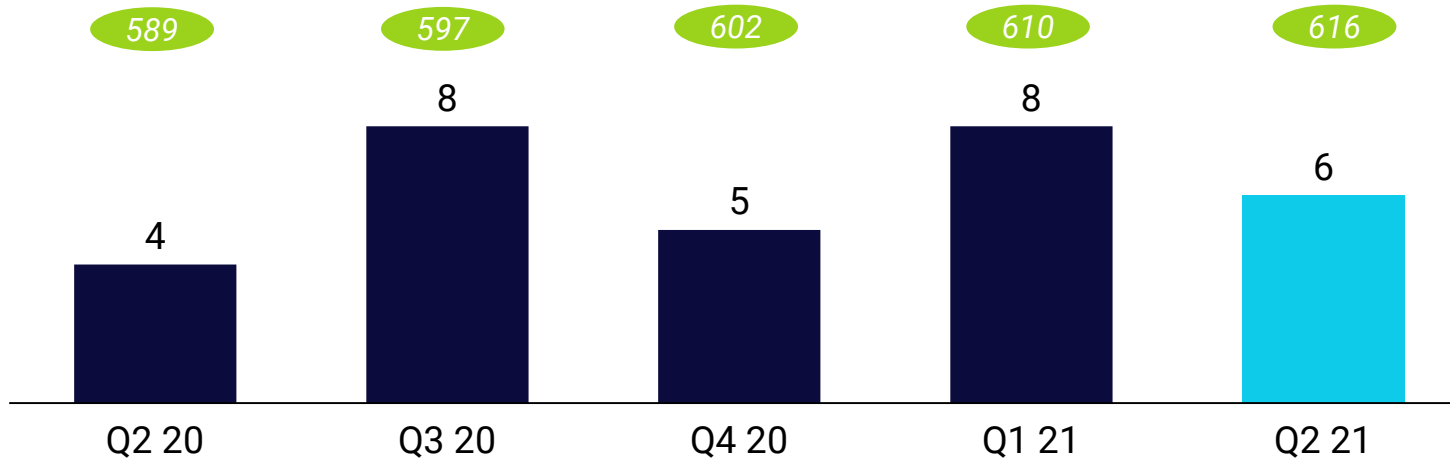
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# Operational Update & KPIs: Internet & Telephony customer base growth continues

## Internet<sup>1</sup> RGU net change

Thousands, rounding differences might occur

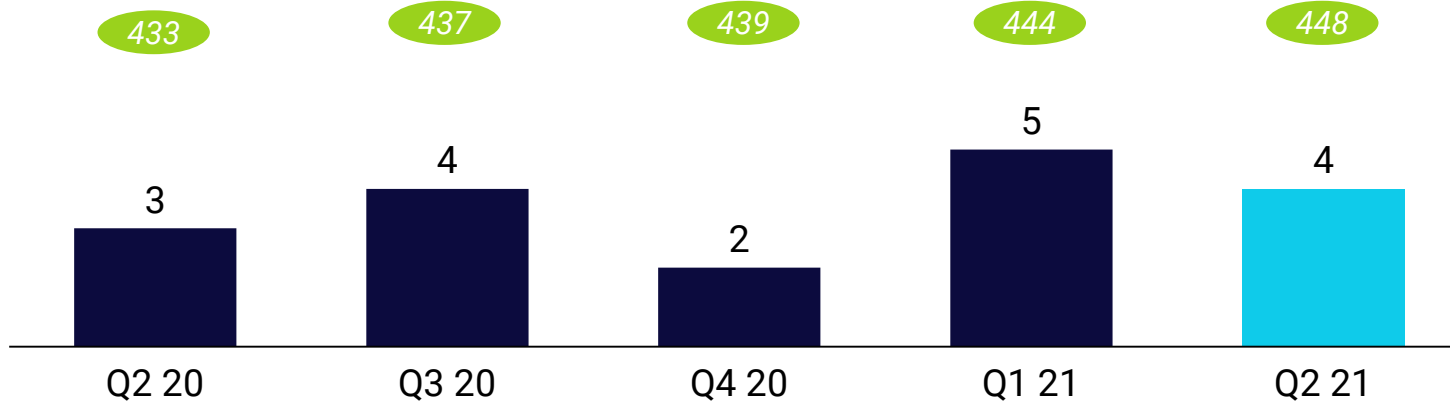


### Internet

- Positive momentum continues in Q2 with 6k IP net adds
- Net adds better YoY

## Telephony<sup>2</sup> RGU net change

Thousands, rounding differences might occur



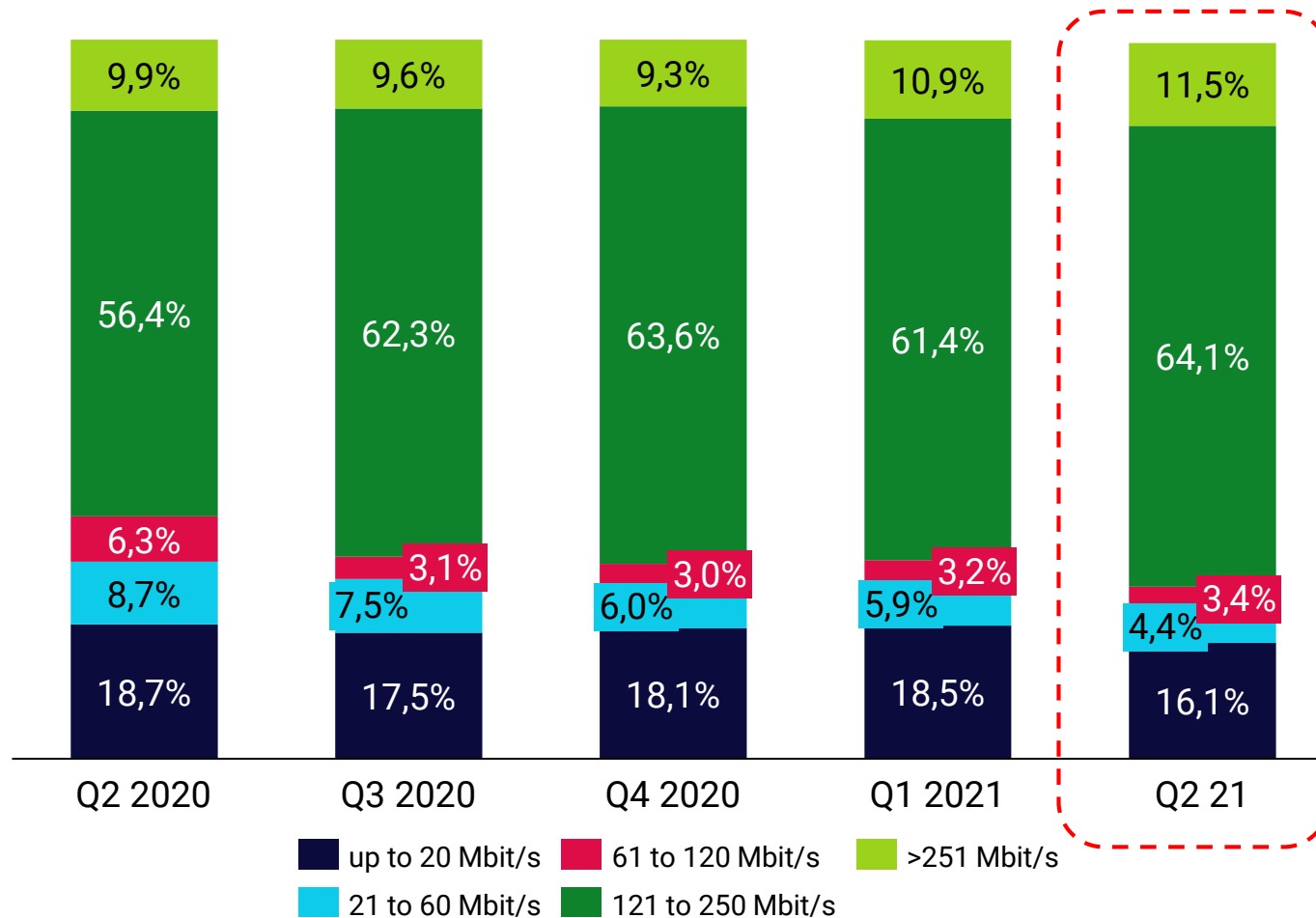
### Telephony

- Customer base growth in fixed-line telephony linked to IP performance

# Operational Update & KPIs: Trend towards higher bandwidth continues

## Quarterly gross adds<sup>1</sup>

Ordered bandwidth as % of total gross adds, rounding differences might occur



- **More than 75%** of gross adds choose **high-speed tariffs**, share of top tier >250 Mbit/s continues to grow
- ~**80%** of new IP customers opt for **24 month tariffs**, higher bandwidth overcompensates discount
- **Marketing efforts** focused on further **increasing top speed tiers** with highest ARPUs
- PÿUR rated “good” in recent *connect* broadband test



<sup>7</sup> 1) Excluding bulk internet RGUs

# Operational Update & KPIs: Soft quarter for TV overall

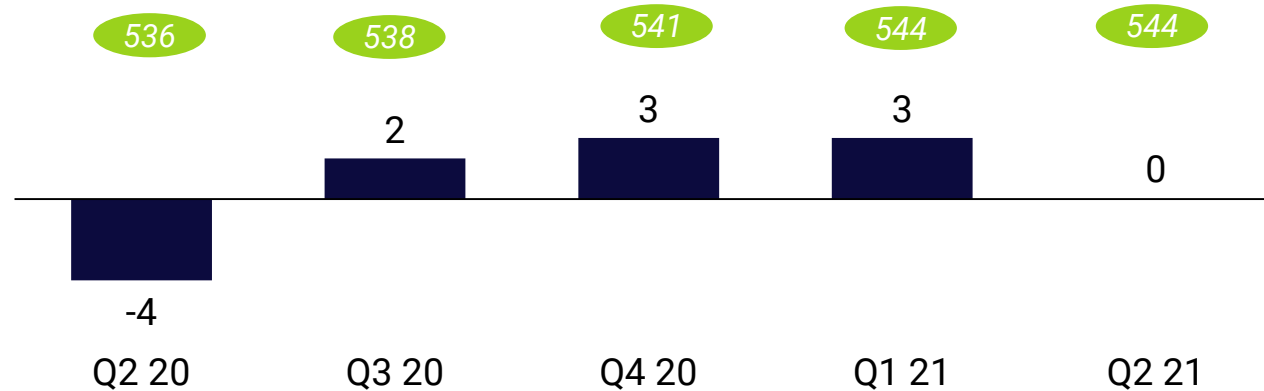
## CATV RGUs net change

Thousands, rounding differences might occur



## Premium TV RGUs net change

Thousands, rounding differences might occur



## CATV

- **Customer base** continues to **shrink** in Q2 at **rate of previous quarters**
- RGU net change also includes data base correction of 7k

## Premium TV

- **Sequential RGU growth stalls** as marketing campaign expires
- Q2 results highlight necessity for **revamping Premium TV solution**

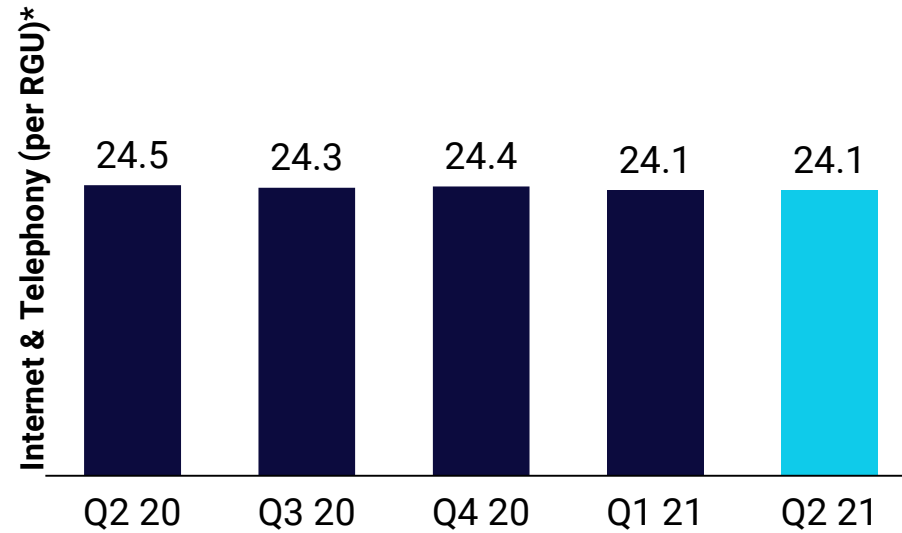
**###** Absolute RGUs, thousands



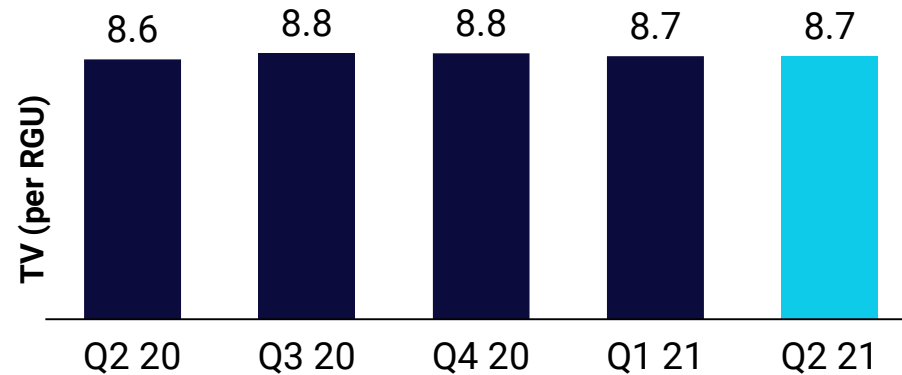
# Operational Update & KPIs: Stable sequential ARPU trends

## ARPUs

EUR, rounding differences might occur

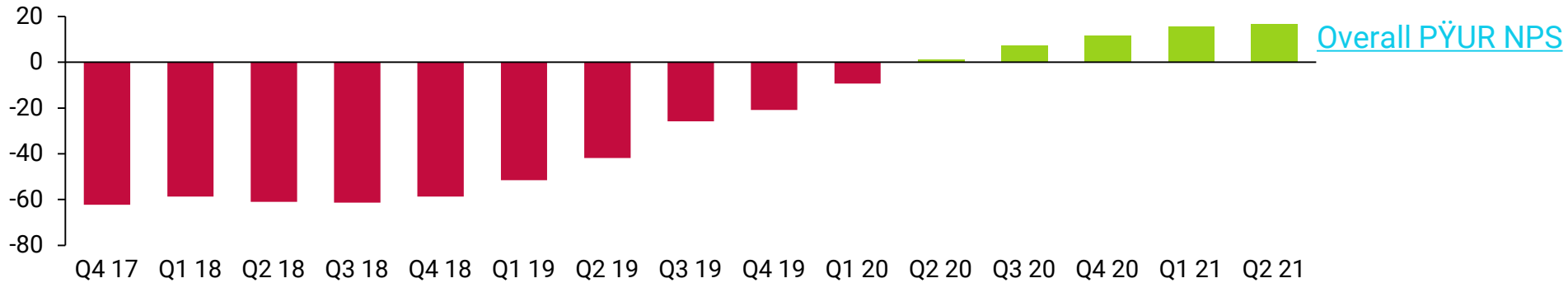


- Stable ARPU QoQ as Internet and Telephony ARPU developments net each other out

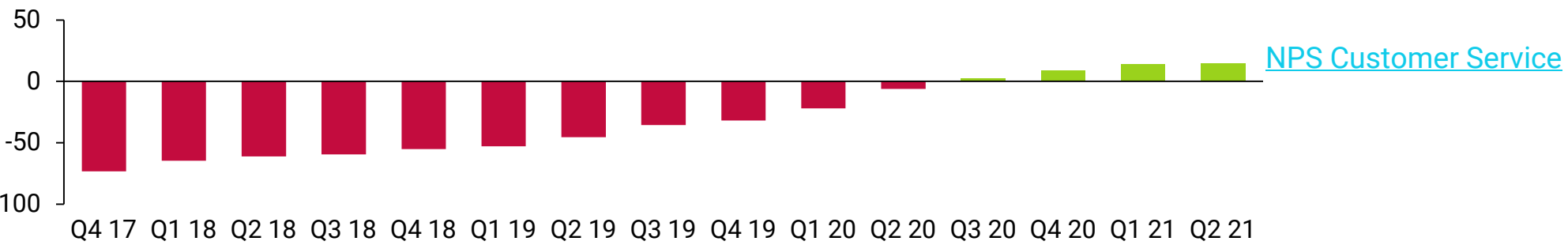


- Stable TV ARPU QoQ in line with recent trend despite RGU losses

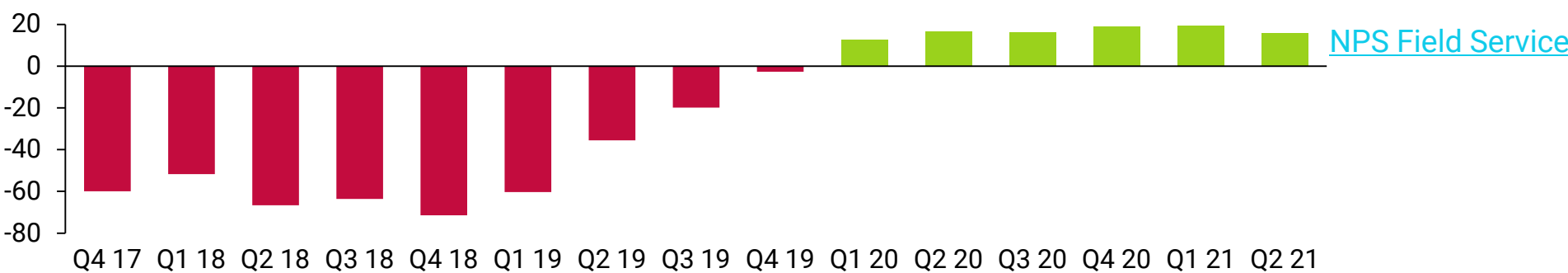
# Operational Update & KPIs: positive NPS scores plateauing after long rally



- **Overall PŸUR NPS**  
positive, still room for improvement

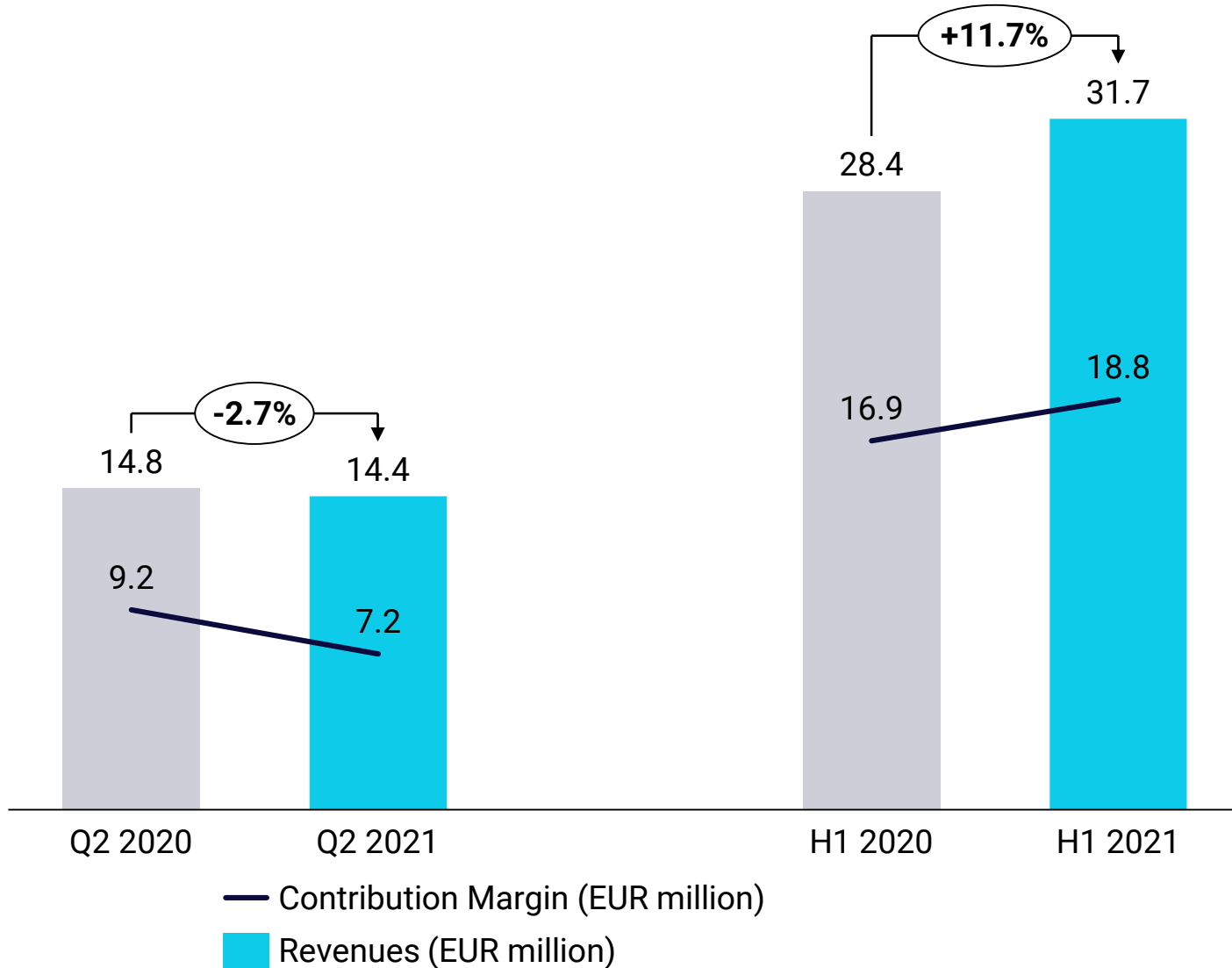


- **Customer Service NPS**  
positive for the fourth consecutive quarter



- **Field Service NPS**  
stabilises in positive territory per half-year 2021

# Operational Update & KPIs: B2B faces temporary headwinds in Q2, HY trend positive



- **Q2 revenues** decrease by 3% YoY due high comparable base in Q2 2020
- **Q2 contribution margin** down by EUR 2 million YoY due to fewer revenues and higher cost base

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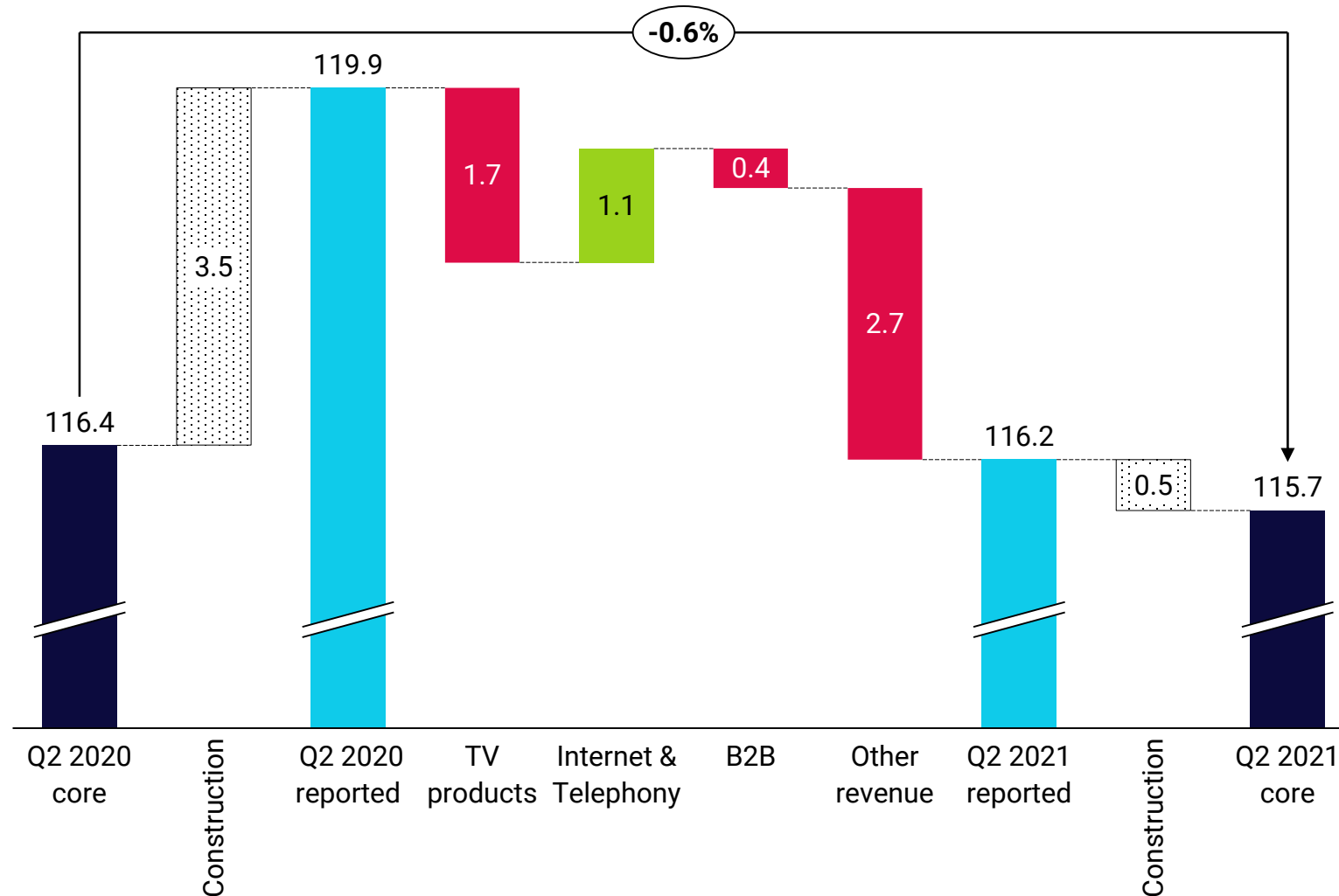
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# Financial Performance: Core revenues slightly down YoY

## Revenues

EUR millions, rounding differences might occur

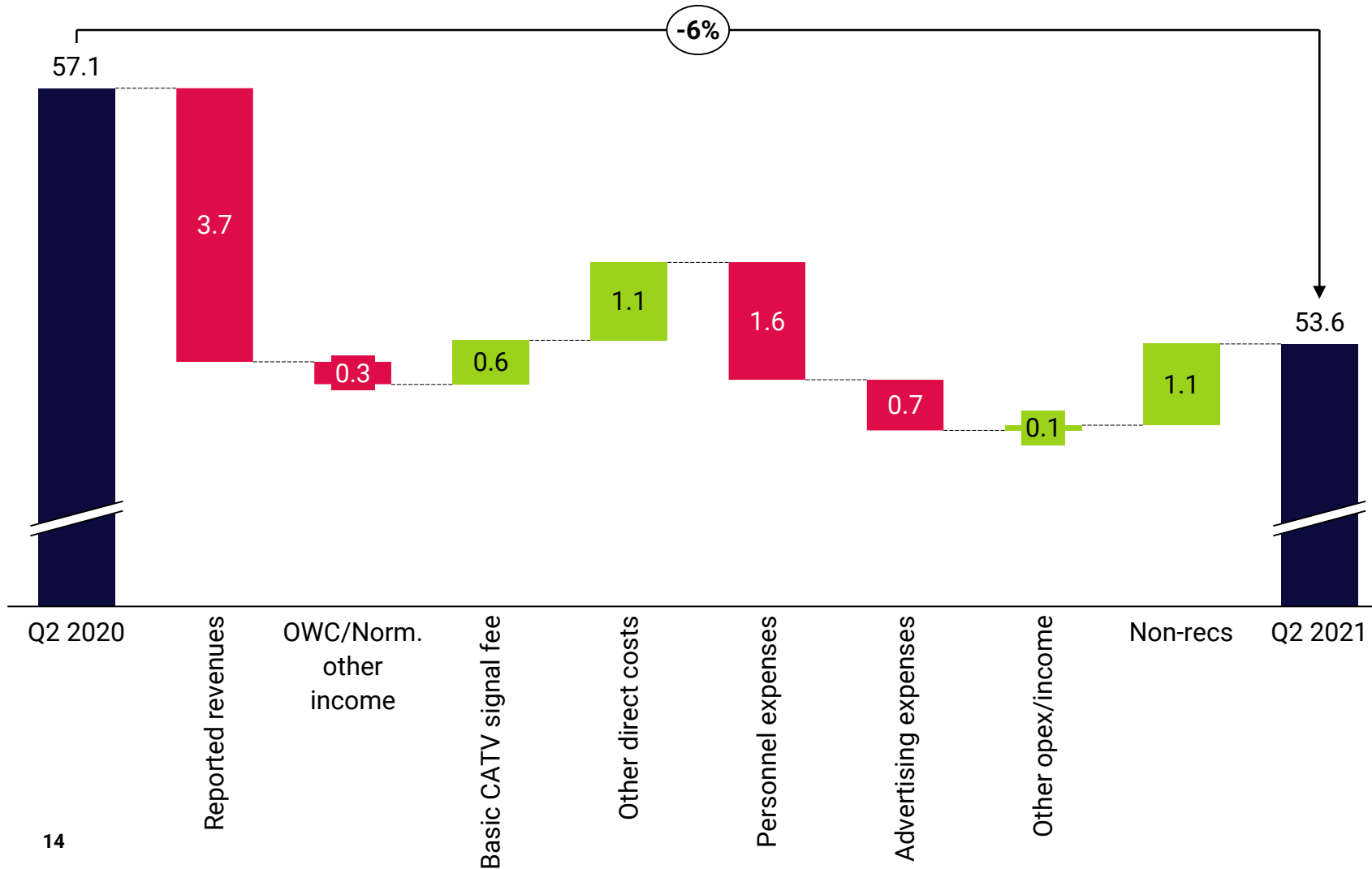


- Q2 core revenues (excl construction) of EUR 115.7 million down 0.6% YoY
- Recent TV trends continue, amid a structurally challenging market environment
- Continuing Internet & Telephony growth based on the increasing customer base
- Other revenue mainly driven by phase out of construction work

# Financial Performance: Fewer revenues and higher opex weigh on EBITDA

## Reported EBITDA

EUR millions, rounding differences might occur



- Decline in reported revenues driven by fewer construction revenues and softness in TV and B2B, not compensated by good IP performance
- Increase in personnel expenses especially driven by ramp-up in IT & technology

# Financial Performance: Reported profit impacted by lower EBITDA and one-offs

## Consolidated net income

EUR millions, rounding differences might occur

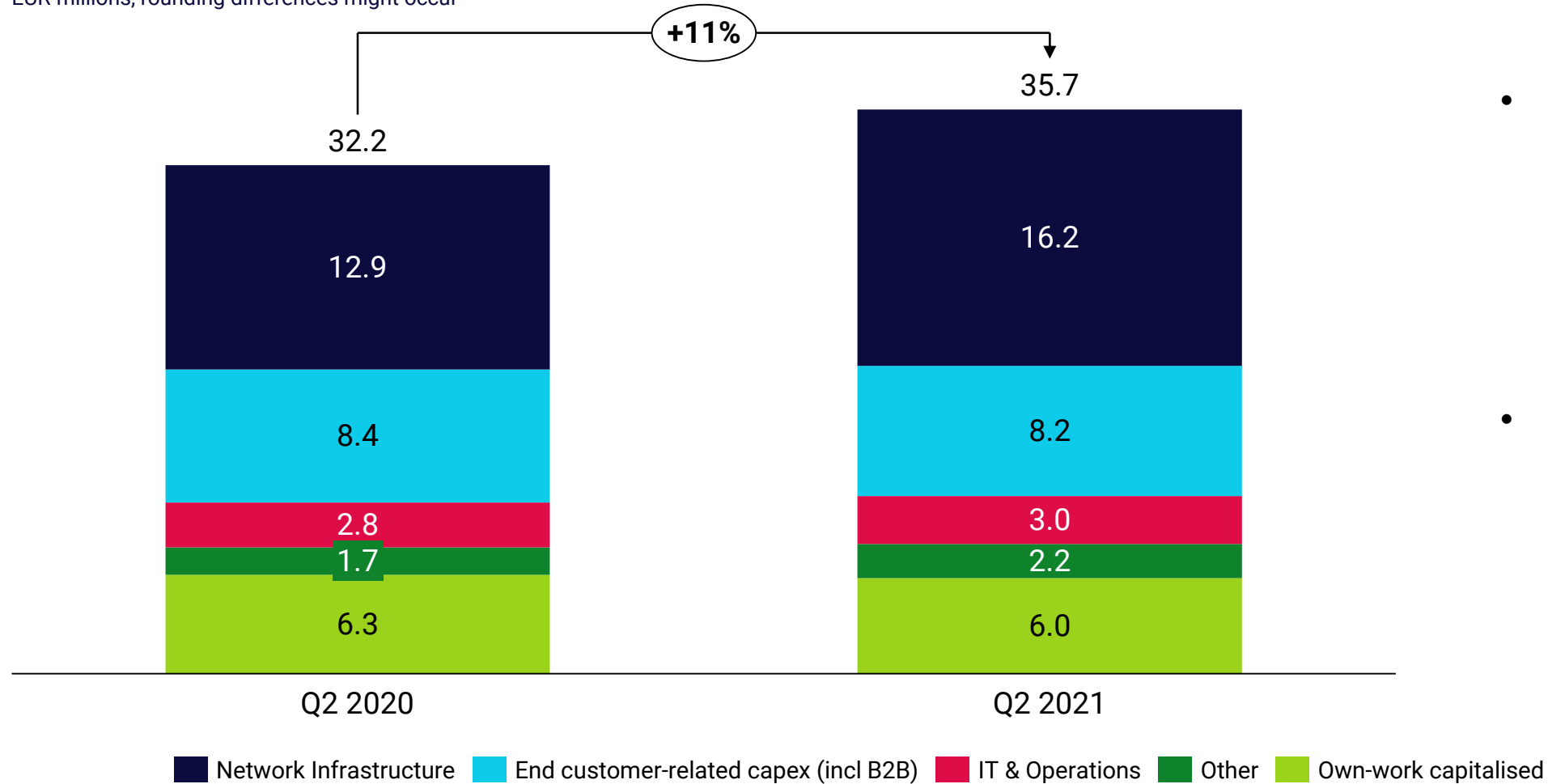


- Net income decreases significantly YoY mainly due to lower EBITDA and lower financial result, the latter stemming from pre-payment and cancellation fees relation to the deleveraging in May

# Capex: Network quality initiatives drive increased capex spending

## Capex

EUR millions, rounding differences might occur



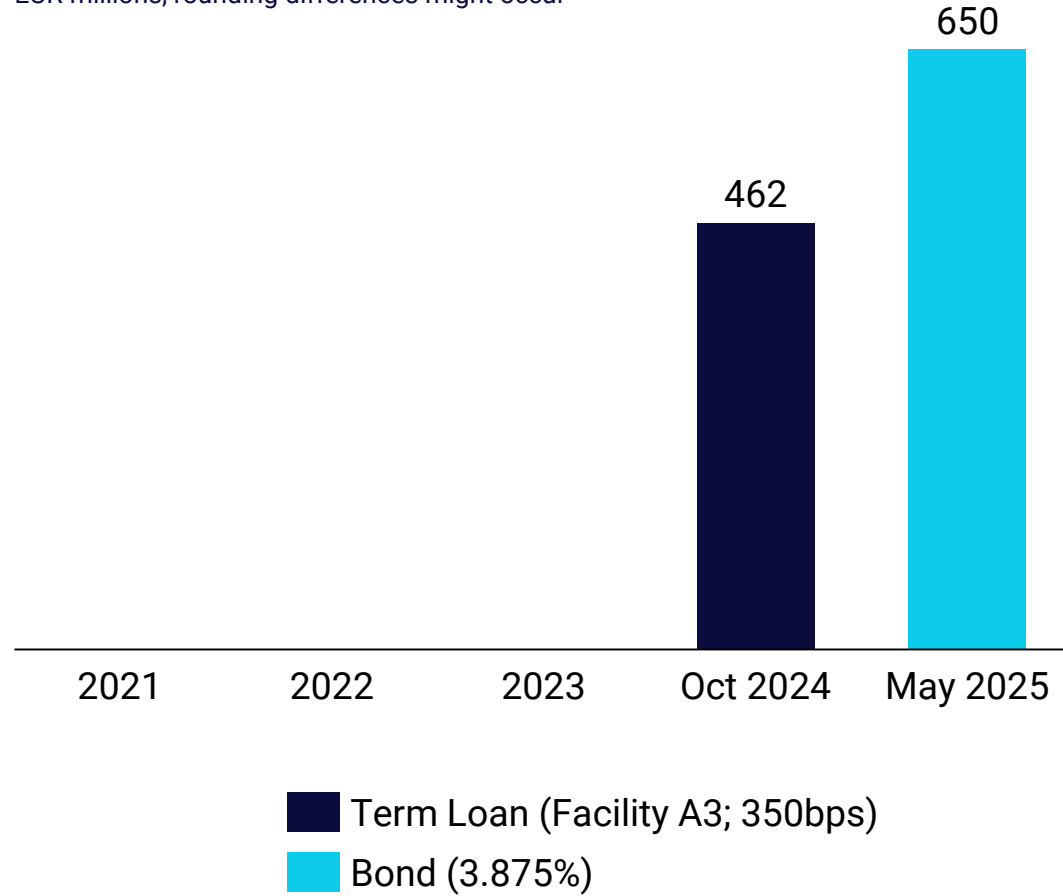
- Q2 capex with ongoing high portion of network-related investments also into fibre backbone rings
- Network quality initiatives supporting NPS and *connect* ratings



# Credit profile

## Gross financial debt (maturity)

EUR millions, rounding differences might occur



	Q1 2021	Q2 2021
Leverage (based on SFA logic)	6.36x	4.50x

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## FY 2021 Guidance

<b>Metric</b> Financials (m EUR)	<b>Revised Guidance</b> <b>FY 2021</b>	<b>Previous guidance</b> <b>FY 2021</b>
Total revenues	465 - 475	465 - 475
Reported EBITDA	190 - 200	215 - 230
Capex	185 -195	145 -155

**Revised guidance reflects kick-off investments into opex and capex for executing our Fibre Champion strategy**

## Delisting offer launched by Kublai on August 4th

Delisting offer	EUR 3.25 per share in cash
Acceptance period	Acceptance period runs until September 1st, 2021 (24:00 hours ie midnight, CEST)
Closing conditions	None
Costs of acceptance	Free of fees for TC shareholders with German custody accounts

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Thank you for your attention!

Q&A