

Earnings Report 1H 2022

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Information also available on www.grupomasmovil.com under section “shareholders and investors”

Key Highlights 1H22

- **Binding agreement with Orange**

- The final agreement to combine Orange and Masmovil Spanish¹ operations has been signed as follows:
 - The 50-50 Joint Venture will be co-controlled by ORANGE and MASMOVIL (LORCA JVCO) with a combined enterprise valuation of €19.7 billion. Valuations are attractive for both businesses, with MASMOVIL enterprise value at €10.9 billion (8.7x 2022E EBITDAaL and 14.9x 2022E EBITDAaL – eCapex)² and Orange Spain's (which includes the acquisition of EUSKALTEL) enterprise value at €7.8 billion (7.2x 2022E EBITDAaL and 37.1x 2022E EBITDAaL – eCapex)²
 - ORANGE and LORCA JVCO would benefit from equal governance rights in the combined entity. Accordingly, neither ORANGE nor LORCA JVCO will consolidate the combined operations
 - The agreement between the parties includes (i) a right to trigger an IPO under certain conditions for both parties and (ii) a path-to-control right for ORANGE to consolidate the combined entity in the case of an IPO
 - This JV is expected to generate relevant synergies with an expected long-term run-rate of €450m annually
 - The transaction is expected to close by Q2 2023, subject notably to approval from the relevant administrative, competition and regulatory authorities
- The transaction is supported by a €6.6 billion cov-lite debt package that will finance, among other things, a €5.85 billion payment up-streamed to the Orange Group and MASMOVIL shareholders. This distribution to the shareholders will be asymmetric as it also embeds an equalization payment in favor of Orange to reflect the different levels of indebtedness of the two standalone businesses. This debt package is mainly comprised of bank debt, provided by a large pool of international banks. MASMOVIL's existing debt will remain in place
- Post-closing, the financial policy agreed between Orange and MASMOVIL's owner includes a leverage target of 3.5x net debt/EBITDA ratio to facilitate an IPO of the joint venture in the medium term

¹ TOTEM Spain and MASMOVIL Portugal are not part of the contemplated transaction

² ORANGE multiples proforma, post TOTEM carve-out. MASMOVIL multiples proforma including acquisition of Euskaltel (based on Euskaltel's run rate synergies)

- **Sale of Euskatel's NGN signed**

- Euskaltel has signed a sale & purchase agreement on Euskaltel's NGN ("EKT Cable"). Buyers of EKT Cable, a consortium made up mainly by investors with long standing presence in the Basque Country such as Asúa Inversiones, Beraunberri, Inveready and Onchena as well as Euskaltel itself (as a minority shareholder) have formed a new company ("Netco").
- This transaction excludes the backbone and transmission assets that remain owned by MASMOVIL GROUP, which will continue providing the maintenance and operation as well as transmission services on the network
- Netco will serve clients of Euskaltel, R and Telecable and has an agreement to also serve Orange Spain's clients
- MASMOVIL will obtain €580M from the sale of 100% of EKT Cable of which €500M will be used to repay debt. Euskaltel will invest c.€80M for a 49% financial minority stake in Netco
- Banco Santander has acted as M&A advisor, Credit Agricole as lead financing bank underwriting the financing, Perez Llorca has been M&A legal advisor and Evergreen Legal the financing lawyer

- **Portugal**

- To be updated very shortly

- **Summary of 1H22 key figures:**

- Service Revenue: +39% YoY as reported, +5% proforma
- Adjusted EBITDA: +43% YoY as reported, +3% proforma
- Adjusted EBITDA margin: 37% c.+2pp YoY, -0.8pp proforma
- Underlying¹ Adjusted EBITDA growth in 1H22: +10% YoY
- Client growth: the number of broadband subscribers increased in 1H22 by 123K. Mobile postpaid subscribers increased by 297K
- Number of subscribers: the number of broadband and postpaid mobile subscribers reached 3,189K (+9% YoY proforma) and 9,000K (+9% YoY proforma) respectively
- Net Income for the period of €-64M vs €184M reported net profit in 1H21 (which was boosted by book gains from sale of fiber footprint under the so-called Ucles project)

¹ Adjusted for the non-cash impact of PPA from the tender offer bid on MASMOVIL and applying the same accounting principles for Euskaltel and MASMOVIL

Financial and Operational Results

- **1H22 Revenues:**

- Reported Service Revenues of €1,324M (+39% YoY as reported, +5% proforma)
- Total Revenues of €1,443M (+37% YoY as reported, +5% proforma)

Table 1 – Revenue Split

(€M)	1Q21 Reported	1H21 Reported	1Q21 Proforma	1H21 Proforma	1Q22 Reported	1H22 Reported	YoY Reported 1H22/1H21	YoY Proforma 1H22/1H21
Service Revenues	473	951	627	1,260	670	1,324	39%	5%
Other Revenues	54	103	60	115	63	119	16%	3%
Total Revenues	527	1,054	687	1,374	733	1,443	37%	5%

Source: Company

Proforma: Euskaltel is consolidated since August 2021. Proforma figures include Euskaltel's results for the full period to facilitate a like-for-like comparison. No consolidation adjustments have been considered. Proforma figures are also adjusted to consider a full year impact from the August 2021 TV business divestment.

- **1H22 EBITDA:**

- Reported Adjusted EBITDA of €540M (+43% YoY as reported, +3% proforma)
- Underlying¹ Adjusted EBITDA growth in 1H22: +10% YoY
- EBITDA margin of 37% (c.+2pp as reported, -0.8pp proforma)

- **1H22 Capex and Network:**

- Total Net Capex reached €257M, out of which:
 - Recurring Capex accounted for €167M (<12% of total revenues)
 - Growth Capex accounted for €91M

- **1H22 Cash flow and Net debt:**

- Recurrent Operating CF, calculated as Adjusted EBITDA for the year less Recurrent Capex and the Change in Lease Liabilities (IFRS16 related) amounted to €345M for the period
- Adjusted Cash Flow from Operations reached €-117M, once the impact of Growth Capex, Deferred Capex Payments, Interest and Taxes payments as well as NWC adjustments and others are considered
- Reported Net Debt stood at €6.9bn at the end of the quarter, or €6.4bn proforma for the net proceeds from the sale of Netco
- Total Structural Leverage of 5.3x and Senior Structural Leverage of 4.3x (please see details of the calculations later in this report) with Structuring EBITDA calculated as LTM

¹ Adjusted for the non-cash impact of PPA from the tender offer bid on MASMOVIL and applying the same accounting principles for Euskaltel and MASMOVIL

Table 2 – Key Financials

Key Financials (€M unless otherwise stated)	1Q21 Reported	1H21 Reported	1Q21 Proforma	1H21 Proforma	1Q22 Reported	1H22 Reported	YoY Reported 1H22/1H21	YoY Proforma 1H22/1H21
Service Revenues	473	951	627	1,260	670	1,324	39%	5%
Total Revenues	527	1,054	687	1,374	733	1,443	37%	5%
Adjusted EBITDA	184	378	257	525	277	540	43%	3%
Adjusted EBITDA margin (%)	34.9%	35.8%	37.5%	38.2%	37.8%	37.4%		
Net Accrued Capex	345	155			124	257		
Fiber Network footprint (Mn of BUs)	26.4	26.6			27.2	27.5		
Cash Flow from Operations	-188	133			-118	-117		
Total Leverage Net Debt/Adjusted EBITDA (x)	4.2	4.1			5.0	5.3		

Source: Company

Proforma: Euskaltel is consolidated since August 2021. Proforma figures include Euskaltel's results for the full period to facilitate a like-for-like proxy comparison. No consolidation adjustments have been considered. Proforma figures are also adjusted to consider a full year impact from the August 2021 TV business divestment.

- **MASMOVIL continues its growth trajectory and reaches a total of 14.9M lines including c.3.2M broadband lines, and 9M mobile postpaid**
 - At the end of 1H22, MASMOVIL reached 14.9M total lines (+25% YoY, +5% proforma), including the incorporation of Euskaltel's lines.
 - Total lines grew over the quarter by 168K lines even after accounting for a minor decrease in the pre-paid segment
 - Our multi-brand strategy of addressing different customer segments with tailored value propositions continues to deliver positive results
 - Cross-selling of broadband to the existing mobile subscriber base remains on track

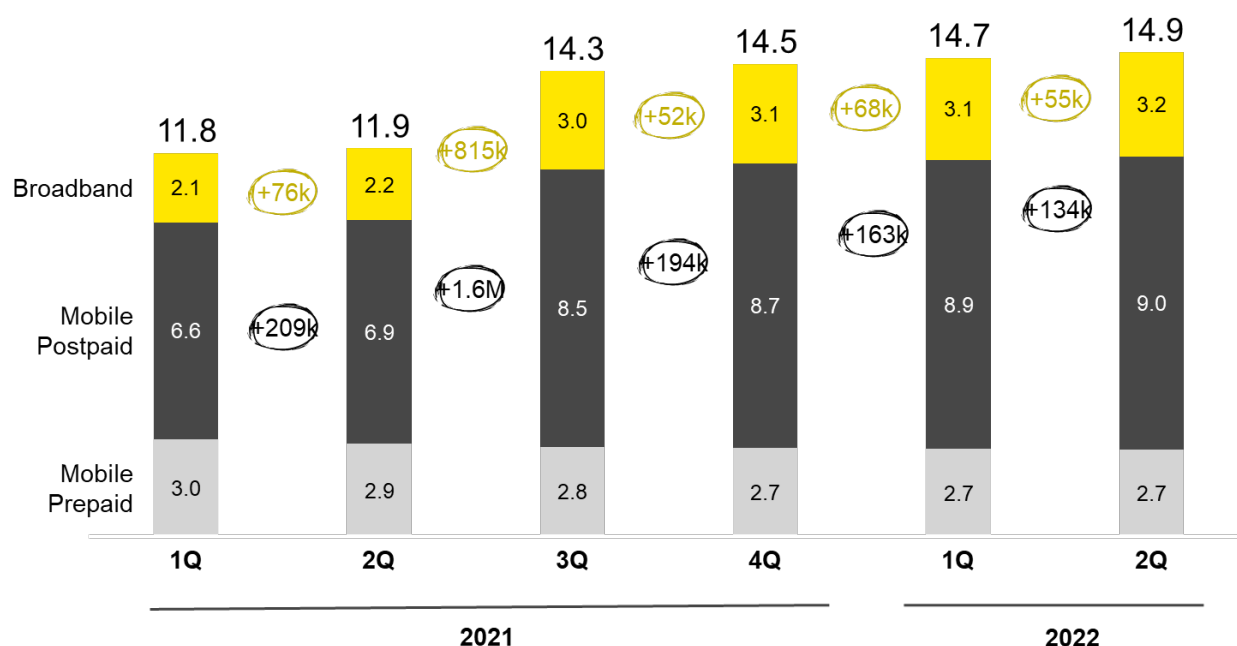
Table 3 – Overview of Customer Base

M Lines	1Q21 Reported	1H21 Reported	1Q21 Proforma	1H21 Proforma	1Q22 Reported	1H22 Reported	Delta 1H22/1Q22	YoY Growth Reported	YoY Growth Proforma
Mobile postpaid	6.6	6.9	8.0	8.3	8.9	9.0	0.1	31%	9%
Mobile prepaid	3.0	2.9	3.0	2.9	2.7	2.7	0.0	-6%	-7%
Total Mobile	9.6	9.7	11.0	11.2	11.6	11.7	0.1	20%	5%
Broadband	2.1	2.2	2.8	2.9	3.1	3.2	0.1	45%	9%
Total lines	11.8	11.9	13.9	14.1	14.7	14.9	0.2	25%	5%

Source: Company

Proforma: Euskaltel is consolidated since August 2021. Proforma figures include Euskaltel's data for the full period to facilitate a like-for-like proxy comparison.

Chart 1 – Evolution of Mobile & Broadband Lines (millions)



Source: Company

- **Mobile postpaid lines grew +31% YoY on reported basis or +9% proforma**
 - In 2Q22, MASMOVIL reached 9,000K mobile post-paid clients, including Euskaltel's ones, an increase of +0.134M lines vs. 1Q22
 - The use of its different brands (Yoigo, MASMOVIL, Pepephone, Llamaya, Lebara, Lyca, Guuk, Euskaltel, Telecable, R and Virgin) with tailored value propositions and sales channels allows MASMOVIL to adequately address customers with different profiles and behavior

- **Broadband net adds of +55k in 2Q22**
 - Broadband lines increased by 55K this quarter, reaching 3,189K BB lines.
 - This implies a 45% growth against the number of lines reported in 2Q21 or 9% on a proforma basis accounting for Euskaltel's lines in 2Q21 too (Euskaltel was acquired and consolidated since August 2021)

Consolidated Profit and Loss Statement

Table 4 – Summarized P&L (€M)

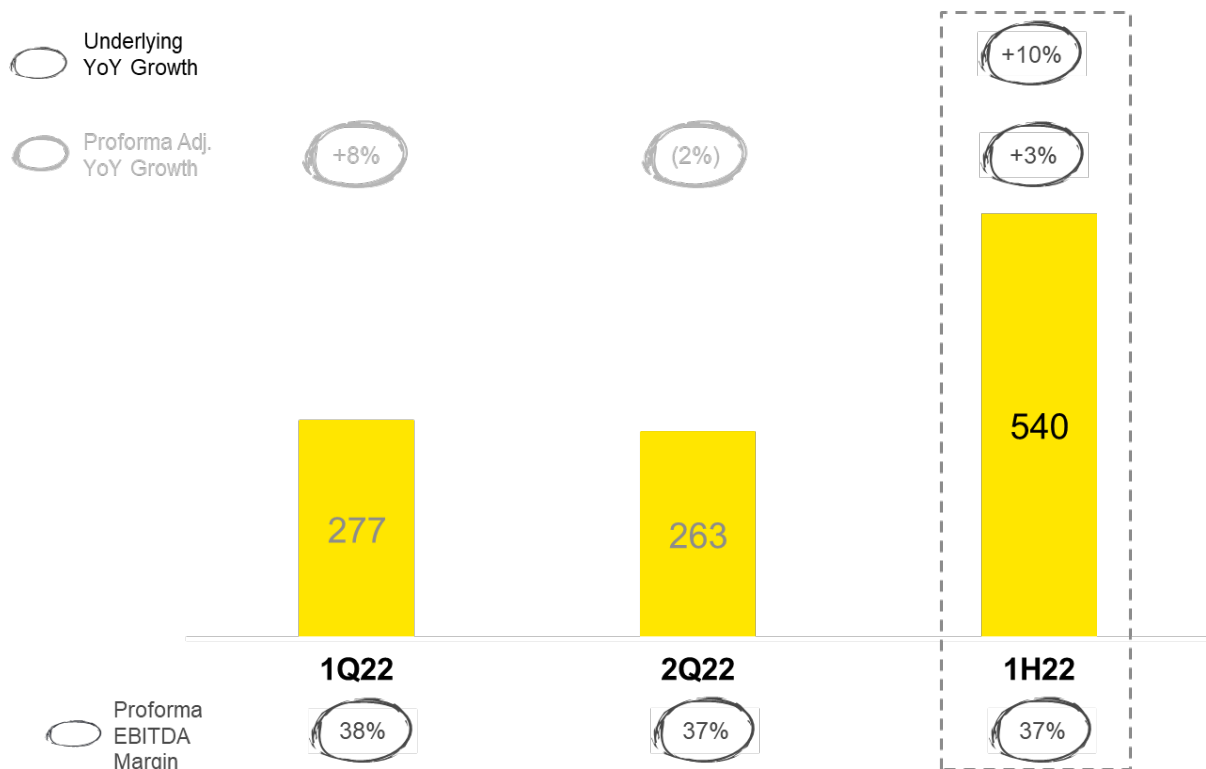
(€M)	1H21 Reported	1H21 Proforma	1H22 Reported	Growth Reported	Growth Proforma
Service Revenues	951.3	1,259.6	1,323.8	39%	5%
Other revenues	103.2	114.9	119.1	15%	4%
Revenue	1,054.4	1,374.5	1,442.8	37%	5%
Other operating revenue	31.3	40.9	69.1	121%	69%
Cost of sales	-639.3	-802.2	-886.1	39%	10%
Other operating expenses	-68.9	-88.0	-85.9	25%	-2%
Adjusted EBITDA	377.5	525.1	540.0	43%	3%
Net one-offs	-14.9	-26.1	-20.2	35%	-23%
Capital gain on sale of assets and loss impairm	226.8	226.8	1.7	-99%	-99%
Reported EBITDA	589.4	725.8	521.5	-12%	-28%
Depreciation and amortization	-262.6	-382.4	-461.9	76%	21%
Reported EBIT	326.8	343.4	59.7	-82%	-83%
Net financial expenses	-92.0	-115.6	-182.3	98%	58%
Reported Profit before taxes	234.8	227.8	-122.6	nm	nm
Income tax	-50.4	-43.1	35.6	nm	nm
Income / Loss from continuing operations	184.4	184.8	-87.0	nm	nm
Result from discontinued operations	0.0	0.0	22.6	nm	nm
Income / Loss for the period	184.4	184.8	-64.4	nm	nm
Loss for the period attributable to:					
Equity holders of the Parent	185.3	191.2	-65.4	nm	nm
Minority shareholders	0.9	6.4	-1.0	nm	nm
Income / Loss for the period	184.4	184.8	-64.4	nm	nm

Source: Company

Proforma: Euskaltel is consolidated since August 2021. Proforma figures include Euskaltel's results for the full period to facilitate a like-for-like proxy comparison. No consolidation adjustments have been considered. Proforma figures are also adjusted to consider a full year impact from the August 2021 TV business divestment.

- **Proforma Adjusted EBITDA of €540M in 1H22 +3% YoY or +10% underlying**
 - 1H22. Adj. EBITDA of €540M represents a 3% YoY increase vs. 1H21 on a proforma basis or +43% on a reported basis
 - EBITDA margin reached >37% in 1H22 vs. 38% in 1H21 on a proforma basis
 - Underlying Adjusted EBITDA growth in 1H22: +10% YoY

Chart 2 – Proforma¹ and underlying² Adjusted EBITDA growth (€M)



1 Euskaltel was consolidated since August 2021. Proforma figures include Euskaltel's results for the full year to facilitate a like-for-like comparison. No consolidation adjustments have been considered. Proforma figures are also adjusted to consider a full year impact from the August 2021 TV business divestment.

2 Adjusted for the non-cash impact of PPA from the tender offer bid on MASMOVIL and applying the same accounting principles for Euskaltel and MASMOVIL

Source: Company

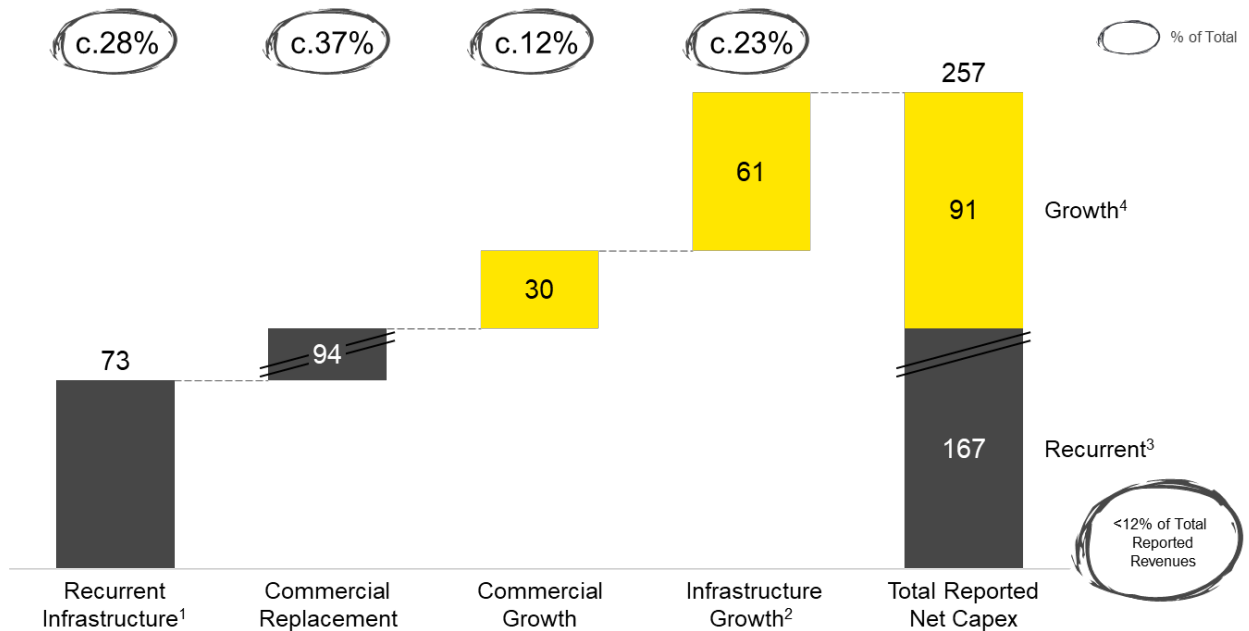
Cash Flow Statement

- **Reported Net Capex of €257M in 1H22**

Total Reported Net Capex reached €257M in 1H22. All Capex figures are on Reported basis. Total Reported Net Capex is split between Recurrent and Growth Capex, the former representing 65% of the Group's Net Capex during the period, while Growth Capex reached the remaining 35%

Recurrent capex equals to just below 12% of Total Reported Revenues during 1H22

Chart 3 – Net Capex 1H22 (€M)



1 Includes all maintenance of both fixed and mobile infrastructures, plus IT & spectrum Capex

2 Includes all infrastructure Capex that is not accounted under maintenance infrastructure Capex

3 Includes churn related (replacement) commercial Capex and maintenance infrastructure Capex

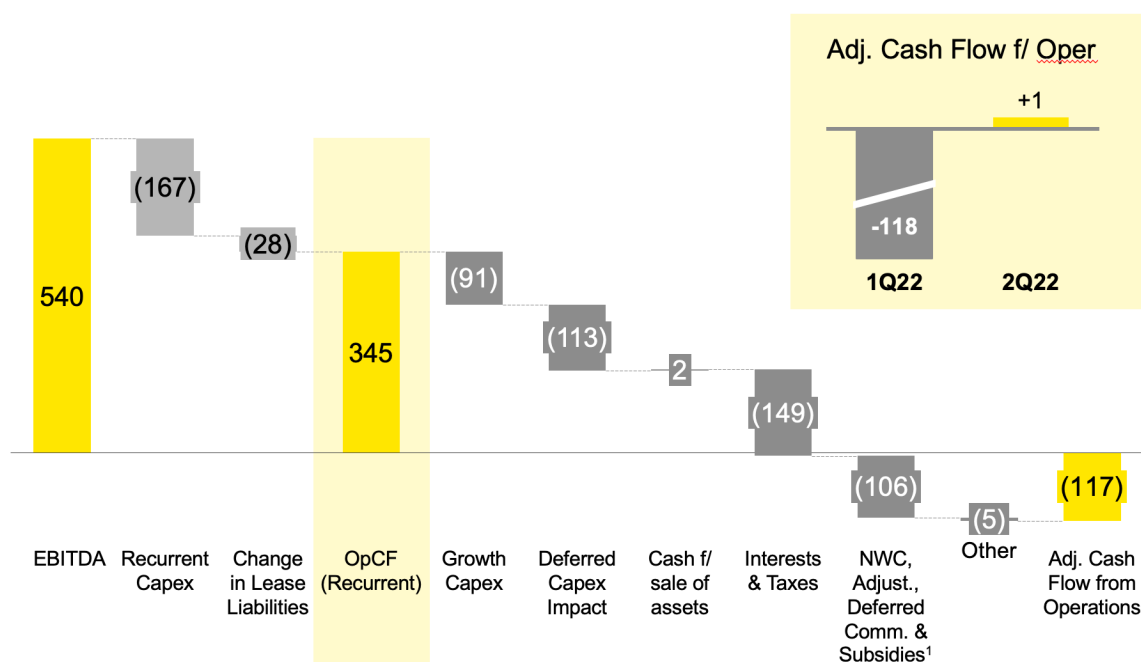
4 Net FTTH network deployment & commercial growth-related capex

Source: Company

- Recurrent Capex amounted to €167M during the period, of which:
 - Infrastructure Recurrent Capex reached €73M in 1H22, representing c.28% of Total Net Capex
It includes mainly Capex devoted to maintenance of Group's both fixed and mobile infrastructure, plus IT and spectrum Capex
 - Commercial Replacement Capex amounted to €94M, representing commercial investment required to replace the broadband lines that have churned over the period, for a total of c.37% of Net Capex

- Growth Capex reached €91M in 1H22, and is comprised of:
 - Commercial Growth Capex amounted to €30M (c.12% of Net Capex), which represents the commercial investment required to accommodate the net new broadband lines obtained over the period
 - Infrastructure Growth Capex reached €61M, or c.23% of Net Capex. It includes direct investments in growing our network and, the remaining of Infrastructure Capex not accounted for under Infrastructure Maintenance Capex.
- **Adj. Cash Flow from Operations of €-117M in 1H22 (all the below is on Adjusted Reported basis), with €+1M achieved in 2Q22, versus €-118M in 1Q22**
 - Adj. Reported EBITDA reached, as previously discussed, €540M in 1H22, while Recurrent Capex amounted to €167M in the same period
 - IFRS16-related change in lease liabilities totaled €28M in 1H22
 - The above allowed the Group to report €345M of Recurrent Operating Cash Flow during the period
 - Growth Capex including both commercial and infrastructure capex reached €91M
 - Cash out-flows resulting from the payment of Capex incurred in previous periods (for instance the 2022 installment from the 2019 contract signed with Orange plus some seasonality factors) implied a Deferred Capex outflow of €113M in 1H22 this will gradually disappear in the next few years
 - There was no material sale of assets this quarter with just a minor €2M inflow
 - Interest and taxes implied €149M of cash outflow, mostly impacted by the higher level of debt since the Euskaltel's acquisition and the payment calendar
 - NWC, Adjustments, Deferred Commissions & Subsidies (including IFRS15 adjustments) were €-106M this quarter
 - Other non-recurring costs for €5M
 - Thus, Cash Flow from Operations reached a negative figure of €-117M in 1H22
 - As anticipated with the 1Q22 results, some items like deferred capex payments and NWC have a higher negative impact on Cash Flow from operations at the beginning of the year. Such negative effect is however, fading away throughout the year due to the non-recurring nature of some of these factors (deferred capex payments) combined with a growing Recurrent OpCF. As a result, 2Q22 cash flow from operations was marginally positive (€1M) vs the €-118M reported in 1Q22

Chart 4 – Cash Flow from Operations 1H22 (€M)



¹ Includes IFRS15
Source: Company

- **Cash Flow movements below Adj. Cash Flow f/ Operations**

- One-offs include integration & migration costs plus accrued penalties for €54M
- M&A payments for €10M include some small investments and other payments

Table 5 – Cash Flow (€M)

(Million €)	1H22
Adjusted EBITDA	540
NWC, Adjustments, Deferred Commissions and Subsidies	(106)
Payments from lease liabilities (IFRS16)	(28)
Net Financial expenses	(148)
Corporate tax	(1)
Cash Flow from operations before Capex	256
Accrued Net Capex	(257)
Payments for previous periods Capex	(113)
Cash from sale of assets (includ. special projects)	2
Cash Flow from Capex	(368)
Other	(5)
Adjusted Cash Flow from operations	(117)
One-offs	(54)
Cash Flow from operations	(171)
M&A	(10)
Financing	61
Net increase/(decrease) in cash and cash equivalents	(121)

Source: Company

- **Accounting Net Debt, as calculated by the Company, reached €6.9bn at the end of the quarter, or €6.4bn proforma for the net proceeds from the Netco deal**
 - The Group's accounting Net Debt reached €6,933M on Company's calculations
 - The Group's nominal Net Debt of €7.0BN as of June 30th mainly included:
 - Two TLBs for a total nominal value of €3.2bn: a TLB1 for €2.2bn with 425b.p. margin over Euribor and 9/27 maturity and a TLB2 for 1.0bn with 375b.p. margin on Euribor and same maturity.
 - Senior Secured Notes for €2.35bn on nominal value with 4% coupon and maturity on 9/27
 - Senior Notes for €500M (nominal value) 5.125% coupon & maturity on 9/29
 - Commercial paper for €500M
 - Note that the below cancels out the LT Asset Bridge Loan for €500M with the proceeds from the NetCo project (sale of part of Euskaltel's cable network) as the Asset Bridge was repaid on July 27, 2022

Table 6 – Accounting Net Debt Overview (€M)

(€m)	1H22
TLB	3,093
Senior Secured Notes	2,336
Senior Unsecured Notes	495
RCF	51
Commercial paper	317
Asset bridge loan	496
M&A deferred payments	64
Other bank debt, grants, deposits & guarantees	112
Total Gross Debt (as per Company's calculations)	6,964
Cash & Equivalents	31
Group's Net Debt (as per Company's calculations)	6,933
Net proceeds from Netco deal	-496
Proforma Group's Net Debt (as per Company's calc.)	6,437

Source: Company

Note: Net Debt is calculated excluding some debts, mainly debts without cash interest charges, with shareholders, and €235M of financial leases under IFRS16 accounting practices

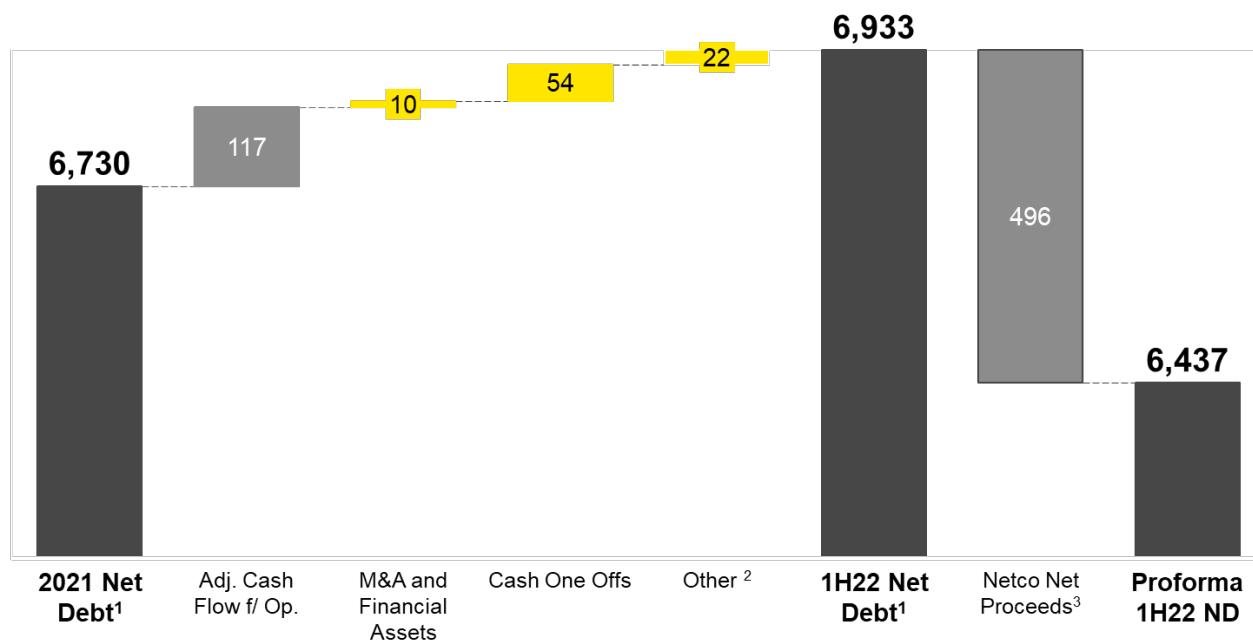
The increase in Accounting Net Debt from €6.730bn reported at the end of FY21 to €6.933bn reported at the end of 1H22, or €6.4bn proforma for Netco deal is explained by:

- Adjusted Cash Flow from Operations for €117M
- M&A and Financial Assets payments for a total of €10M
- Cash one-off costs for a total of €54M explained by migration and integration costs plus accrued penalties

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- Other increases in Net Debt without impact on cash for €22M
- Net proceeds from the Netco deal amounted to €496M cashed in July 2022

Chart 5 – Change in Accounting Net Debt (€M)



1 As per Company's calculations, includes asset disposal bridge, excludes IFRS16 financial leases adjustment

2 Includes other accrued debt and interest in B/S

3 Deal already closed and cashed in July 2022

Source: Company

- **Total Net Debt LTM¹ leverage of 5.3x and 4.3x on Senior Secured basis**

(€m)	1H22
TLB	3,200
Senior Secured Notes	2,350
Senior Unsecured Notes	500
RCF	50
Commercial paper	317
Asset bridge loan	0
M&A deferred payments	64
Other debts	99
Other Debts (grants, deposits and guarantees)	13
Finance leases	235
Cash & Equivalents	-31
Total Net Debt (for leverage)	6,797
LTM Structuring EBITDA	1,276
Total Net Debt LTM Leverage	5.3
Senior Secured Net Debt	5,569
Senior Secured Net Debt LTM Leverage	4.3

Note: The above net debt is nominal (vs. accounting in previous slide) and includes debt from leases

1: LTM Adjusted EBITDA plus synergies, run rate and NetCo Adj.

Source: Company.

Appendix – Lorca JV Co Reported Consolidated Financial Statements

Consolidated Balance Sheet

In thousands of Euros

	<u>30/06/2022</u>	<u>31/12/2021</u>
Assets		
Goodwill	4,471,054	4,466,008
Intangible assets	3,345,827	3,518,685
Property, plant and equipment	1,967,552	1,995,628
Rights of use	229,627	228,454
Other investments	28,053	14,014
Prepayments for non-current assets	67,469	54,949
Deferred tax assets	603,435	94,814
Total non-current assets	<u>10,982,075</u>	<u>10,612,411</u>
Current assets held for sale	333,680	21,581
Inventories	37,349	33,038
Trade and other receivables	408,877	422,103
Cost of obtaining contracts with customers and contractual assets	130,220	88,545
Contractual assets	110,054	99,609
Current tax assets	5,043	14,944
Other investments	17,203	70,504
Prepayments for current assets	52,302	22,492
Cash and cash equivalents	31,331	152,495
Total current assets	<u>1,126,059</u>	<u>925,311</u>
Total assets	<u>12,108,134</u>	<u>11,537,722</u>
Equity		
Capital	20,512	20,512
Share premium	2,030,662	2,030,662
Retained earnings	(63,426)	188,866
Reserves	87,840	(101,048)
Own shares	(478)	
Translation differences	(2)	(2)
Equity attributable to equity holders of the Parent	<u>2,075,108</u>	<u>2,138,990</u>
Total equity	<u>2,073,522</u>	<u>2,138,368</u>
Liabilities		
Loans and borrowings	3,586,313	3,576,371
Derivative financial instruments	834	836
Other payables	187,134	211,089
Finance lease payables	190,267	188,193
Other financial liabilities	2,882,326	2,875,888
Provisions	126,750	128,670
Government grants	6,395	5,483
Trade and other payables	31,736	55,563
Deferred tax liabilities	493,550	34,243
Other non-current liabilities	213,388	217,502
Total non-current liabilities	<u>7,718,693</u>	<u>7,293,838</u>
Liabilities related to non-current assets held for sale	204,346	-
Loans and borrowings	152,858	16,337
Current tax liabilities	18,007	10,490
Other payables	261,975	367,875
Finance lease payables	45,059	46,360
Other financial liabilities	347,545	415,412
Trade and other payables	1,261,237	1,193,854
Provisions	24,892	55,188
Total current liabilities	<u>2,315,919</u>	<u>2,105,516</u>
Total liabilities	<u>10,034,612</u>	<u>9,399,354</u>
Total equity and liabilities	<u>12,108,134</u>	<u>11,537,722</u>

Source. – Company

Consolidated Income Statement

In thousands of Euros

	<u>30/06/2022</u>	<u>30/06/2021</u>
Revenue	1,442,849	1,054,420
Other operating income	69,087	31,317
Merchandise, raw materials and consumables used	(575,033)	(401,361)
Employee benefits expenses	(63,946)	(44,525)
Depreciation and amortisation expense	(461,863)	(262,560)
Impairment and benefit for disposals of fixed assets	1,745	226,789
Other operating expenses	(353,163)	(277,265)
Results from operating activities	<u>59,676</u>	<u>326,815</u>
Finance income	2,150	1,447
Finance costs	(183,623)	(93,696)
Change in fair value of financial instruments	(78)	(3,283)
Exchange differences	(733)	(36)
Net finance cost	<u>(182,284)</u>	<u>(95,568)</u>
Results from equity-consolidated investments	(37)	3,562
Income/(Loss) for the period from continuing operations, before income tax	<u>(122,645)</u>	<u>234,809</u>
Income tax	35,623	(50,393)
Income/Loss for the period from continuing operations	<u>(87,022)</u>	<u>184,416</u>
	22,631	
Income/Loss for the period	<u>(64,391)</u>	<u>184,416</u>
Loss for the period attributable to:		
Equity holders of the Parent	(63,426)	185,281
Third-party shareholders	(965)	(865)
Income/Loss for the period	<u>(64,391)</u>	<u>184,416</u>

Source. – Company

Consolidated Cash Flow Statement

<i>Thousand Euro</i>	<u>30/06/2022</u>	<u>31/12/2021</u>	<u>30/06/2021</u>
Cash flow from operating activities			
Profit/(Loss) from continuing operations	(64,391)	189,200	184,416
Adjustments for:			
Depreciation and amortisation	461,863	680,878	262,560
Impairment losses from trade receivables	25,351	45,382	19,421
Change in provisions	(568)	1,636	1,716
Government grants recognised	(107)	(1,305)	(208)
Exchange differences	733	169	36
Change in fair value of financial instruments	78	3,033	1,658
Capitalization of the cost of obtaining contracts with customers	51,566	47,410	14,873
Recognised costs for contractual assets	77,450	126,905	59,043
Proceeds from disposal of assets	(1,745)	(225,432)	(226,789)
Impairment and benefit for disposals of fixed assets	0	20,302	0
Financial income	(2,150)	(5,796)	(1,447)
Financial expenses	183,623	252,835	93,696
Results from investments accounted for using the equity method	37	780	(3,562)
Other income and expenses	5,068	43,295	(3,985)
Income tax income/(expense)	(35,623)	(61,667)	50,393
Changes in working capital			
- Current assets / liabilities held for sale	(107,753)	(14,839)	
- Inventories	(4,311)	(18,742)	
- Trade and other receivables	(12,125)	(94,156)	(26,484)
- Cost of obtaining contracts with customers	(120,369)	(222,081)	(96,346)
- Contract assets	(88,986)	(164,738)	(77,912)
- Other assets and liabilities	(58,807)	(62,058)	(15,799)
- Trade and other payables	23,379	87,668	41,609
- Provisions	(31,648)	(45,638)	(11,009)
Cash flow from operating activities	300,565	583,041	265,880
Interest paid	(149,123)	(159,746)	(67,877)
Income tax received/(paid)	6,687	(48,542)	(7,016)
Net cash flow from operating activities	158,129	374,753	190,987
Cash flow from investing activities			
Proceeds from investment on financial assets	54,393		-
Proceeds from sale of intangible assets	335	14,368	
Proceeds from sale of property, plant and equipment	5,951	313,006	282,191
Payments from sale of financial assets	(14,039)	600	
Payments for acquisition of property, plant and equipment	(245,593)	(292,678)	(207,767)
Payments for acquisition of intangible assets	(120,796)	(357,575)	(161,075)
Payments for acquisition of financial assets			(1,439)
Acquisition of subsidiaries, net of cash and cash equivalents	(3,436)	(1,937,676)	(25,170)
Net cash flow used in investing activities	(323,185)	(2,259,955)	(113,260)
Cash flow from financing activities			
Proceeds from issue of share capital	-	1,136	1,600
Proceeds from bank borrowings	149,366	3,933,449	239,849
Proceeds from Government grants	1,019		
Proceeds from other financial liabilities		2,558,283	179,153
Payments for treasury shares	(478)		
Payments for lease liabilities including interest	(29,998)	(44,091)	(20,901)
Payments for bank borrowings	(3,725)	(3,979,764)	(249,873)
Payment for other financial liabilities	(72,292)	(512,701)	(216,482)
Net cash flow from/(used in) financing activities	43,892	1,956,312	(66,654)
Net increase/(decrease) in cash and cash equivalents	(121,164)	71,110	11,073
Cash and cash equivalents at 1 January	152,495	81,385	81,385
Cash and cash equivalents at 30 June	31,331	152,495	92,458

Source. - Company

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