



Earnings Presentation FY23

19th of March, 2024

MASMOVIL – FY23 Key Highlights

Growth momentum continues; JV with Orange Spain expected to close end-Q1



JV with Orange Spain

All authorizations obtained; deal closing expected by end of Q1



Corporate family ratings upgraded by 2 notches



Telco Service Revs +6% YoY

Total Revenues of €2,979M (+3% YoY)



EBITDA Pre-IFRS¹ +3%

Stable Adj. EBITDA of €1,189M (Margin 40%)



>3.4M Broadband lines & >15.9M total lines

Growth in fixed and mobile contract services (>130k in 4Q23)



Reported Net Debt slightly up vs 3Q23 at €6.54bn

4.5x / 5.4x LTM net leverage on senior secured / total basis

JV with Orange Spain – New credit ratings

Corporate family¹ ratings upgraded by 2 notches

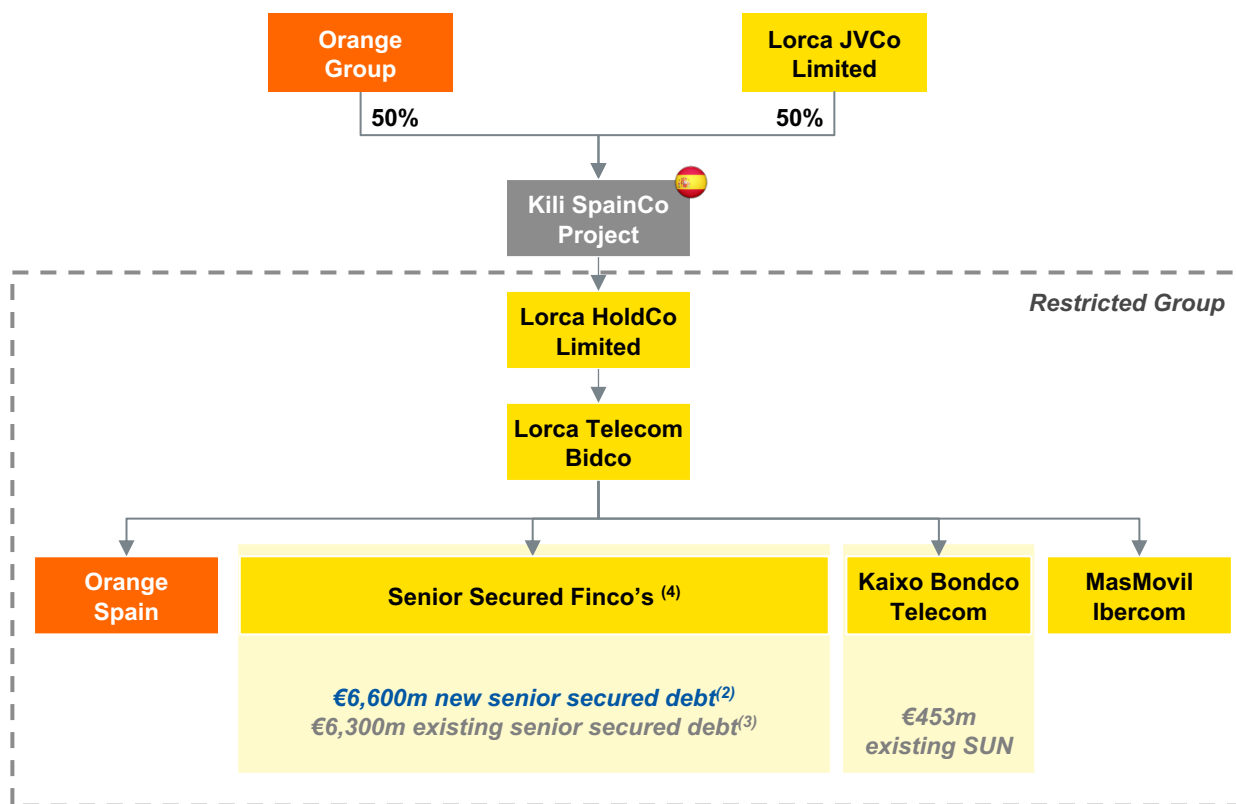
	New Rating	Old Rating	Notches Up
MOODY'S	Ba3 (Pos. Outlook)	B2	+2
FitchRatings	BB (Pos. Outlook)	B+	+2
S&P Global Ratings	Pending	B	Pending

1.- New ratings (senior secured / senior). Moody's: Ba3 (+1) / B2 (+2), Fitch: BB+ (+1) / BB (+4)

JV with Orange Spain – Transaction overview

Only €1.3bn of senior secured instruments left to be placed

Simplified pro forma structure⁽¹⁾



Commentary

- All regulatory approvals already received
- Closing is subject only to final admin steps; expected before month end
- New €6.6bn senior secured financing (o.w. €600m undrawn capex line), pari passu with the existing Lorca's senior secured debt.
- €4.7bn drawn facilities placed with 30+ banks
- Remaining €1.3bn expected to be distributed in the institutional market through a mix of TLB and other senior secured debt, in each case in EUR or USD

JV detailed credit update will be available in the near future

BofA Securities and BNP Paribas have been mandated as Joint Global Coordinators on the c.€1.3bn offering

Note: (1) 100% ownership implied when not specified; Non-consolidated subsidiaries excluded; (2) Including €600m new Capex line; (3) Including €750m existing RCF; (4) Lorca Finco, Lorca Telecom Bondco and Lorca Co-Borrower

MASMOVIL – Continue leading the ESG front

MASMOVIL is a BCorp company and has achieved leading ESG rating scores



Best telco in ESG in Spain according to Clarity
80 points achieved late November



Leading ESG Rating by Sustainable Fitch
The European telco with highest ESG rating (77 points)



Top of class in ESG risk management by Sustainalytics
Fifth best telecom company worldwide¹



ESG Rating by S&P recently increased to 68 points



Impact-Weighted Accounts Initiative (IWA) by Harvard University
Annual Social & Environmental impact >€7bn



Rural FTTH development
10 M€ grants in 5 provinces for rural FTTH deployment



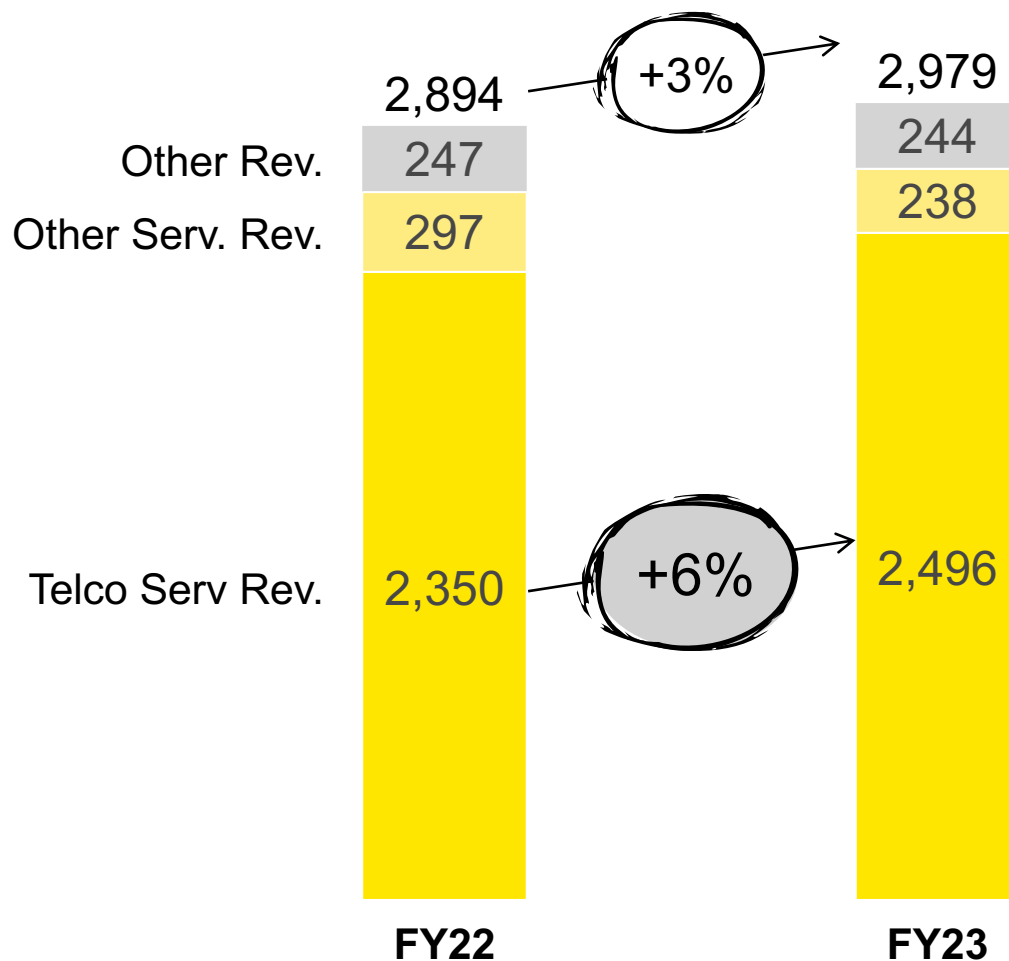
New businesses >2.5 million services in place
Personal finance, insurance, green energy, content, home security...

¹ As of the date of the report by Sustainalytics

Revenues FY23

Telco Service Revenues +6% YoY; Total Revenues +3% YoY

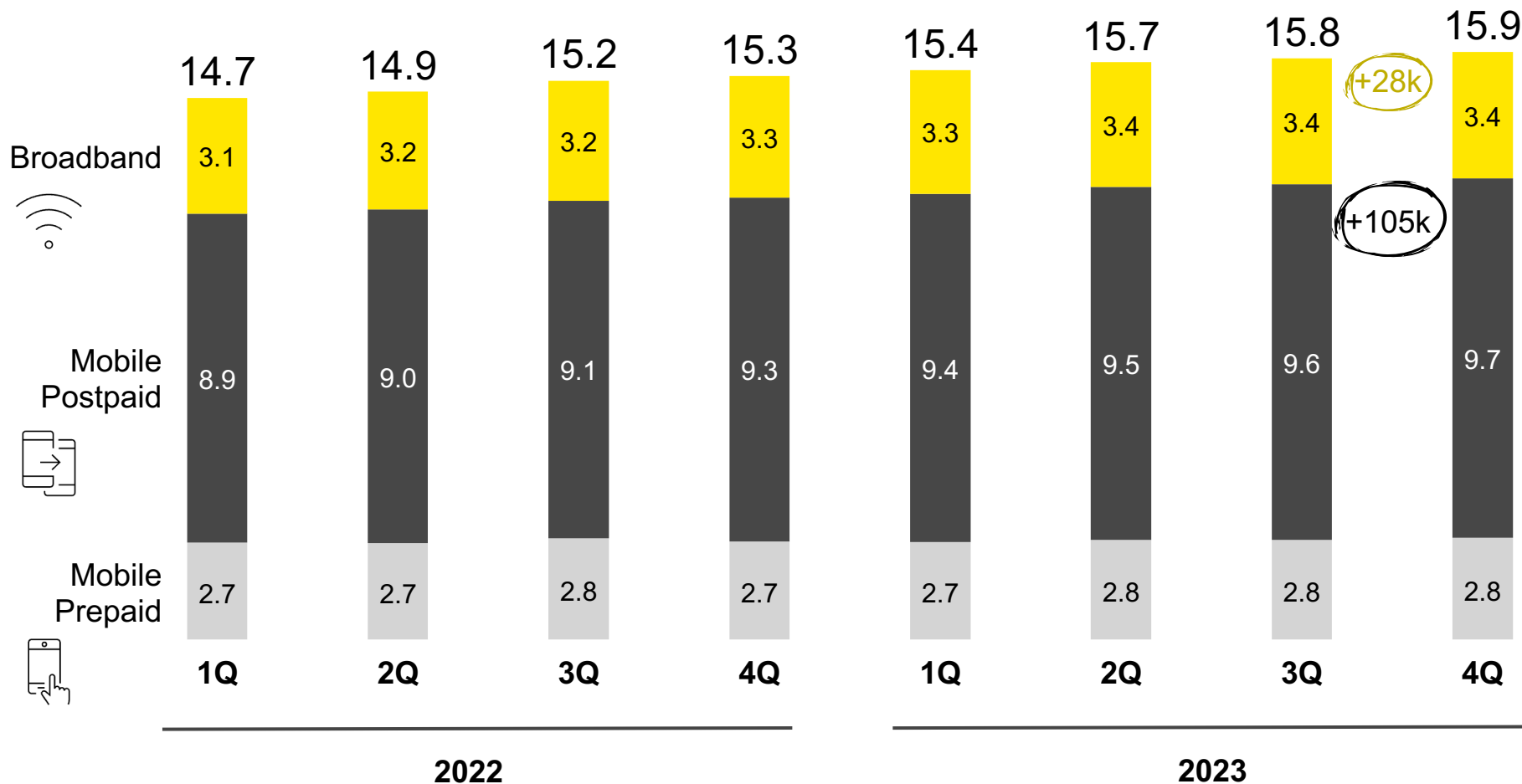
€M



Evolution of Mobile & Broadband Lines

Growth in BB & mobile (+177K lines in 4Q23) allows exceeding 15.9M total lines

Million lines



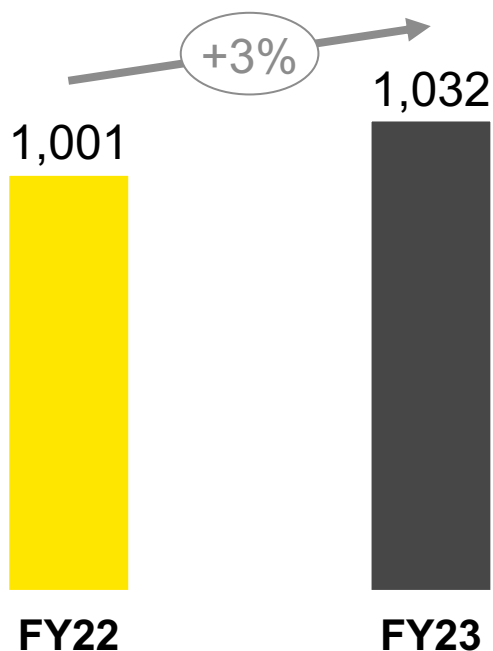
Adjusted EBITDA FY23

EBITDA pre-IFRS¹ growth of +3% (YoY); Adjusted EBITDA² stable (YoY)

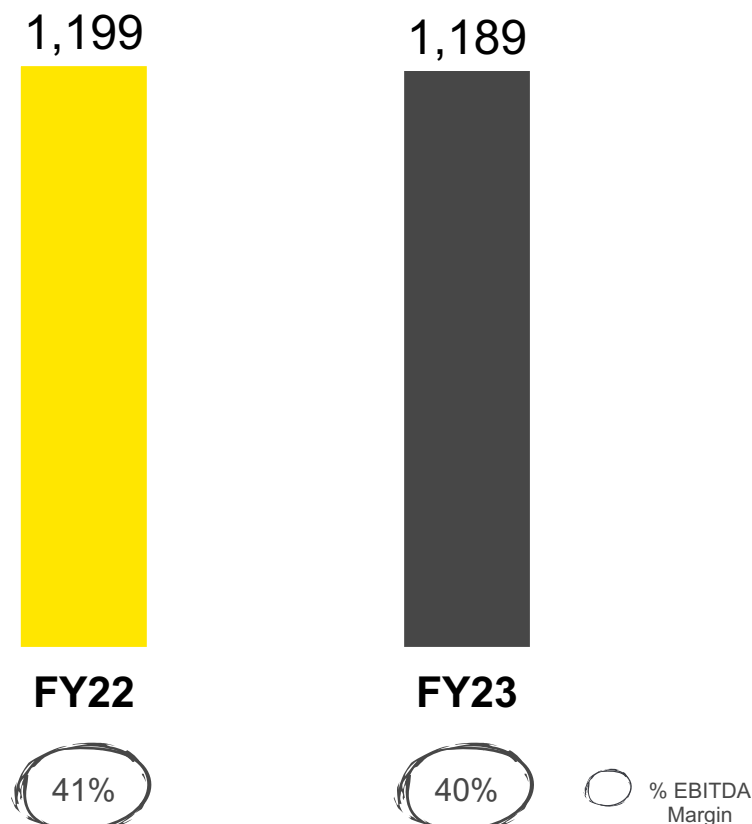
€M

○ % YoY growth

EBITDA pre-IFRS



Adjusted EBITDA



¹ Pre IFRS 15 & IFRS 16 (see bridge between EBITDA pre-IFRS and Adjusted in slide 15)

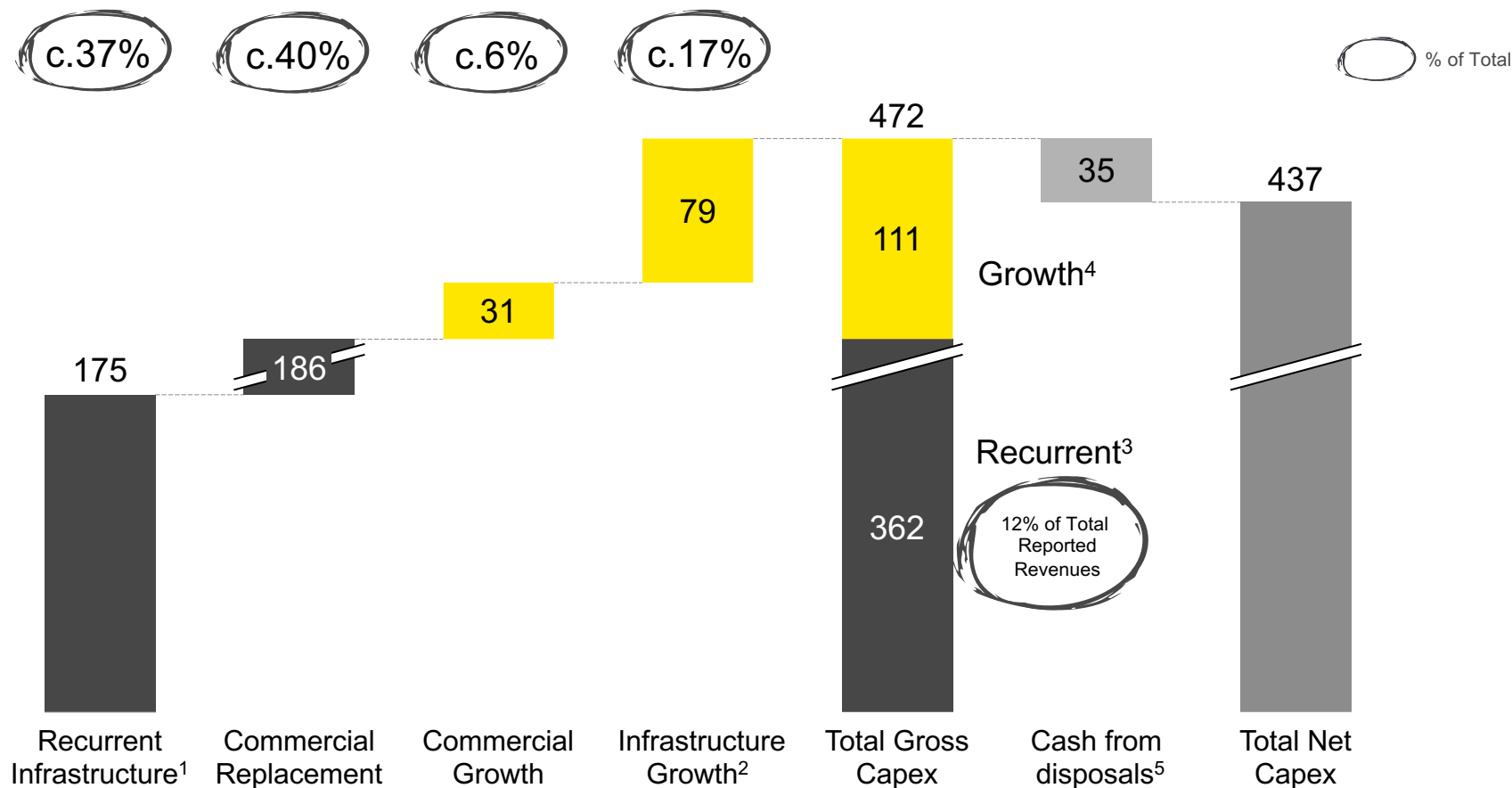
² Adjusted for one-off items

Source: Company

Reported Net Capex FY23

Recurrent capex at 12% over total revenues; total capex in line with plan

€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 FTTH network deployment & commercial growth-related capex

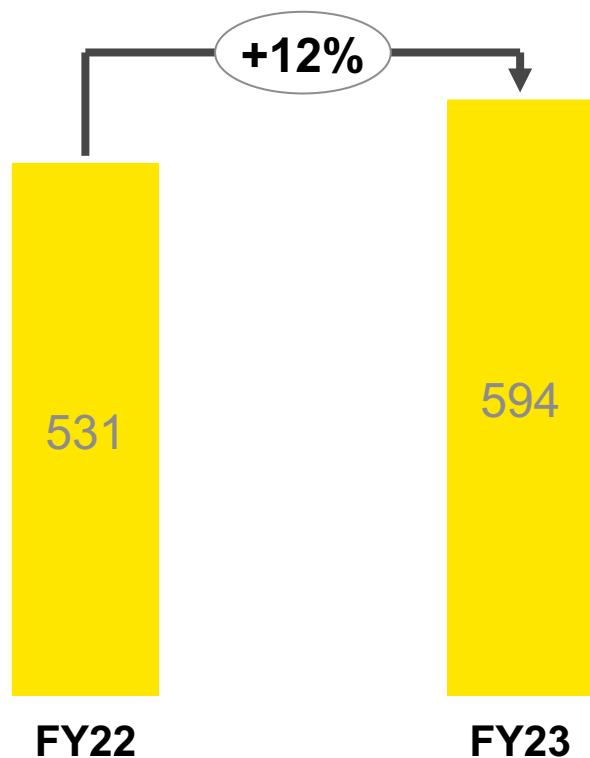
5 Including routers refurbished and other network sales

EBITDA-CAPEX

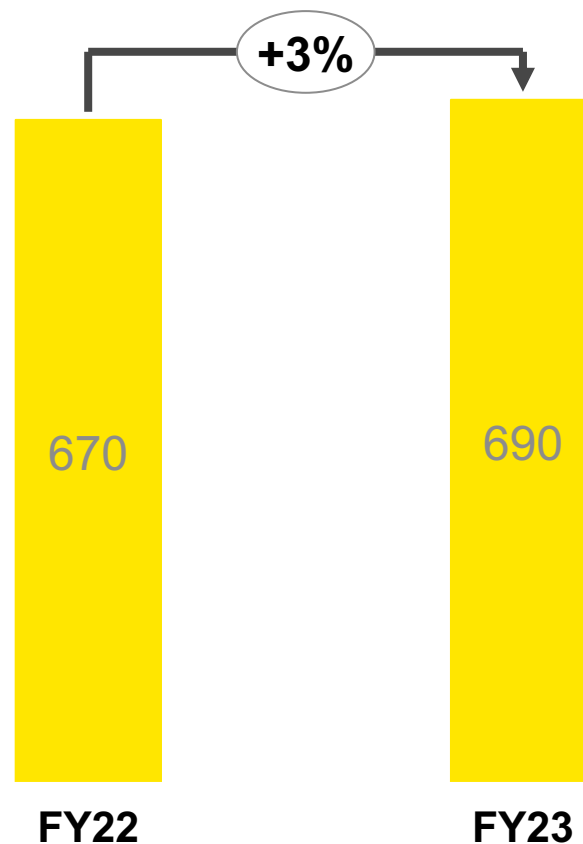
Pre-IFRS¹ EBITDA-CAPEX +12% in FY23 with EBITDAaL²-CAPEX +3%

€M

EBITDA pre-IFRS - CAPEX



EBITDAaL - CAPEX



1 Pre-IFRS15 & IFRS16

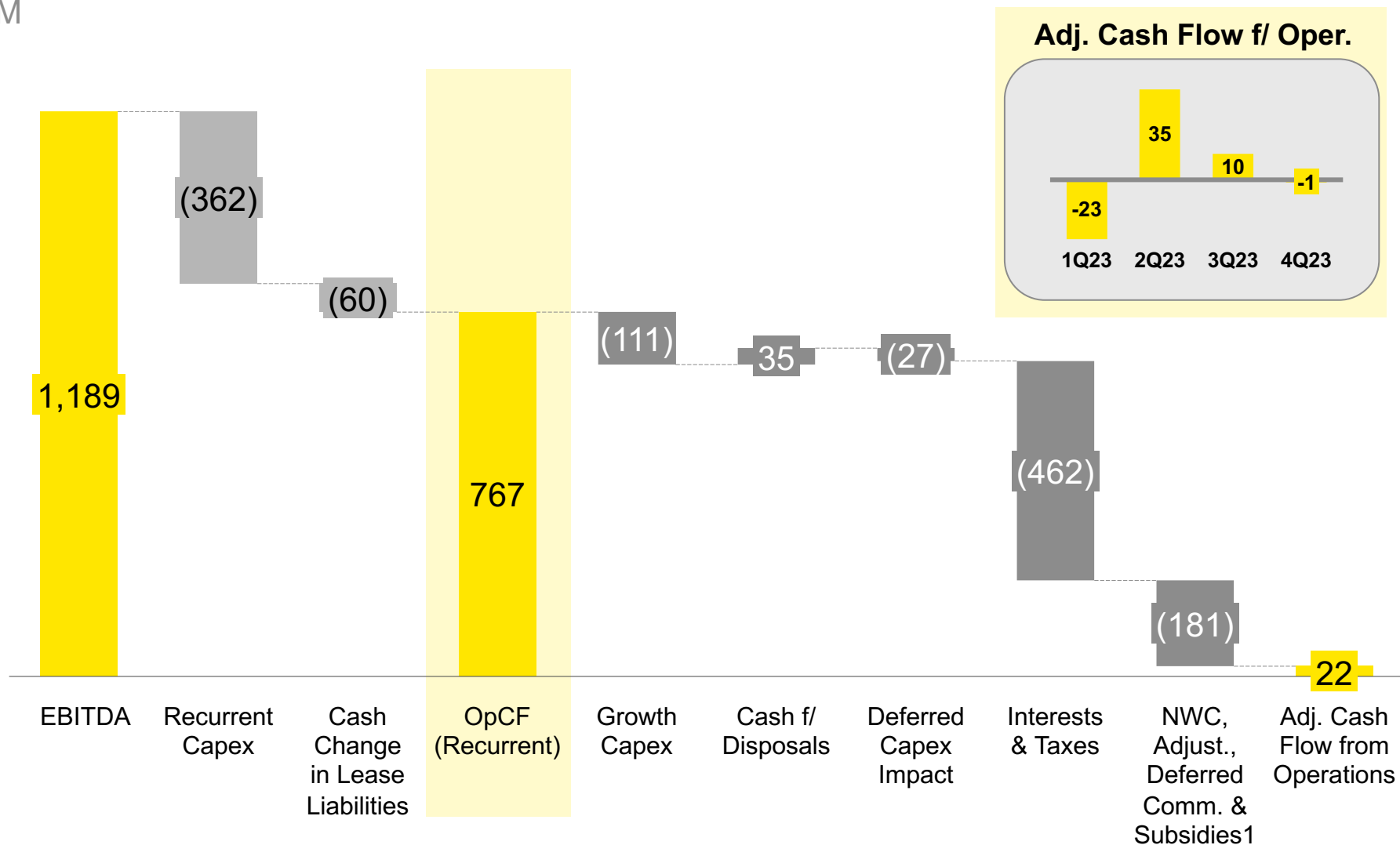
2 EBITDA after Leases (Post-IFRS15)

Source: Company

Reported Cash Flow From Operations FY23

Recurrent Operating Cash Flow €767M; positive €22M CF f/Operations

€M

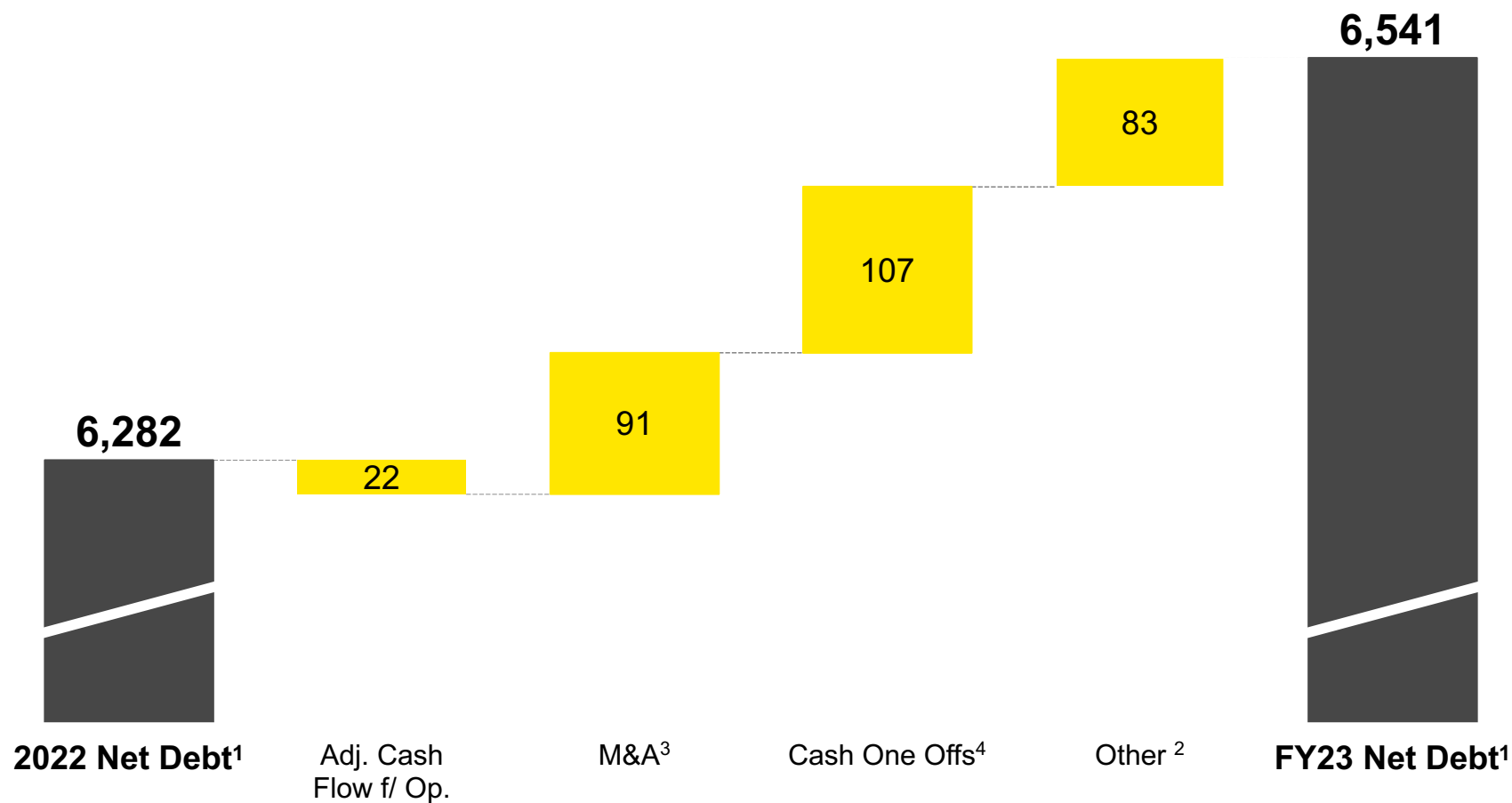


¹ Includes IFRS15

Change in Reported Net Debt FY23

Net Debt slightly up QoQ to €6,541M in 4Q23

€M



¹ As per Company's calculations, excludes IFRS16 financial leases adjustment

² Includes mainly non-paid accrued interest

³ Mainly equity contributions as part of our Ucles project

⁴ Includes integration and restructuring costs plus penalties, mostly related to the Euskaltel integration

Source: Company

FY23 Net Debt & Leverage¹: Nominal view

Total Net Debt LTM¹ leverage of 5.4x and 4.5x on Senior Secured basis

€M

(€m)	FY23
TLB	3,200
Senior Secured Notes	2,350
Senior Notes	453
RCF	150
Commercial paper	331
M&A deferred payments	31
Other debts	108
Other Debts (grants, deposits and guarantees)	11
Finance leases	205
Cash & Equivalents	-22
Total Net Debt (for leverage)	6,818
LTM Structuring EBITDA	1,272
Total Net Debt LTM Leverage	5.4
Senior Secured Net Debt	5,678
Senior Secured Net Debt LTM Leverage	4.5

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

1: LTM Adjusted EBITDA plus remaining Euskaltel's synergies, run rate and adjustments from sale of Netco.

Source: Company.

Thanks a lot and see you all next quarter!



Appendix



MASMOVIL – Impact Measurement

Annual Social & Environmental Impact over €7 Billion

Methodology from the Impact-Weighted Accounts Initiative (IWAI) by Harvard University

Key areas of value creation:



Network and services: Deployment of connectivity, accessibility-affordability



Corporate culture: Employee engagement, culture, equality and diversity



Social development: Customer satisfaction, donations, talent and volunteering



Environment: emissions avoided, emissions offset and waste management



Governance: Privacy, data protection and cybersecurity

Income Statement Summary

€M

(€M)	FY22	FY23	Growth
Service Revenues	2,646.8	2,734.4	3%
Other revenues	247.5	244.7	-1%
Revenue	2,894.2	2,979.1	3%
Other operating revenue	257.4	154.0	-40%
Cost of sales	-1,783.6	-1,783.6	0%
Other operating expenses	-168.7	-160.3	-5%
Adjusted EBITDA	1,199.4	1,189.2	-1%
Net one-offs	-47.4	-49.8	5%
Capital gain on sale of assets and loss impairr	0.3	-2.5	nm
Reported EBITDA	1,152.3	1,136.9	-1%
Depreciation and amortization	-930.2	-862.6	-7%
Result from loss of control of associates	595.4	0.0	nm
Reported EBIT	817.5	274.3	-66%
Net financial expenses	-371.7	-486.5	31%
Results from equity-consolidated investments	-24.5	-49.4	102%
Reported Profit before taxes	421.3	-261.7	nm
Income tax	25.7	59.7	132%
Income / Loss from continuing operations	447.1	-202.0	nm
Result from discontinued operations net of tax	-3.5	-38.2	nm
Income / Loss for the period	443.6	-240.2	nm

Cash Flow Statement Summary

€M

(Million €)	FY23
Adjusted EBITDA	1,189
NWC, Adjustments, Deferred Commissions and Subsidies	(158)
Payments from lease liabilities (IFRS16)	(60)
Net Financial expenses	(415)
Corporate tax	(47)
Cash Flow from operations before Capex	509
Accrued Net Capex	(472)
Payments for previous periods Capex	(27)
Cash from sale of assets (includ. special projects)	35
Cash Flow from Capex	(464)
Other	(22)
Adjusted Cash Flow from operations	22
One-offs	(107)
Cash Flow from operations	(85)
M&A	(91)
Financing	171
Net increase/(decrease) in cash and cash equivalents	(5)

Net Debt Structure: Reported view

€M

(€m)	FY23
TLB	3,132
Senior Secured Notes	2,347
Senior Notes	451
RCF	151
Commercial paper	331
M&A deferred payments	31
Other bank debt, grants, deposits & guarantees	119
Total Gross Debt (as per Company's calculations)	6,563
Cash & Equivalents	22
Group's Net Debt (as per Company's calculations)	6,541

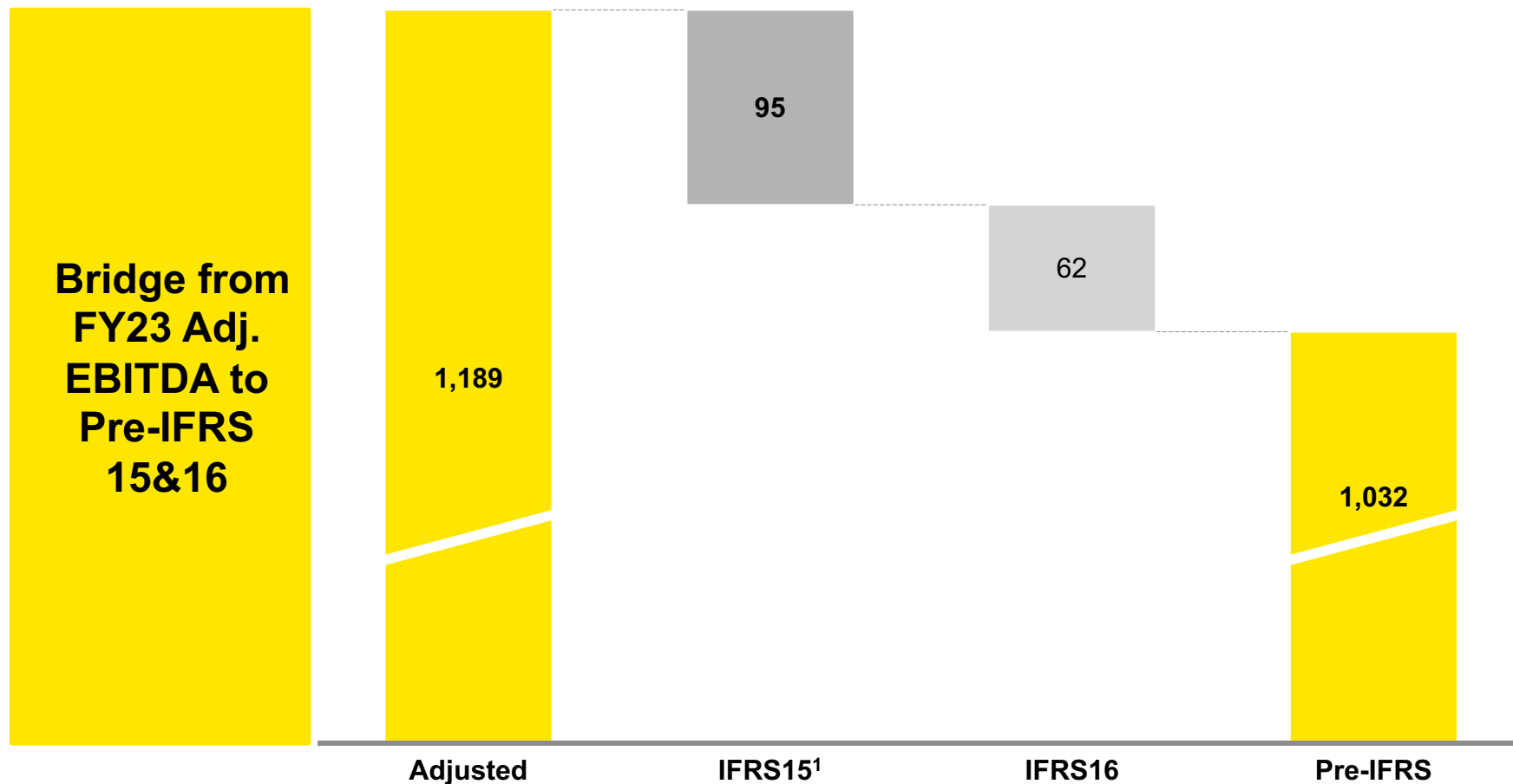
Source: Company

Please note that previous figures are calculated excluding some debts, mainly debts without cash interest charges or with shareholders, and also excluding €205M of financial leases under IFRS16 accounting practices

Bridge from Adjusted EBITDA to Pre-IFRS

From 1Q23 we are providing quarterly EBITDA on Pre-IFRS 15&16 basis

€M



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