



Hrvatski Telekom **Q1 2025 Results**

29 April 2025

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Company may be calculated differently by other companies operating in the sector. Therefore, the non-IFRS measures and key performance indicators used in these materials may not be directly comparable to those of the Group's competitors.

On 8 November 2023, HT and Iskon concluded the Merger Agreement of Iskon into HT. The merger was entered into the Court Register of the Commercial Court in Zagreb on 1 January 2024, by which the merged company Iskon ceased to exist as a separate legal entity. As the acquiring company, HT became the universal legal successor of Iskon, thus entering into all legal relationships of the merged company. Products and services previously offered by Iskon continue to be provided within HT but as a separate Iskon brand.

On 1 January 2024, the technological unit Ericsson Nikola Tesla Servisi Ltd. (hereinafter referred to as "ENTS"), responsible for the construction and maintenance of the HT network, which was initially outsourced to ENTS in September 2014, was integrated into HT Group. The now former technological unit of ENTS has been transferred together with the employees to HT Servisi Ltd. (a subsidiary company established by HT on 15 November 2023, and fully owned by HT), based on the Agreement on the transfer of a part of the economic activity concluded with ENTS.

Based on the Merger Agreement concluded on 5 November 2024 between Hrvatski Telekom Ltd. and HT Servisi Ltd. and the General Assembly of the merged company on approval for the merger on 2 January 2025, the merger has been entered into the Court Register of the Commercial Court in Zagreb. Upon entry of the merger the company HT Servisi Ltd. ceased to exist and HT Inc. became the universal legal successor, thus entering into all legal relationships of the merged company.

Q1 2025 HIGHLIGHTS

BUSINESS DEVELOPMENT

- Maintained growth momentum
- Continued expanding the largest FTTH network in Croatia by 22% YoY
- The first operator in Croatia to retire 3G network
- Leading customer experience on the market
- Magenta Moments: Exclusive partnerships with Perplexity AI and Wolt
- Indexation clause implemented from March
- Initiated separation of passive mobile infrastructure into wholly owned subsidiary

FINANCIALS

- Revenue up by 5.9% YoY, supported by growth across all segments
- Adjusted EBITDA AL up 3.0% YoY driven by solid commercial performance, despite persistent inflationary headwinds
- Stable Net profit EUR 26.6m

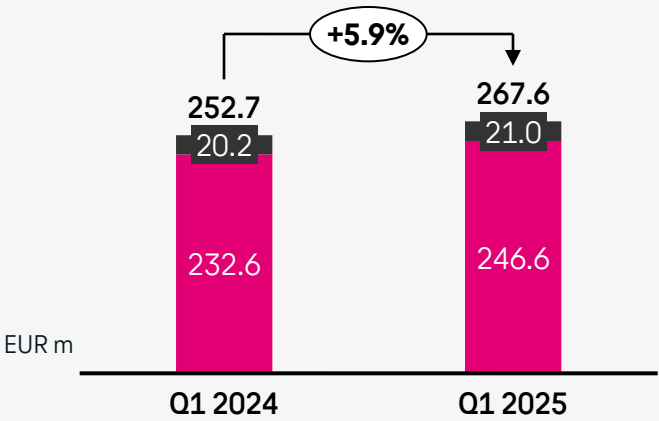
CAPITAL ALLOCATION

- Proposed EUR 1.64 dividend, 7.2% YoY growth
- SBB continued throughout Q1, acquired 395k shares

TOP LINE STRENGTH DRIVES ADJ. EBITDA INCREASE

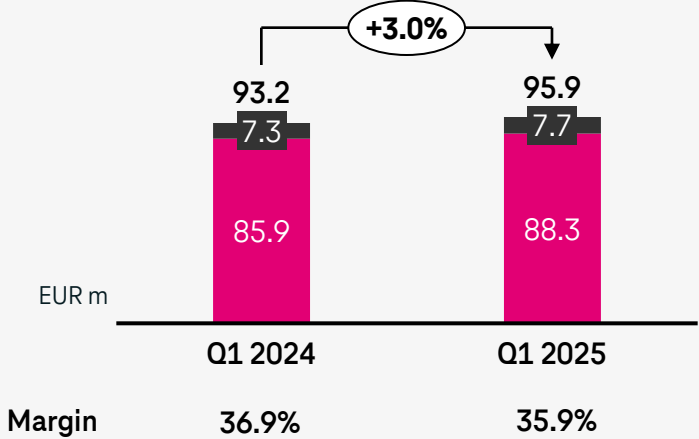
REVENUE

Continued growth momentum in both markets.



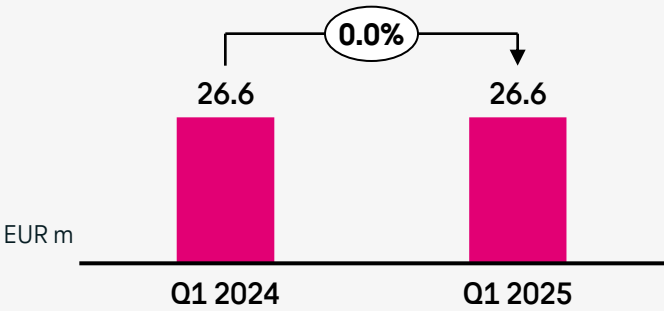
Adjusted EBITDA AL¹

Top-line strength, offsetting persistent inflationary and salary pressures.



NET PROFIT²

Adj. EBITDA AL growth counterbalanced by higher depreciation, negative net financial result and exceptional items.



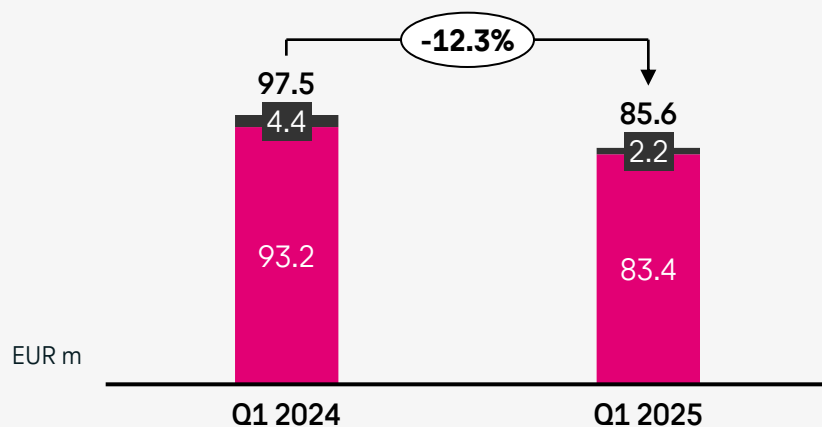
CT contribution
HT Croatia

1. EBITDA after leases adjusted for exceptional items
2. Net profit after non-controlling interests

MAINTAINED HIGH INVESTMENT LEVEL

NET CASH FLOW FROM OPERATIONS

Seasonally lower due to dynamic of working capital.

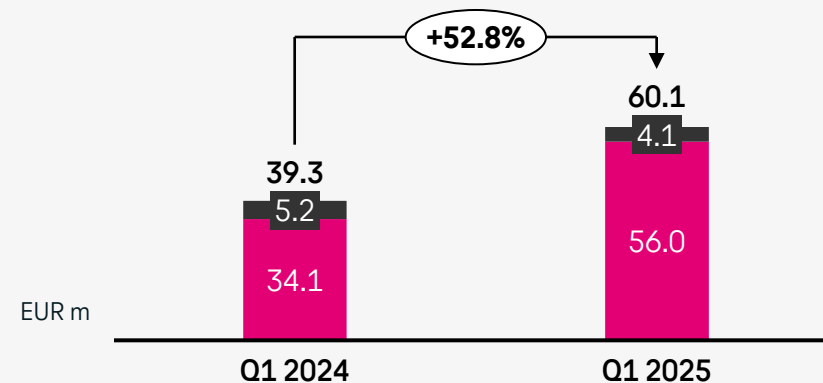


■ CT contribution
■ HT Croatia

1. Excluding Spectrum

CAPEX AL BOOKED¹

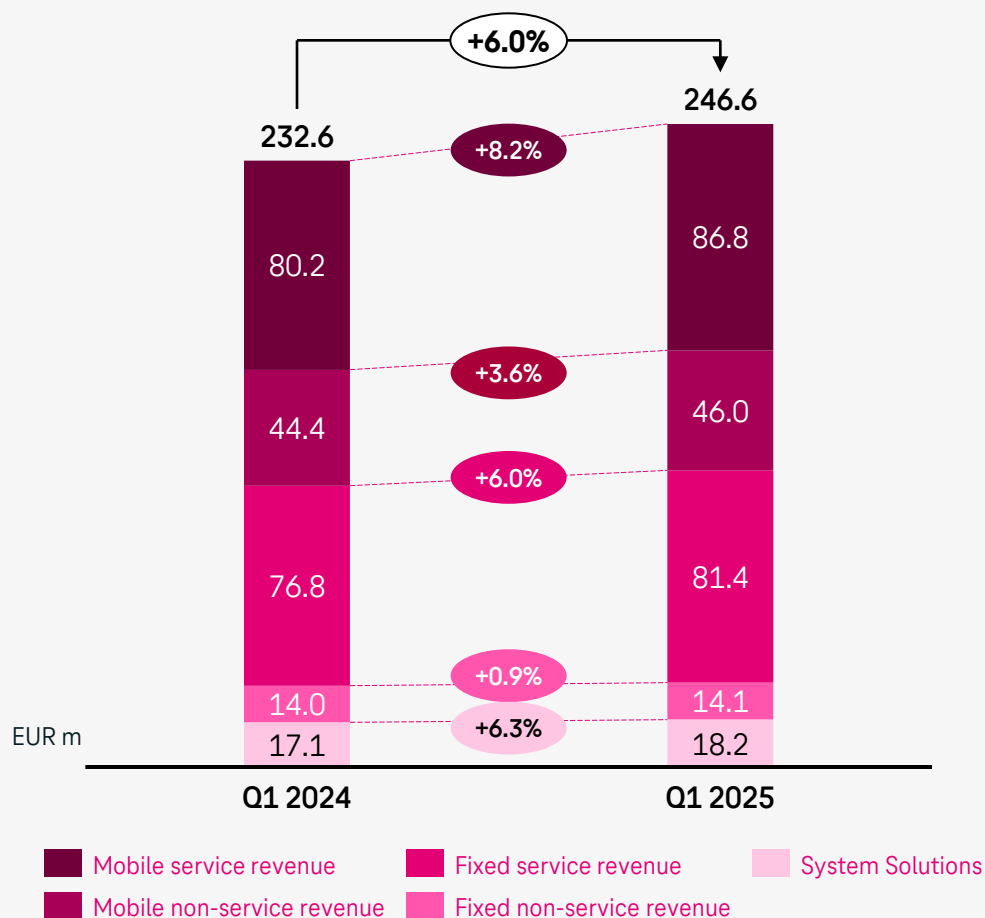
Higher investment due to timing of content contracts renewals and continued expansion of fiber and mobile infrastructure.



GROWTH ACROSS ALL CATEGORIES

HT CROATIA

REVENUE BREAKDOWN



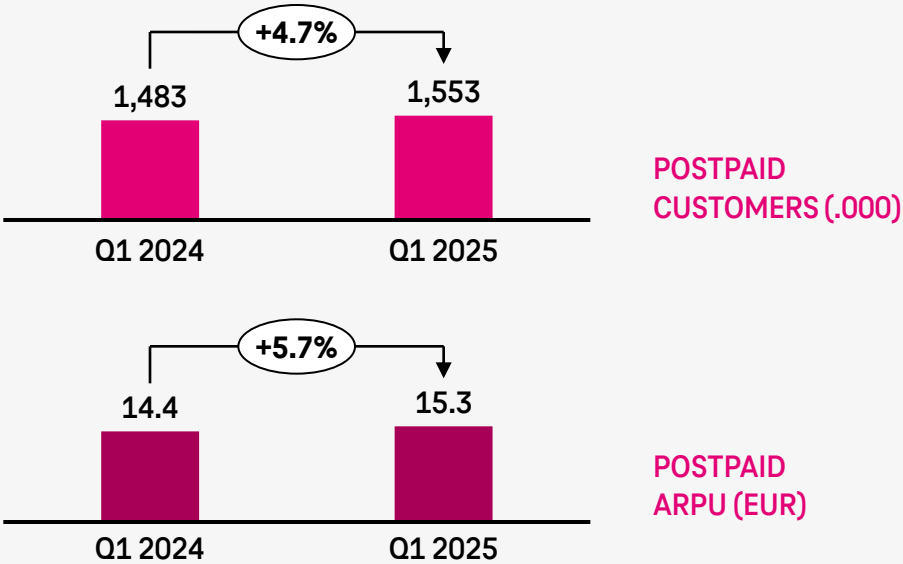
- **Mobile service revenue** supported by postpaid growth, prepaid-to-postpaid migration and price adjustments.
- **Mobile non-service revenue** growth driven by increased market dynamics in Q1 and hardware promotions.
- **Fixed service revenue** up, driven by customer migrations to higher value propositions, capitalizing on investments in fiber and premium sport content and price adjustments.
- **Fixed non-service revenue** stable YoY.
- **System Solutions revenue** up driven by demand for integrated ICT offerings with focus on cloud and cybersecurity.

THE GROWTH OF POSTPAID CONTINUES

HT CROATIA

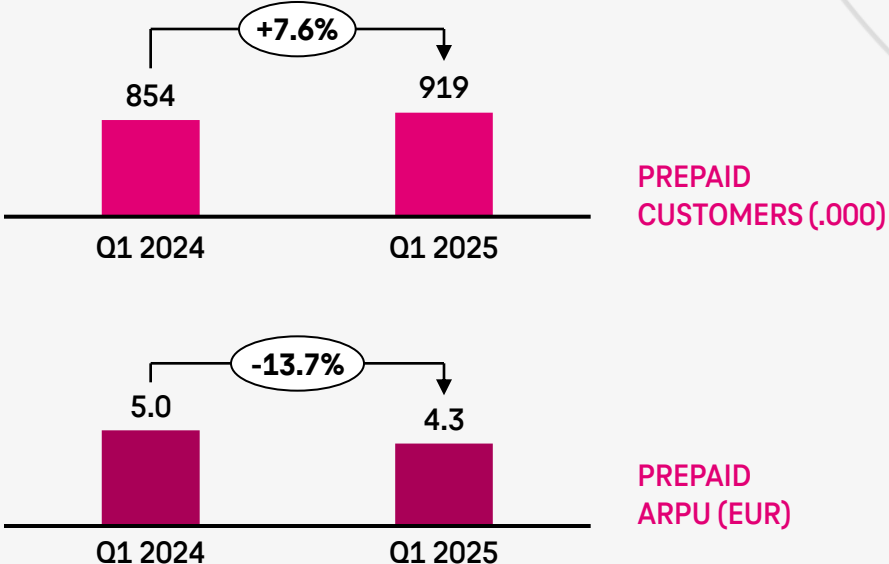
MOBILE POSTPAID

Postpaid customers growth supported prepaid-to-postpaid migration. ARPU increase reflects upselling to higher value tariffs and price adjustments.



MOBILE PREPAID

Prepaid customer growth was mainly driven by M2M SIMs. ARPU contracted due to migration of high value customers to postpaid propositions and M2M.

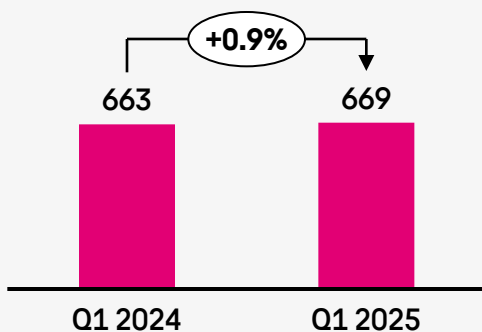


FIXED BROADBAND AND TV BASE CONTINUED TO GROW

HT CROATIA

BROADBAND

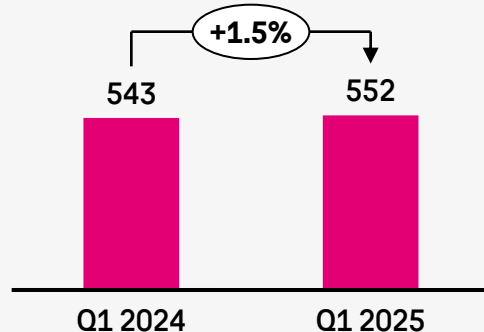
BB retail lines increase as a result of the continued expansion of FTTH infrastructure; Fiber Customer Base up by 31.9% YoY.



RETAIL BROADBAND
ACCESS LINES (.000)

TV

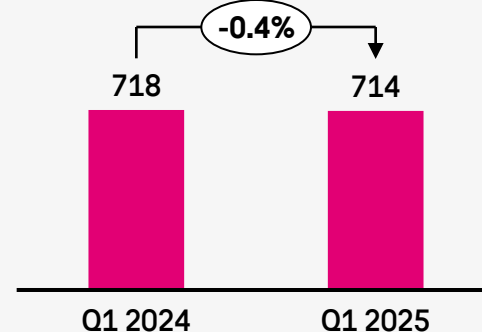
TV customer base is expanding due to the best content offering.



TV CUSTOMERS
(.000)

FIXED VOICE

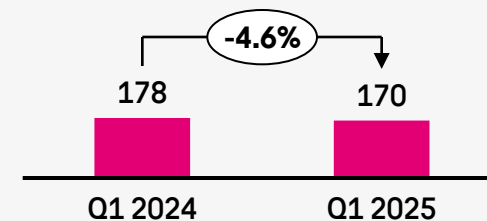
Fixed voice lines continue to contract at a modest pace.



RETAIL FIXED VOICE
MAINLINES (.000)

WHOLESALE¹

Customer base reduced as copper infrastructure customers churn is only partly compensated by growth of fiber infrastructure.



WHOLESALE
CUSTOMERS (.000)

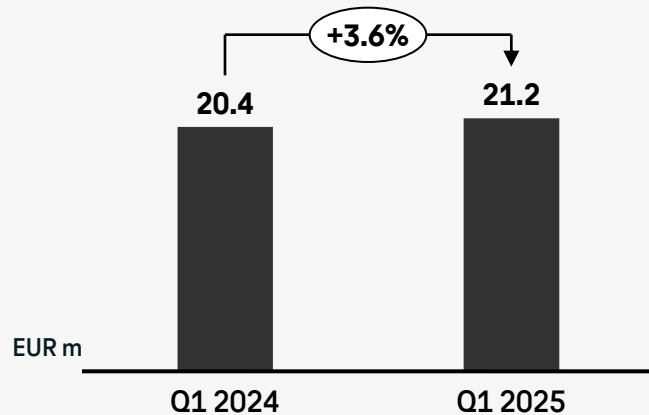
1. Includes Naked Bitstream + Bitstream + ULL + FA + WLR wholesale rental

STRONG FINANCIAL PERFORMANCE CONTINUES

CRNOGORSKI TELEKOM

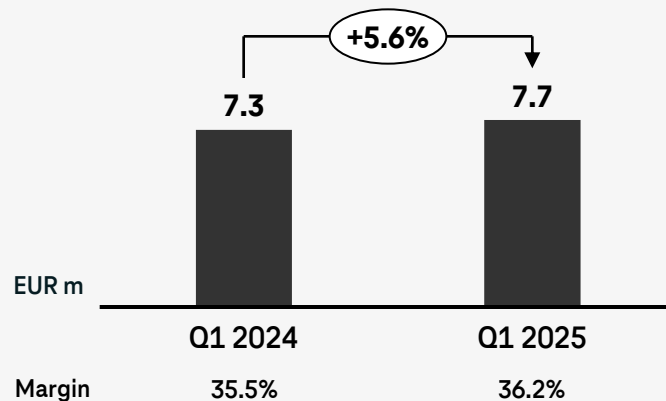
REVENUE

Growth driven mostly by mobile and fixed services.



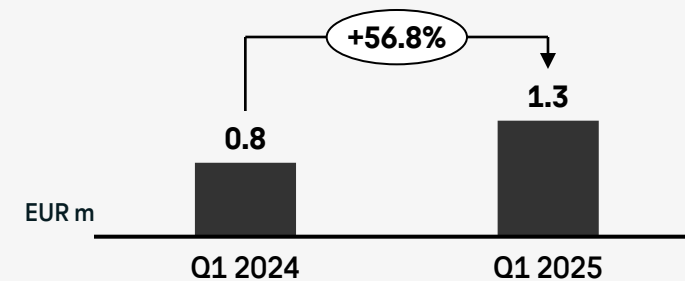
EBITDA AL¹

Growth reflects revenue development, partly offset by higher costs.



NET PROFIT²

Reflects strong operating performance.



1. EBITDA after leases adjusted for exceptional items

2. Net profit after non-controlling interests

GROUP 2025 OUTLOOK

	2024 RESULTS	OUTLOOK 2025 vs. 2024
REVENUE	EUR 1,102 million	Low-single-digit increase
ADJ. EBITDA AL	EUR 416 million	Low-single-digit increase
CAPEX AL ¹	EUR 243 million	Low-single-digit increase
REGIONAL EXPANSION	HT is monitoring and evaluating potential M&A opportunities	HT is monitoring and evaluating potential M&A opportunities



Q&A

To ask a question, please raise your hand 🙋

Once your question is answered, please lower your hand by clicking 🙋 again



APPENDIX

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

in EUR million	HT Group		%
	Q1 2024	Q1 2025	
Revenue	252.7	267.6	5.9%
Other operating income	2.5	0.7	-70.0%
Total operating revenue	255.2	268.3	5.1%
Operating Expenses AL	-167.1	-179.6	7.5%
Material expenses	-78.5	-84.2	7.2%
Employee benefits expenses	-45.8	-52.7	15.1%
Work performed by the Group and capitalised	1.8	2.9	59.8%
Other expenses	-30.2	-30.5	1.1%
Net impairment losses on trade receivables and contract assets	-2.0	-1.8	-10.9%
Leases depreciation	-11.2	-11.9	6.2%
Leases interest	-1.2	-1.3	8.1%
EBITDA AL	88.0	88.7	0.7%
<i>EBITDA AL margin</i>	<i>34.8%</i>	<i>33.1%</i>	<i>-1.7 p.p.</i>
Exceptional items*	5.1	7.3	41.6%
Adjusted EBITDA AL	93.2	95.9	3.0%
<i>Adjusted EBITDA AL margin</i>	<i>36.9%</i>	<i>35.9%</i>	<i>-1.0 p.p.</i>
Depreciation (without leases)	-55.5	-56.2	1.3%
EBIT	33.8	33.8	0.1%
<i>EBIT margin</i>	<i>13.4%</i>	<i>12.6%</i>	<i>-0.7 p.p.</i>
Net financial result (non leases related)	1.2	0.7	-44.0%
Financial income	2.4	1.8	-24.7%
Income/loss from investment in joint ventures	0.0	0.0	-
Financial expenses	-1.2	-1.1	5.0%
Tax provisions	-7.0	-6.3	-10.1%
Non controlling interests	-0.2	-0.3	45.2%
Net profit after non controlling interests	26.6	26.6	0.0%
<i>Net profit margin</i>	<i>10.5%</i>	<i>9.9%</i>	<i>-0.6 p.p.</i>

* Exceptional items mainly relate to restructuring redundancy costs and legal cases

Note: Starting this quarter, Leases Depreciation and Leases Interest will be shown separately within OPEX AL.

CONSOLIDATED BALANCE SHEET STATEMENT

in EUR million	At 31 Dec 2024	At 31 Mar 2025	% of change A25/A24
Intangible assets	394.9	401.2	1.6%
Property, plant and equipment	868.4	866.1	-0.3%
Non-current financial assets	0.3	0.3	-2.2%
Non-current receivables	46.9	48.2	2.9%
Prepayments and accrued income due > 1 year	17.2	13.4	-21.8%
Right-of-use assets	81.4	82.8	1.8%
Contract assets due > 1 year	10.2	12.1	19.0%
Contract costs due > 1 year	34.6	37.4	8.2%
Deferred tax asset	20.0	22.2	10.9%
Total non-current assets	1,473.8	1,483.8	0.7%
Inventories	44.5	48.0	8.0%
Assets held for sale	31.6	31.6	0.0%
Current receivables	249.2	243.7	-2.2%
Current financial assets	0.0	0.0	-
Contract assets due <= 1 year	39.2	43.7	11.3%
Contract costs due <= 1 year	13.7	13.3	-2.8%
Cash and cash equivalents	229.7	207.9	-9.5%
Prepayments and accrued income due <= 1 year	15.5	10.8	-30.1%
Total current assets	623.4	599.1	-3.9%
TOTAL ASSETS	2,097.1	2,082.8	-0.7%

in EUR million	At 31 Dec 2024	At 31 Mar 2025	% of change A25/A24
Subscribed share capital	1,359.7	1,359.7	0.0%
Reserves	96.9	113.8	17.5%
Revaluation reserves	0.0	0.0	-33.1%
Cash flow hedge reserves	-8.6	-7.8	9.7%
Treasury shares	-29.7	-46.6	-57.0%
Retained earnings	83.5	208.5	149.6%
Net profit for the period	141.9	26.6	-81.3%
Non controlling interest	32.7	33.0	0.9%
Total issued capital and reserves	1,676.6	1,687.4	0.6%
Provisions	17.4	17.9	2.4%
Non-current liabilities	32.2	31.1	-3.5%
Lease liabilities due > 1 year	55.4	54.9	-0.9%
Contract liabilities due > 1 year	0.0	0.0	-
Deferred tax liability	4.4	4.5	2.7%
Total non-current liabilities	109.4	108.3	-1.0%
Current liabilities	259.3	236.4	-8.9%
Lease liabilities due <= 1 year	21.2	22.7	7.1%
Contract liabilities due <= 1 year	16.6	15.7	-5.1%
Accrued expenses and deferred income	12.1	12.1	-0.3%
Provisions for redundancy	2.0	0.3	-84.9%
Total current liabilities	311.2	287.1	-7.7%
Total liabilities	420.5	395.4	-6.0%
TOTAL EQUITY AND LIABILITIES	2,097.1	2,082.8	-0.7%

CONSOLIDATED CASH FLOW STATEMENT

in EUR million	Q1 2024	Q1 2025	% of change A25/A24
Profit before tax	33.8	33.2	-1.8%
Depreciation and amortization	66.7	68.1	2.1%
Increase / decrease of current liabilities	7.2	-9.1	-227.0%
Increase / decrease of current receivables	13.7	9.1	-33.3%
Increase / decrease of inventories	-12.0	-3.6	70.2%
Other cash flow increases / decreases	-11.8	-12.1	-2.7%
Net cash inflow/outflow from operating activities	97.5	85.6	-12.3%
Proceeds from sale of non-current assets	0.3	0.0	-99.2%
Proceeds from sale of non-current financial assets	0.0	0.1	424.2%
Interest received	2.2	1.3	-41.6%
Dividend received	0.0	0.0	-
Other cash inflows from investing activities	0.2	0.1	-63.8%
Total increase of cash flow from investing activities	2.7	1.5	-44.9%
Purchase of non-current assets	-60.5	-56.8	6.1%
Purchase of non-current financial assets	-0.1	0.0	100.9%
Other cash outflows from investing activities	-0.7	-0.4	36.2%
Total decrease of cash flow from investing activities	-61.3	-57.3	6.5%
Net cash inflow/outflow from investing activities	-58.6	-55.8	4.8%
Total increase of cash flow from financing activities	0.0	0.0	-
Dividends paid	0.0	0.0	-173.2%
Repayment of lease	-11.4	-12.3	-7.8%
Other cash outflows from financing activities	-10.4	-39.2	-277.8%
Total decrease in cash flow from financing activities	-21.8	-51.5	-136.4%
Net cash inflow/outflow from financing activities	-21.8	-51.5	-136.4%
Exchange gains/losses on cash and cash equivalents	0.0	0.0	-
Cash and cash equivalents at the beginning of period*	233.1	229.7	-1.5%
Net cash (outflow) / inflow	17.1	-21.7	-226.8%
Cash and cash equivalents at the end of period	250.2	207.9	-16.9%

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