VodafoneZiggo Reports Preliminary Q2 2024 Results

Strong Financial Performance Sustained, Reconfirming 2024 Guidance

Utrecht, July 25, 2024 — VodafoneZiggo[1] announces its unaudited consolidated results for the three months ("Q2") and six months ("H1" or "YTD") ended June 30, 2024.

Highlights for Q2 2024:

- Executing strategy, however commercial performance impacted by competitive market:
  - Mobile postpaid SIMs[2] declined by 18,400, driven by port-outs of local government contracts that were not extended in 2023. Consumer mobile postpaid SIMs remained stable at 3.3 million. Mobile postpaid ARPU[3] grew by 2.6% YoY, supported by our price indexation
  - Fixed Mobile Convergence ("FMC")[4] broadband households penetration remained stable at 48%. We continue to see higher Net Promoter Scores and customer loyalty in our FMC base
  - Total broadband subscribers[5] declined by 22,600, of which 27,400 was in consumer, partially offset by growth of 4,800 in B2B. Fixed ARPU grew by 5.0% YoY, also supported by price indexation
- Sustaining strong financial results:
  - Revenue grew 1.5% YoY, with growth in both fixed and mobile revenue, supported by ARPU growth. Mobile subscription revenue grew by 4.9% YoY
  - Reported a net loss of €14.5 million, compared to a net loss of €117.4 million in the prior year period, as derivative portfolio gains and higher operating income were partially offset by foreign currency exchange losses, higher income tax expense and higher third-party interest expense
  - Adjusted EBITDA[6] grew 8.2% YoY to €481.7 million, as sales margin growth and cost control measures were partly offset by wage increases related to our new collective labor agreement
  - Property & equipment ("P&E")[7] additions of €236.7 million, in line with the prior year period
  - Generated €245.0 million of Adjusted EBITDA less P&E Additions[8], representing 24.2% of revenue
- Successfully acquired 100 MHz spectrum license in the 3.5 GHz band in July 2024. The license fee of €57.5 million was paid in full to the Dutch government, funded from cash flow generated from our own operations
- Reconfirming FY 2024 guidance[9]:
  - Low single digit growth in Adjusted EBITDA, supported by revenue growth
  - 21 - 23% P&E additions as % of revenue
  - Up to €300 million total cash available for potential shareholder cash distributions and non-recurring investments

Ritchy Drost, Interim CEO and CFO VodafoneZiggo, commented:

"We continued to deliver strong financial results in the quarter, maintaining revenue growth in mobile and B2B, alongside a broadly stable consumer fixed revenue. We have seen a strong interest ahead of the start of our exclusive broadcasting of UEFA club football from August, with an increase in the number of Ziggo Go app downloads. In July we implemented a modest fixed price indexation relative to the Dutch CPI. We continue to invest in our networks, products and services to provide the best network and entertainment experience for our customers, further supported by our recently acquired 5G spectrum. With strong financial results in the first half year, we are confident we will deliver our 2024 guidance despite a price competitive broadband market and higher programming costs related to UEFA broadcast. I am also excited to welcome Stephen van Rooyen as our new CEO from September 1st."

Consumer performance for Q2 and H1 2024:

Total consumer revenue increased by 1.7% YoY in both Q2 and H1 2024

Fixed:

Consumer fixed revenue[10] declined by 0.4% YoY in Q2 and 0.5% YoY in H1 2024

- The revenue decline was primarily driven by the decline in our customer base, partially offset by price indexation implemented in July 2023
    - Q2 consumer fixed ARPU grew by 5.6% YoY to €54
- Consumer broadband subscribers decreased by 27,400 in the quarter, amidst the continued promotional intensity in the market
- We continue to execute our strategy by providing high-speed, reliable and secure connectivity, services and the best entertainment to our customers through our Hybrid Fiber Coax network
    - Offering nationwide gigabit speeds across 100% of our fixed network footprint since 2023
    - During the quarter we delivered SmartWiFi pods to 48,000 customers, bringing the total to 1.9 million customers, and reaching a broadband customer penetration of 59%
    - By the end of Q2, 2.1 million customers have a Mediabox Next, Next Mini or the upgraded Mediabox XL in their homes, reaching 60% penetration of our video customer base
    - Our 'Ziggo Sport Free' registration website to view the UEFA Dutch clubs matches for non-customers is live and has garnered strong interest, ahead of the start of new football season in August 2024, with an increase in the number of Ziggo Go app downloads. Additionally, special propositions and licenses for public viewing have been introduced
    - In May 2024, we launched a single app for Vodafone and Ziggo customers, providing information on products, invoices and services in one place. The app also provides details of all the benefits of the Priority customer program and various entertainment recommendations
    - During the quarter we extended our exclusive broadcasting rights of MotoGP for five years to 2029. We also extended our sponsorship deal with Ajax football club for two more seasons until mid-2027
    - In July 2024, we implemented an average 2.5% price indexation, lower than the 2023 Dutch Consumer Price Index ("CPI") of 3.8%, to further support our network investments and help mitigate inflationary cost pressures

Mobile:

Consumer mobile revenue[11] grew by 6.2% YoY in Q2 and 6.3% YoY in H1 2024

- The revenue growth in both Q2 and H1 2024 was primarily driven by (i) the average price indexation of 10.0% implemented in October 2023, (ii) YoY customer base growth and (iii) higher handset sales, partially offset by lower interconnect revenue
    - Q2 consumer mobile postpaid ARPU grew by 4.1% YoY to €19
- 100 consumer mobile postpaid organic net additions in the quarter, bringing the YTD total to 13,100 organic net additions

- Deploying our recently acquired 5G spectrum to further drive innovation and expand our mobile network capacity and coverage, for example strengthening the critical emergency services during major events such as the latest Nijmegen 4Days Marches event in July 2024

Business performance for Q2 and H1 2024:

Total B2B revenue increased by 0.6% YoY in Q2 and 1.0% YoY in H1 2024

Fixed:

B2B fixed revenue[12] increased by 5.3% YoY in Q2 and 5.4% YoY in H1 2024

- The revenue growth in both Q2 and H1 2024 was primarily driven by growth in our SOHO ("Small Office Home Office") and small business segments and our Unified Communication[13] portfolio
  - Q2 SOHO fixed ARPU remained stable YoY at €61 and Q2 small business fixed ARPU increased by 4.0% YoY to €89
- 4,800 B2B broadband subscribers and 3,900 Unified Communication seats[13] were added in the quarter, bringing the YTD total to 7,900 and 8,000 net additions respectively

Mobile:

B2B mobile revenue[14] decreased by 4.2% YoY in Q2 and 3.4% YoY in H1 2024

- The revenue decline in both Q2 and H1 2024 was primarily driven by lower handset sales, partially offset by price indexation and YoY customer base growth. Mobile subscription revenue grew by 1.5% YoY in Q2 and 4.2% YoY in H1 2024
  - Q2 B2B mobile postpaid ARPU declined 0.5% YoY to €15 as pricing pressure in the large corporate segment and lower out of bundle revenue were partially offset by price indexation
- 18,500 B2B mobile postpaid organic net losses in the quarter, reflecting the port-outs of local government contracts. These contracts with low ARPU were not extended in 2023. Total H1 organic net losses were 9,200
- In July 2024, Vodafone Business won a tender to provide mobile connectivity and indoor coverage for the Dutch national government for the next six years. All of the Dutch ministries and their departments will take up our services, as well as High Councils of State, and the judiciary and advisory bodies

Financial highlights for Q2 and H1 2024:

- Revenue grew by 1.5% YoY in Q2 and in H1 2024, supported by continued growth in mobile and B2B fixed revenue, partially offset by a decline in B2C fixed customer base
  - Mobile subscription revenue grew 4.9% YoY in Q2 and 6.2% YoY in H1 2024, supported by YoY growth in mobile postpaid customer base and price indexation
- Reported a net loss of €14.5 million in Q2 and €27.0 million in H1 2024, compared to net loss of €117.4 million and €199.4 million in the prior year periods, respectively, driven by (i) derivative portfolio gains and (ii) higher operating income, partially offset by (a) foreign currency exchange losses, (b) higher income tax expense and (c) higher third-party interest expense
- Adjusted EBITDA increased 8.2% YoY in Q2 to €481.7 million, reflecting a 1.9% YoY growth in sales margin and cost control measures, driven by lower energy costs and consultancy service costs, partly offset by wage increases related to our new collective labor agreement

- On a YTD basis, Adjusted EBITDA increased 8.5% YoY to €959.8 million, as sales margin growth and cost control measures were partially offset by wage increases related to our new collective labor agreement

- Property and equipment additions were 23.3% of revenue in Q2 2024, reflecting our commitment to invest in our networks, products and services
  - Q2 additions were €1.1 million higher YoY, driven by higher capacity and coverage expansion in both mobile and fixed networks, partially offset by lower customer premises equipment
  - H1 additions were €6.9 million lower YoY, driven by lower spend on IT transformation projects and customer premises equipment, partially offset by higher capacity and coverage expansion in both mobile and fixed networks
- Generated €245.0 million of Adjusted EBITDA less P&E Additions in Q2, representing 24.2% of revenue and 16.9% YoY growth. The growth was primarily driven by Adjusted EBITDA growth
  - On a YTD basis, Adjusted EBITDA less P&E Additions increased by 19.7% to €497.7 million, representing 24.4% of revenue
- During the quarter, we made interest payments on the Shareholder Notes of €25.4 million, bringing the YTD total to €50.9 million
- At June 30, 2024, our fully-swapped third-party debt borrowing cost[15] was 3.9% and average tenor of our third-party debt (excluding vendor and handset financing obligations) was 5.3 years
- At June 30, 2024, total third-party debt (excluding vendor financing, handset financing and lease obligations) was €10.2 billion, an increase of €0.1 billion compared to March 31, 2024, reflecting the strengthening of the US Dollar against the euro. Furthermore, when taking into consideration the projected principal-related cash flows associated with our cross-currency derivative instruments, the total covenant amount of third-party gross debt remained stable at €9.1 billion at June 30, 2024. For information concerning the debt balances used in our covenant calculations, see Covenant Debt Information below
- At June 30, 2024, and subject to the completion of our corresponding compliance reporting requirements, (i) the ratio of Senior Net Debt to Annualized EBITDA (last two quarters annualized) was 3.62x and (ii) the ratio of Total Net Debt to Annualized EBITDA (last two quarters annualized) was 4.57x, each as calculated in accordance with our most restrictive covenants, and reflecting the Credit Facility Excluded Amount as defined in the respective credit agreements
  - Vendor and handset financing obligations are not included in the calculation of our leverage covenants. If we were to include these obligations in our leverage ratio calculation, and not reflect the Credit Facility Excluded Amount, the ratio of Total Net Debt to Annualized EBITDA would have been 5.41x at June 30, 2024
- In May 2024, the maximum borrowing capacity of our Revolving Facility G1 was reduced by €50 million to €25 million. At June 30, 2024, we had maximum undrawn commitments of €750 million under our Revolving Facilities. When our Q2 compliance reporting requirements have been completed and assuming no changes from June 30, 2024 borrowing levels, we anticipate that all €750 million of our unused Revolving Facilities commitments available to be drawn
- In July 2024, the borrowing capacity under Revolving Facility G2 was increased by €50.0 million, bringing the total maximum borrowing capacity under the Revolving Facilities back to €800.0 million

Operating Statistics Summary

	As of and for the three months ended June 30, 2024	2023
Footprint		
Homes Passed[16]	7,549,500	7,375,300
Q2 organic Homes Passed net additions (losses)	16,300	(4,800)
Fixed-Line Customer Relationships[17]		
Fixed-Line Customers	3,486,200	3,638,800
Q2 organic Fixed-Line Customer net losses	(31,600)	(33,900)
RGUs per Fixed-Line Customer	2.29	2.35
Q2 monthly ARPU[3] per Fixed-Line Customer	€ 54	€ 51
Mobile SIMs[2]		
Postpaid	5,296,100	5,232,900
Prepaid	319,400	337,500
Total Mobile	5,615,500	5,570,400
Q2 organic Postpaid net additions (losses)*	(18,400)	37,500
Q2 organic Prepaid net losses	(8,100)	(26,600)
Total organic Mobile net additions (losses)	(26,500)	10,900
Q2 monthly Mobile ARPU[3]		
Postpaid (including interconnect revenue)	€ 17	€ 17
Prepaid (including interconnect revenue)	€ 3	€ 3
Convergence[4], including SOHO		
Converged Households**	1,527,500	1,537,000
Converged SIMs**	2,677,800	2,636,600
Converged Households as % of Broadband RGUs	48%	47%
Subscribers (RGUs)[5]		
Video[18]	3,459,900	3,611,500
Broadband[19]	3,161,000	3,267,500
Telephony[20]	1,379,600	1,658,900
Total RGUs	8,000,500	8,537,900
Q2 Organic RGU Net Losses		
Video	(31,800)	(33,100)
Broadband	(22,600)	(31,000)
Telephony	(55,100)	(51,400)
Total organic RGU net losses	(109,500)	(115,500)

* We reported mobile postpaid net losses of 28,000 during Q2 2024, comprised of 18,400 organic net losses and 9,600 non-organic net losses. These non-organic net losses reflect adjustments to our previously reported numbers in Q1 2024.

** We reported converged households net additions of 26,100 during Q2 2023, comprised of 9,000 organic net additions and 17,100 non-organic net additions. In the same quarter, we also reported converged SIMs net additions of 60,600, comprised of 11,500 organic net additions and 49,100 non-organic net additions. These non-organic net additions reflect adjustments to our previously reported numbers in Q1 2023.

Financial Results, Adjusted EBITDA Reconciliation & Property and Equipment Additions

The preliminary unaudited selected financial results are set forth below:

	Three months ended June 30, 2024	Three months ended June 30, 2023*	Change	Six months ended June 30, 2024	Six months ended June 30, 2023*	Change
	in millions, except % amounts					
Total revenue						
Consumer fixed revenue[10]						
Subscription revenue	€ 484.5	€ 486.6	(0.4)%	€ 976.2	€ 981.5	(0.5)%
Non-subscription revenue	3.1	3.0	3.3%	6.2	5.9	5.1%
Total consumer fixed revenue	487.6	489.6	(0.4%)	982.4	987.4	(0.5%)
Consumer mobile revenue[11]						
Subscription revenue	184.3	172.6	6.8%	367.9	342.9	7.3%
Non-subscription revenue	61.5	58.8	4.6%	125.5	121.3	3.5%
Total consumer mobile revenue	245.8	231.4	6.2%	493.4	464.2	6.3%
Total consumer revenue	733.4	721.0	1.7%	1,475.8	1,451.6	1.7%
B2B fixed revenue[12]						
Subscription revenue	140.5	134.0	4.9%	280.4	266.6	5.2%
Non-subscription revenue	3.5	2.7	29.6%	6.6	5.7	15.8%
Total B2B fixed revenue	144.0	136.7	5.3%	287.0	272.3	5.4%
B2B mobile revenue[14]						
Subscription revenue	100.5	99.0	1.5%	204.0	195.8	4.2%
Non-subscription revenue	28.4	35.6	(20.2%)	58.4	75.9	(23.1%)
Total B2B mobile revenue	128.9	134.6	(4.2%)	262.4	271.7	(3.4%)
Total B2B revenue	272.9	271.3	0.6%	549.4	544.0	1.0%
Other revenue[21]	7.6	7.0	8.6%	14.8	13.5	9.6%
Total revenue	**€ 1,013.9**	**€ 999.3**	**1.5 %**	**€ 2,040.0**	**€ 2,009.1**	**1.5 %**
Adjusted EBITDA[6]	**€ 481.7**	**€ 445.2**	**8.2%**	**€ 959.8**	**€ 884.8**	**8.5%**
Adjusted EBITDA as a percentage of revenue	**47.5%**	**44.6%**		**47.0%**	**44.0%**	

*Certain revenue amounts have been reclassified to conform to our 2024 presentation.

A reconciliation of net loss to Adjusted EBITDA is set forth below:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	in millions			
Net loss	€ (14.5)	€ (117.4)	€ (27.0)	€ (199.4)
Income tax expense (benefit)	5.0	(12.6)	(6.0)	(32.0)
Other expense, net	—	0.4	0.1	0.4
Foreign currency transaction losses (gains), net	44.2	(26.1)	184.5	(111.7)
Realized and unrealized losses (gains) on derivative instruments, net	(137.4)	2.4	(348.4)	76.8
Interest expense:				
Third-party	164.9	156.3	329.5	299.6
Related-party	25.4	25.5	50.9	50.7
Operating income	87.6	28.5	183.6	84.4
Impairment, restructuring and other operating items, net	4.4	33.3	4.3	36.0
Depreciation and amortization	389.7	383.4	771.9	764.4
Adjusted EBITDA	**€ 481.7**	**€ 445.2**	**€ 959.8**	**€ 884.8**

Our property and equipment additions for the indicated periods and reconciliation to the capital expenditures that we present in our condensed consolidated statements of cash flows is forth below:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
	in millions, except % amounts			
Customer premises equipment	€ 59.7	€ 64.0	€ 125.5	€ 128.8
New build and upgrade	33.2	27.1	66.3	54.1
Capacity	63.7	69.6	117.5	119.0
Baseline	44.5	36.7	88.7	88.8
Product and enablers	35.6	38.2	64.1	78.3
Property and equipment additions[7]	**236.7**	**235.6**	**462.1**	**469.0**
Assets acquired under capital-related vendor financing arrangements	(119.2)	(85.5)	(189.9)	(178.4)
Assets acquired under finance leases	(2.5)	(1.4)	(5.2)	(2.8)
Changes in liabilities related to capital expenditures	8.6	2.4	46.6	71.2
Total capital expenditures[22]	**€ 123.6**	**€ 151.1**	**€ 313.6**	**€ 359.0**
Property and equipment additions as a percentage of revenue	23.3%	23.6%	22.7%	23.3%
Adjusted EBITDA less P&E Additions[8] Reconciliation				
Adjusted EBITDA	€ 481.7	€ 445.2	€ 959.8	€ 884.8
Property and equipment additions	(236.7)	(235.6)	(462.1)	(469.0)
Adjusted EBITDA less P&E Additions	**€ 245.0**	**€ 209.6**	**€ 497.7**	**€ 415.8**
as a percentage of revenue	24.2%	21.0%	24.4%	20.7%

Third-Party Debt, Finance Lease Obligations and Cash and Cash Equivalents

The borrowing currency and euro equivalent of the nominal outstanding amounts of VodafoneZiggo's consolidated third-party debt, finance lease obligations and cash and cash equivalents is set forth below:

	June 30, 2024				March 31, 2024	
	Borrowing currency		€ equivalent			
	in millions					
Credit Facilities						
Term Loan H (EURIBOR + 3.00%) EUR due 2029	€	2,250.0	€	2,250.0	€	2,250.0
Term Loan I (SOFR + 2.50%) USD due 2028	$	2,525.0		2,356.3		2,338.7
Financing Facility				2.3		2.3
€25.0 million Ziggo Revolving Facility G1 EUR due 2026				—		—
€725.0 million Ziggo Revolving Facility G2 EUR due 2029				—		—
Total Credit Facilities				4,608.6		4,591.0
Senior Secured Notes						
5.00% USD Senior Secured Notes due 2032	$	1,525.0		1,423.1		1,412.5
4.875% USD Senior Secured Notes due 2030	$	991.0		924.8		917.9
3.50% EUR Senior Secured Notes due 2032	€	750.0		750.0		750.0
2.875% EUR Senior Secured Notes due 2030	€	502.5		502.5		502.5
Total Senior Secured Notes				3,600.4		3,582.9
Senior Notes						
3.375% EUR Senior Notes due 2030	€	900.0		900.0		900.0
6.00% USD Senior Notes due 2027	$	625.0		583.2		578.9
5.125% USD Senior Notes due 2030	$	500.0		466.6		463.1
Total Senior Notes				1,949.8		1,942.0
Vendor financing				999.5		1,003.5
Other debt[23]				186.0		186.8
Finance lease obligations				25.9		25.7
Total third-party debt and finance lease obligations				**11,370.2**		**11,331.9**
Unamortized premiums, discounts and deferred financing costs, net				(27.5)		(28.9)
Total carrying amount of third-party debt and finance lease obligations				**11,342.7**		**11,303.0**
Less: cash and cash equivalents				133.2		39.6
Net carrying amount of third-party debt and finance lease obligations[24]			**€**	**11,209.5**	**€**	**11,263.4**
Exchange rate ($ to €)				1.07160		1.07965

Covenant Debt Information

The euro equivalent of the reconciliation from VodafoneZiggo's consolidated third-party debt to the total covenant amount of third-party gross and net debt[24] and includes information regarding the projected principal-related cash flows of our cross-currency derivative instruments is set forth below. The euro equivalents presented below are based on exchange rates that were in effect as of June 30, 2024 and March 31, 2024. These amounts are presented for illustrative purposes only and will likely differ from the actual cash receipts in future periods.

		June 30, 2024		March 31, 2024
	in millions			
Total third-party debt and finance lease obligations (€ equivalent)	**€**	**11,370.2**	**€**	**11,331.9**
Vendor financing		(999.5)		(1,003.5)
Other debt[23]		(186.0)		(186.8)
Finance lease obligations		(25.9)		(25.7)
Credit Facility excluded amount		(498.7)		(493.0)
Projected principal-related cash receipts associated with our cross-currency derivative instruments		(514.2)		(486.6)
Total covenant amount of third-party gross debt		**9,145.9**		**9,136.3**
Less: cash and cash equivalents*		(17.9)		(23.3)
Total covenant amount of third-party net debt[24]	**€**	**9,128.0**	**€**	**9,113.0**

* This excludes the cash that is related to the unutilized portion of the Vendor Finance Note facility of €16.9 million and €15.9 million as of June 30, 2024 and March 31, 2024, respectively, as well as the cash that is outside the covenant group, amounting to €98.4 million and €0.4 million as of June 30, 2024 and March 31, 2024, respectively.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including statements with respect to our strategies, future financial and operational growth prospects and opportunities; expectations with respect to our financial performance, including revenue, Adjusted EBITDA, Adjusted EBITDA less P&E Additions and cash returns to our shareholders, as well as our 2024 financial guidance; expectations of any macroeconomic dynamics that may be beneficial or detrimental to the company; expectations with respect to the development, enhancement and expansion of our networks and innovative and advanced products and services; expectations regarding the availability of mobile devices with 1 Gbps+ download speeds; expectations with respect to our service offerings, such as our UEFA club football broadcast, including the benefits to be derived therefrom; our ability to improve broadband speed and performance using our Hybrid Fiber Coax infrastructure; the strength of our balance sheet, our borrowing capacity and tenor of our third-party debt; and other information and statements that are not historical fact. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. These risks and uncertainties include events that are outside of our control, such as the current political and economic environment; geopolitical tensions; the impact of inflation on consumer disposable income; the continued use by subscribers and potential subscribers of our services and their willingness to upgrade to our more advanced offerings; our ability to maintain commercial momentum in mobile and B2B; our ability to grow FMC households; our ability to meet challenges from competition, to manage rapid technological change or to maintain or increase rates to our subscribers or to pass through increased costs to our subscribers; the effects of changes in laws or regulation; general economic factors; our ability to obtain regulatory approval and satisfy regulatory conditions associated with acquisitions and dispositions; the availability of attractive programming for our video services and the costs associated with such programming; our ability to achieve forecasted financial and operating targets; the outcome of any pending or threatened litigation; the impact of our future financial performance, or market conditions generally, on the availability, terms and deployment of capital; fluctuations in currency exchange and interest rates; the ability of suppliers and vendors to timely deliver quality products, equipment, software, services and access; our ability to adequately forecast and plan future network requirements including the costs and benefits associated with network expansions; and other factors detailed from time to time in our most recent Annual and Quarterly Reports. These forward-looking statements speak only as of the date of this release. We expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Contact Information

VodafoneZiggo Investor Relations:

Wily Ang	+31 646 245 128
Serena Zuidema	+31 613 894 408
E-mail	IR@vodafoneziggo.com

VodafoneZiggo Corporate Communications:

Ronald van der Aart	+31 88 717 0717
E-mail	pers@vodafoneziggo.com

About VodafoneZiggo

VodafoneZiggo is a leading Dutch company that provides fixed, mobile and integrated communication and entertainment services to consumers and businesses. As of June 30, 2024, we have approximately 5.6 million mobile, 3.5 million video, 3.2 million broadband internet and 1.4 million fixed telephony subscribers.

Approximately 7,000 people are employed by VodafoneZiggo. Our offices are located in Utrecht, Amsterdam, Maastricht, Hilversum, Leeuwarden, Groningen and Nijmegen.

The VodafoneZiggo JV is a 50:50 joint venture between Liberty Global, one of the world's leading converged video, broadband and communications companies, and Vodafone, one of the world's leading technology communications companies.

Liberty Global is a world leader in converged broadband, video and mobile communications services. It delivers next-generation products through advanced fiber and 5G networks, and currently provides over 85 million* connections across Europe. Liberty Global's businesses operate under some of the best-known consumer brands, including Sunrise in Switzerland, Telenet in Belgium, Virgin Media in Ireland, UPC in Slovakia, Virgin Media-O2 in the U.K. and VodafoneZiggo in The Netherlands. Liberty Global, through its global investment arm, Liberty Global Ventures, has a portfolio of more than 75 companies and funds across the content, technology and infrastructure industries, including stakes in companies like ITV, Televisa Univision, Plume, AtlasEdge and the Formula E racing series.

Vodafone is the largest pan-European and African telecoms company with the purpose to connect for a better future by using technology to improve lives, businesses and help progress inclusive sustainable societies. Vodafone provides mobile and fixed services to over 330 million customers in 15 countries, partner with mobile networks in 45 more and have one of the world's largest IoT platforms. In Africa, Vodafone financial technology businesses serve more than 79 million customers across seven countries – managing more transactions than any other provider.

*Represents aggregate consolidated and 50% owned non-consolidated fixed and mobile subscribers. Includes wholesale mobile connections of the VMO2 JV and B2B fixed subscribers of the VodafoneZiggo JV.

Footnotes

1. VodafoneZiggo Group B.V. ("VodafoneZiggo"), a leading Dutch company that provides fixed, mobile and integrated communication and entertainment services to consumers and businesses, reports its selected, preliminary unaudited financial and operating information for the three months ("Q2") and six months ("H1" or "YTD") ended June 30, 2024, as compared to the results for the same periods in the prior year (unless otherwise noted). The financial and operating information contained herein is preliminary and subject to change. We expect to issue our June 30, 2024 unaudited condensed consolidated financial statements in August 2024, at which time the report will be posted to our website. The financial figures contained in this release are prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP").

2. Our mobile subscriber count represents the number of active subscriber identification module ("SIM") cards in service rather than services provided. For example, if a mobile subscriber has both a data and voice plan on a smartphone this would equate to one mobile subscriber. Alternatively, a subscriber who has a voice and data plan for a mobile handset and a data plan for a laptop (mobile broadband or secondary SIM) would be counted as two mobile subscribers. Our mobile subscriber count includes both prepaid and postpaid plans. Prepaid customers are excluded from our prepaid mobile telephony subscriber counts after a period of inactivity of 9 months.

3. Average Revenue Per Unit ("ARPU") refers to the average monthly subscription revenue, for either fixed or mobile services, respectively, per average fixed customer relationship or mobile subscriber, as applicable. Although presented on a combined basis in our operating statistics summary table above, our ARPU per fixed customer relationship is calculated separately for our residential ("Consumer fixed ARPU"), SOHO ("SOHO fixed ARPU") and small business ("Small business fixed ARPU") subscribers by dividing the average applicable monthly fixed subscription revenue for the indicated period, by the average of the opening and closing balances for the fixed customer relationships for the period. Fixed customer relationships of entities acquired during the period are normalized. Although presented on a combined basis in our operating statistics summary table above, our ARPU per mobile subscriber is calculated separately for our Consumer ("Consumer mobile postpaid ARPU") and B2B ("B2B mobile postpaid ARPU") subscribers. Our ARPU per mobile subscriber calculations refer to the average monthly mobile subscription and interconnect revenue per average mobile subscribers in service and are calculated by dividing the average monthly postpaid mobile subscription revenue including interconnect revenue for the indicated period, by the average of the opening and closing balances of postpaid mobile subscribers in service for the period.

4. Converged households or converged SIMs represent customers in either our Consumer or SOHO segment that subscribe to both a fixed-line digital TV and a broadband internet service and Vodafone and/or hollandsnieuwe postpaid mobile telephony service.

5. Subscriber or RGU ("Revenue Generating Unit") is separately a Video Subscriber, Broadband Subscriber or Telephony Subscriber (each as defined and described below). A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer in our market subscribed to our video service, fixed-line telephony service and broadband internet service, the customer would constitute three RGUs. Total RGUs is the sum of Video, Broadband and Telephony Subscribers. RGUs generally are counted on a unique premises basis such that a given premises does not count as more than one RGU for any given service. On the other hand, if an individual receives one of our services in two premises (e.g. a primary home and a vacation home), that individual will count as two RGUs for that service. Each bundled video, broadband internet or telephony service is counted as a separate RGU regardless of the nature of any bundling discount or promotion. Non-paying subscribers are counted as subscribers during their free promotional service period. Some of these subscribers may choose to disconnect after their free service period. Services offered without charge on a long-term basis (e.g., VIP subscribers, or free service to employees) generally are not counted as RGUs. We do not include subscriptions to mobile services in our externally reported RGU counts. In this regard, our June 30, 2024 RGU counts exclude our separately reported prepaid and postpaid mobile subscribers.

6. Adjusted EBITDA is the primary measure used by our management to evaluate the operating performance of our businesses. Adjusted EBITDA is also a key factor that is used by our management and our Supervisory Board to evaluate the effectiveness of our management for purposes of annual and other incentive compensation plans. As we use the term, Adjusted EBITDA is defined as operating income before depreciation and amortization, share-based compensation, provisions and provision releases related to significant litigation and impairment, restructuring and other operating items. Other operating items include (i) gains and losses on the disposition of long-lived assets, (ii) third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, including legal, advisory and due diligence fees, as applicable, and (iii) other acquisition-related items, such as gains and losses on the settlement of contingent consideration. Our management believes Adjusted EBITDA is a meaningful measure because it represents a transparent view of our recurring operating performance that is unaffected by our capital structure and allows management to (a) readily view operating trends, (b) perform analytical comparisons and benchmarking between entities and (c) identify strategies to improve operating performance. We believe our Adjusted EBITDA measure is useful to investors because it is one of the bases for comparing our performance with the performance of other companies in the same or similar industries, although our measure may not be directly comparable to similar measures used by other companies. Adjusted EBITDA should be viewed as a measure of operating performance that is a supplement to, and not a substitute for, operating income, net earnings or loss, cash flow from operating activities and other U.S. GAAP measures of income or cash flows. A reconciliation of net loss to Adjusted EBITDA is presented under the *Financial Results, Adjusted EBITDA Reconciliation & Property and Equipment Additions* section of this release.

7. Property and equipment ("P&E") additions include property and equipment capital expenditures on an accrual basis, amounts financed under vendor financing or finance lease arrangements and other non-cash additions.

8. Adjusted EBITDA less P&E Additions, which is a non-GAAP measure, represents Adjusted EBITDA less property and equipment additions on an accrual basis, amounts financed under vendor financing or finance lease arrangements and other non-cash additions. Adjusted EBITDA less P&E Additions is a meaningful measure because it provides (i) a transparent view of Adjusted EBITDA that remains after our capital spend, which we believe is important to take into account when evaluating our overall performance and (ii) a comparable view of our performance relative to other telecommunications companies. Our Adjusted EBITDA less P&E Additions measure may differ from how other companies define and apply their definition of similar measures. Adjusted EBITDA less P&E Additions should be viewed as a measure of operating performance that is a supplement to, and not a substitute for, operating income, net earnings or losses and other U.S. GAAP measures of income.

9. The financial guidance for FY 2024 is:

   a. Low single digit growth in Adjusted EBITDA, supported by revenue growth

   b. 21% to 23% of property and equipment additions as % of revenue

   c. Up to €300 million total cash available for potential shareholder cash distributions and non-recurring investments

   A reconciliation of our Adjusted EBITDA guidance to a U.S. GAAP measure is not provided due to the fact that not all elements of the reconciliation are projected as part of our forecasting process, as certain items may vary significantly from one period to another.

   Total cash available refers to cash generated during the period excluding any financing and investment expenses relating to potential acquisitions, mobile spectrum auction fees, or other liabilities.

   Total shareholder cash distributions includes payments for equity distributions and principal and interest on Shareholder Notes. Of note, this is in addition to the shareholder charges that we describe in our 2023 annual report. Shareholders refers to the 50:50 ownership by Vodafone and Liberty Global of VodafoneZiggo.

10. Consumer fixed revenue is classified as either subscription revenue or non-subscription revenue. Consumer fixed subscription revenue includes revenue from subscribers for ongoing broadband internet, video, and fixed-line telephony services offered to residential customers and the amortization of installation fees. Consumer fixed non-subscription revenue includes, among other items, interconnect revenue, channel carriage fees, late fees and revenue from the sale of equipment.

11. Consumer mobile revenue is classified as either subscription revenue or non-subscription revenue. Consumer mobile subscription revenue includes revenue from ongoing mobile and data services offered under postpaid and prepaid arrangements to residential customers. Consumer mobile non-subscription revenue includes, among other items, interconnect revenue, mobile handset and accessories sales, and late fees.

12. B2B fixed revenue is classified as either subscription revenue or non-subscription revenue. B2B fixed subscription revenue includes revenue from business broadband internet, video, fixed-line telephony,and data services offered to SOHO, small and medium to large enterprises. B2B fixed non-subscription revenue includes, among other items, revenue from hosting services, installation fees, carriage fees and interconnect.

13. Unified Communication portfolio refers to a suite of B2B product offerings including One Net, One Mobile, One Fixed, Office 365, Skype for Business, cloud hosting and customer contact center solutions. Unified Communication seats are unique licenses subscribed in each of these products.

14. B2B mobile revenue is classified as either subscription revenue or non-subscription revenue. B2B mobile subscription revenue includes revenue from ongoing mobile and data services offered to SOHO, small and medium to large enterprise customers as well as wholesale customers. B2B mobile non-subscription revenue includes, among other items, interconnect including visitor revenue, mobile handset and accessories sales, late fees, and site sharing revenue.

15. Our fully-swapped third-party debt borrowing cost represents the weighted average interest rate on our aggregate variable- and fixed-rate indebtedness (excluding finance leases but including vendor and handset financing obligations), including the effects of derivative instruments and commitment fees, but excluding the impact of financing costs.

16. Homes Passed are homes, residential multiple dwelling units or commercial units that can be connected to our networks without materially extending the distribution plant. Our Homes Passed counts are based on internally maintained databases of connected addresses, which are updated monthly. Due to the fact that we do not own the partner networks, we do not report homes passed for partner networks.

17. Fixed Customer Relationships are the number of customers who receive at least one of our video, broadband internet or telephony services that we count as RGU, without regard to which or to how many services they subscribe. Fixed Customer Relationships generally are counted on a unique premises basis. Accordingly, if an individual receives our services in two premises (e.g., a primary home and a vacation home), that individual generally will count as two Fixed Customer Relationships. We exclude mobile-only customers from Fixed Customer Relationships.

18. Video Subscriber is a home, residential multiple dwelling unit or commercial unit that receives our video service over our broadband network or through a partner network via a digital video signal. Video Subscribers are counted on a unique premises basis. For example, a subscriber with one or more set-top boxes that receives our video service in one premises is generally counted as just one subscriber and a subscriber with two homes and a subscription to our video service at each home is counted as two RGUs.

19. Broadband Subscriber is a home, residential multiple dwelling unit or commercial unit that receives our broadband internet services over our networks, or that we service through a partner network.

20. Telephony Subscriber is a home, residential multiple dwelling unit or commercial unit that receives our voice services over our networks, or that we service through a partner network. Telephony Subscribers exclude mobile telephony subscribers.

21. Other revenue includes, among other items, programming and advertising revenue.

22. The capital expenditures that we report in our condensed consolidated statements of cash flows do not include amounts that are financed under vendor financing or finance lease arrangements. Instead, these expenditures are reflected as non-cash additions to our property and equipment when the underlying assets are delivered, and as repayments of debt when the related principal is repaid.

23. Other debt represents handset financing obligations.

24. Net carrying amount of third-party debt and finance lease obligations is not a defined term under U.S. GAAP and may not therefore be comparable with other similarly titled measures reported by other companies.

Additional General Notes:

Certain of our B2B fixed revenue is derived from SOHO, small business and multiple dwelling unit subscribers. SOHO subscribers pay a premium price to receive enhanced service levels along with video, broadband internet or fixed-line telephony services that are the same or similar to the mass marketed products offered to our residential subscribers. Small business customers receive video, broadband internet or fixed-line telephony services that are similar to our SOHO product offerings with additional optional functionality such as static IP addresses, hosted VoIP, or Multi Wi-Fi. The small business product offerings come at a premium price compared to the business products we offer to our SOHO customers. All mass marketed products provided to SOHO and small business customers, whether or not accompanied by enhanced service levels and/or premium prices, are included in the respective RGU and customer counts of our broadband communications operation, with only those services provided at premium prices considered to be “SOHO RGUs” and “Small business RGUs” or “SOHO customers” and “Small business customers”. To the extent our existing customers upgrade from a residential product offering to a SOHO or small business product offering, the number of SOHO or small business RGUs or SOHO or small business customers will increase, but there is no impact to our total RGUs or customer counts. We report multiple dwelling unit subscribers and revenue under our B2B segment as these contracts are managed by the B2B management team. With the exception of our B2B SOHO, small business and multiple dwelling unit subscribers, we generally do not count customers of B2B fixed services as customers or RGUs for external reporting purposes.

While we take appropriate steps to ensure that subscriber statistics are presented on a consistent and accurate basis at any given balance sheet date, the variability in (i) the nature and pricing of products and services, (ii) the distribution platform, (iii) billing systems, (iv) bad debt collection experience and (v) other factors add complexity to the subscriber counting process. We periodically review our subscriber counting policies and underlying systems to improve the accuracy and consistency of the data reported on a prospective basis. Accordingly, we may from time to time make appropriate adjustments to our subscriber statistics based on those reviews.