

Quarterly financial report for the 3rd quarter as of 30 September 2024



telecolumbus

Condensed consolidated interim financial statements for the third quarter as of 30 September 2024

for

Tele Columbus AG, Berlin

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Introduction

Tele Columbus AG, registered at Kaiserin-Augusta-Allee 108, 10553 Berlin, Germany (Berlin-Charlottenburg commercial register HRB 161349 B), together with its consolidated subsidiaries, forms the Tele Columbus Group (hereinafter also referred to as "Tele Columbus", or the "Group") as at 30 June 2024. Tele Columbus AG acts as the Group holding company and is the Group's administrative and holding company, which is therefore responsible for the management of the entire Group. Consequently, Tele Columbus AG is responsible for both the strategic development of the Group and the provision of services and financing for affiliated companies.

1. Group profile

As of 30 September 2024, Tele Columbus AG holds 28 direct or indirect subsidiaries, which are fully consolidated in the consolidated interim financial statements, as well as three other associates and one joint venture, which are accounted for using the equity method in the consolidated financial statements.

Tele Columbus is one of the leading German fibre optic network operators reaching approx. three million households in. Under the PÿUR brand, the company offers high-speed Internet, telephone and more than 200 TV programmes as well as the entertainment platform PÿUR TV HD - the perfect symbiosis of TV and on-demand offerings with numerous advantages over conventional IPTV solutions. On the basis of open networks, Tele Columbus works together with the housing sector and local authorities to implement customized cooperation models for a high-performance supply of gigabit bandwidths via fibre to the home (FTTH¹). For business customers, carrier services and corporate solutions are also provided under the PÿUR business brand on the basis of the Group's own fibre optic network and data centers. The Group's entire infrastructure is powered entirely by renewable energy.

The Group's companies operate throughout Germany with an especially strong market position in the eastern German federal states. About 33% of Tele Columbus's supplied housing stocks are distributed across the remainder of

Germany Overall, the Group supplies nearly 8% of all German households through existing networks.

Tele Columbus offers its customers access to TV services, fixed-line telephony and high-speed internet with bandwidths of up to 1 Gbit/s. The offering includes service, maintenance, provision of the above-mentioned products and services as well as support for connected customers and debt collection. In addition to this core business, the offering also includes the construction services business for telecommunications infrastructure related to the telephony and internet business, the provision of network capacity as well as individual solutions for customers from the housing industry and business customers.

The Group has its main sites in Berlin and Leipzig. Other locations are in Hamburg, Chemnitz, Ratingen und Unterföhring.

The business model and management system have not changed compared with 31 December 2023. For explanations of the key performance indicators, please refer to the combined management report 2023.

¹ Fiber-to-the-Home

2. Economic report

2.1 General economic conditions and industry environment

Autumn forecast 2024

The IfW Kiel's somewhat more optimistic summer forecast could not be confirmed in its latest autumn forecast. According to the current assessment, German economic output is likely to shrink again in 2024. Expectations for this year and the coming year have therefore been revised significantly downwards. In the current year, gross domestic product (price-adjusted) is likely to fall by 0.1% (summer forecast: +0.2%). Weak private consumption (+0.4%) in particular is weighing on the outlook for the current year, as households are holding back despite rising real incomes. In addition, both industry and the construction sector are drifting deeper into recession. Investments are suffering from high economic policy uncertainty. The Kiel Institute expects economic output to increase by 0.5% in 2025 (summer forecast: +1.1%).

The Kiel Institute continues to expect an inflation rate of around 2.0%..²

² Source: Herbstprognose IfW Kiel: Deutsche Wirtschaft schrumpft 2024 erneut, anschließende Erholung kraftlos | Kiel Institut (ifw-kiel.de)

Industry environment

With regard to the sector-specific conditions for Tele Columbus Group, please see the comments in the combined management report 2023. There have been no significant changes in the first nine months of 2024 compared to the assessment in that report.

2.2 Business performance

The first nine months of 2024 were largely characterized by the successful completion of the refinancing process and the preparations for the restructuring under company law of the Tele Columbus Group.

In the first quarter of 2024, Tele Columbus completed the refinancing, the process of which began in the 2023 financial year. On 19 March 2024, the term of the two main financing instruments, the term loan and the bond, was extended until 1 January 2029 in two "Amendment and Restatement Agreements". The financing conditions and covenant regulations were also adjusted.

Furthermore, two loan agreements were concluded between the controlling shareholder Kublai GmbH and Tele Columbus AG. Under these agreements, Kublai GmbH grants Tele Columbus an amount of up to EUR

300.0 million in total, which is to be paid out in several tranches. The first tranche in the amount of EUR 180.0 million was granted as part of the closing on 19 March, during the third quarter 2024 another EUR 15 million were granted.

The shareholder loans granted enable Tele Columbus to push ahead with its growth strategy and investments in network expansion.

For further detailed information on the refinancing, please refer to section "D.14 Liabilities from loans and from bond issuance" in the condensed consolidated interim financial statements.

Revenue in the first nine months 2024 decreased by a total of 2.3% to KEUR 325,003 compared to the previous year. While sales with TV customers fell by 19.0% to KEUR 106,709, sales with Internet & Telephony customers increased significantly from KEUR 124,311 to KEUR 138,470 (+11.4%).

The number of residential units connected to the cable networks of the Tele Columbus Group fell from 3.1 million to 2.9 million compared to 31 December 2023, which is mainly due to a special effect of a

contract termination during the second quarter 2024 in externally supplied portfolios.

The number of connected residential units that have been upgraded with back-channel capability and connected to their own network level 3 is around 2,375,000 and has risen slightly compared to 31 December 2023 (2,359,000).

At 81.2%, the proportion of these residential units with back-channel capability in the total portfolio increased slightly as at 30 September 2024 compared to 31 December 2023 (76.2%).

The customer base of Tele Columbus Group decreased significantly from 1.95 million to 1.33 million as of 30 September 2024 compared to 31 December 2023. The decline is due on the one hand to the above-mentioned contract termination and on the other hand to the losses from the collective collection due to the discontinuation of the apportionability as of 1 July 2024 and subsequent months. The ongoing measures to acquire these customers in individual collection, have not yet been finalised and will also continue in 2025.

The total number of RGUs fell by 613,000 to 2.93 million as at 30 September 2024 compared to 31 December 2023.

RGUs for cable TV amounted to 1.12 million as of 30 September 2024 and, as expected, fell significantly compared to 31 December 2023 (1.79 million). Premium TV services remained almost constant compared to the end of 2023 at 0.5 million. The average number of products (RGUs) per customer rose from 1.82 as at 31 December 2023 to 2.20 as at 30 September 2024. This is mainly due to the loss of collective collection.

RGUs for internet services increased by 1.3% to around 728,000 as at 30 September 2024 compared to 31 December 2023. Adjusted for the discontinuation of low-bandwidth internet connections in the area of collective collection the number of internet-RGUs increased by 4.9%. The RGUs for telephone services increased by 9.8% to approx. 584,000.

2.3 Financial performance, asset situation and financial position

2.3.1 Financial performance

Income situation in KEUR	1 Jan. to 30 Sep 2024	1 Jan. to 30 Sep 2023
Revenue	325,003	332,641
Own work capitalized	174,820	16,445
Other income	10,860	8,151
Total operating income	353,683	357,237
Cost of materials	-87,848	-94,033
Employee benefits	-81,621	-78,478
Other expenses	-78,798	-61,853
EBITDA	105,415	122,873
Non-recurring expenses (net)	36,145	18,579
Normalized EBITDA	141,560	141,452
EBITDA	105,415	122,873
Net finance income/costs	-91,375	-51,900
Depreciation and amortization	-160,440	-154,611
Income tax	2,003	-419
Net loss	-144,397	-84,057

Revenue in the first nine months of 2024 fell by 2.3% year-on-year to KEUR 325,003. The decline is mainly due to the 19.0% drop in TV revenues to KEUR 106,709, partially offset by an 11.4% increase in revenues with Internet and telephony customers to KEUR 138,470.

At KEUR 17,820, own work capitalised increased by 8.4% in the first nine months of 2024 compared to the previous year (KEUR 16,445) due to the higher investment volume.

Other income increased from KEUR 8,151 to KEUR 10.860, which was mainly due to derecognition of liabilities in the amount of KEUR 2,400.

Total operating income, defined as the sum of sales, other income and own work capitalised, fell year-on-year to KEUR 353,683 in the reporting period.

The cost of materials fell by 6.6% to KEUR 87,848 in the period from January to September 2024 compared to the same period of the previous year. A reduction in the cost of materials was possible primarily due to the 4% reduction in the share of households connected to networks supplied by third parties to 10% of the portfolio. Slightly offsetting effects resulted from price increases in the area of outsourced services as well as the increase in contact volume in customer service due to the debt collection changes and maintenance expenses.

Employee benefits of KEUR 81,621 are 4.0% higher than in the same period of the previous year. Personnel expenses increased due to the usual market inflation adjustments and the expansion of employee structures.

Other expenses amounted to KEUR 78,798 in the first nine months of 2024. The increase of KEUR 16,945 results almost exclusively from expenses for legal and consulting services in connection with the refinancing and the restructuring under company law of the Group. In addition, the costs for advertising measures increased by KEUR 8,620 to KEUR 18,548, which is attributable to the initiatives in connection with the discontinuation of the apportionability as of 1 July 2024.

EBITDA amounted KEUR 105,415 in the period from January to September 2024 and fell significantly compared to the previous year (KEUR 122,873) due to the factors described above.

Normalized EBITDA remains stable with KEUR 141,560 in the first nine months of 2024 compared to the same period of the previous year (KEUR 141,452). At 43.6%, the operating margin (defined as the ratio of normalized EBITDA to revenue) increased in the reporting period compared to the previous year (first nine months of 2023: 42.5%). Non-recurring expenses and income amounted to KEUR 36,145 in the reporting period (first nine months of 2023: KEUR 18,579). The significant increase in non-recurring expenses compared to the same period of the previous year is mainly due to legal and consulting costs in connection with the refinancing, the internal restructuring of the Group as well as the loss of the service charge privilege.

The significant increase in the negative financial result from KEUR 51,900 to KEUR 91,375 is characterized by the refinancing. The negative result from the recognition of the adjustments to the financing agreements classified as substantial modifications amounted to KEUR 35,948. In addition, current interest expenses for financing - due to the adjustment of financing conditions and shareholder loans - have also increased. This was offset by income from the subsequent measurement of embedded derivatives (cancellation options) in the amount of KEUR 47,164.

Tax income of KEUR 2,003 (first nine months of 2023: tax income of KEUR 419) are comprised of current income tax expenses in the amount of KEUR 1,556 (first nine months of 2023 tax expenses of KEUR 1,040) and deferred tax income from valuation differences in the amount of KEUR 3,560 (first nine months of 2023: deferred tax income of KEUR 621).

The first nine months of 2024 closed with a loss of KEUR 144,397 (first nine months of 2023: loss of KEUR 84,057).

2.3.2 Assets and liabilities as of 30 September 2024 compared to 31 December 2023

Intangible assets comprise goodwill of KEUR 881,955 (31 December 2023: KEUR 881,955), contract costs of KEUR 58,710 (31 December 2023: KEUR 45,575) and acquired intangible assets of KEUR 47,888 (31 December 2023: KEUR 51,548).

The slight decrease in intangible assets is mainly due to amortisation of KEUR 48,983, which is offset by additions of KEUR 44,879.

Property, plant and equipment in the amount of KEUR 837,902 increased compared to 31 December 2023 (KEUR 813,411). Properties and buildings amount to KEUR 16,642 (31 December 2023: KEUR 19,664), plant and equipment to KEUR 696,435 (31 December 2023: KEUR 712,775) and the other operating and office equipment to KEUR 14,474 (31 December 2023: KEUR 16,859). The increase is mainly due to an increase in assets under construction by KEUR 46,241 to KEUR 110,354 as a result of ongoing investment projects.

The additions of KEUR 139,738 result primarily from own investments, but also from the capitalization of property, plant and equipment classified as right-of-use assets in accordance with IFRS 16. Depreciation on property, plant and equipment amounted to KEUR 111,454.

As at 30 September 2024, derivative financial instruments amounting to KEUR 108,669 were recognized in non-current assets. These result from cancellation rights from the two refinanced instruments, the term loan and the bond, as well as the shareholder loans granted by Kublai GmbH.

Other current assets increased mainly due to advance payments made for orders and advance lease payments before the start of the lease.

The decrease in other current financial receivables is primarily due to the release of a cash collateral deposit.

With regard to movements in cash and cash equivalents, please refer to the explanatory notes in section "2.3.3 Financial position and liquidity".

Current accruals and deferrals amount to KEUR 11,947 (31 December 2023: KEUR 7,501) and mainly consist of payments in connection with maintenance contracts and insurance. The increase relative to 31 December 2023 results from advance payments for the financial year 2024, which were accordingly subject to interim deferral.

As at 30 September 2024, the Group's consolidated equity amounted to KEUR 148,336 (31 December 2023: KEUR 292,733). The decrease results exclusively from the net loss for the reporting period.

Current and non-current liabilities from loans and bonds increased by KEUR 293,525. The term loan, which was classified as current as at 31 December 2023 due to its maturity on 15 October 2024, is now reported as a non-current liability following the refinancing. Due to the classification of the refinancing of both financing instruments as a substantial modification, the carrying amount of the liabilities was derecognized as at 19 March 2024 and remeasured at fair value. The shareholder loan from Kublai GmbH and Hilbert Management GmbH with a carrying amount of KEUR 233,357 are also included. With regard to the measurement and composition of the liabilities from

loans and bonds, please refer to the detailed explanations in section D.14 of the condensed notes.

The Group's liabilities from interest-bearing loans and bonds amounts to KEUR 1,510,619 as at 30 September 2024 (31 December 2023: KEUR 1,217,094). This corresponds to 69.9% (31 December 2023: 60.7%) of total assets.

The decrease in current and non-current other provisions from KEUR 20,994 to KEUR 14,481 is mainly due to the reversal of other provisions.

The increase in contract liabilities compared with 31 December 2023 is due to advance payments from customers during the year.

2.3.3 Financial position and liquidity

CASH FLOWS

COMPARISON OF FIRST NINE MONTHS AS OF SEPTEMBER 2024 WITH FIRST NINE MONTHS AS OF 30 SEPTEMBER 2023

The positive operating cash flow of KEUR 124,313 and the positive cash flow from financing activities of KEUR 57,243 exceeded the negative cash flow from investing activities (KEUR 146,288), with the result that cash and cash equivalents as at 30 September 2024 increased from KEUR 23,160 as at 31 December 2023 to KEUR 58,356.

The operating cash flow of KEUR 124,313 increased slightly compared to the same period of the previous year (KEUR 102,321). The lower EBITDA was offset by a positive trend in working capital.

The negative cash flow from investing activities amounted to KEUR -146,288 in the first nine months of 2024 (first nine months of 2023: KEUR -128,974). In the first nine months of 2024, Tele Columbus mainly invested in upgrading the existing HFC networks to a fibre-based infrastructure, in the general network infrastructure and customer growth.

Cash flow from financing activities amounted to KEUR 57,243 (first nine months of 2023: negative cash flow of KEUR 47,733) and was mainly influenced by refinancing. In the reporting period, Tele Columbus received EUR 195.0 million from loan agreements with Kublai GmbH. From the drawing of the first tranche of EUR 180.0 million, EUR 73.0 million of the existing liability - of which EUR 8.0 million was received in the first quarter of 2024 - from the loan agreement concluded with Hilbert Management GmbH in the 2023 financial year was repaid on 19 March 2024.

While interest payments of KEUR 40,778 were incurred in the comparative period, interest payments fell to KEUR 36,291 in the first nine months of 2024. The decrease is due to the fact that the interest payments for the term loan and the bond are almost predominantly due on maturity after refinancing. This was offset by interest payments suspended in the fourth quarter of 2023, which were paid out in the first quarter of 2024 as part of the closing of the refinancing - with the exception of the capitalized interest - in the amount of KEUR 23,293.

In the first nine months of the 2024 financial year, the repayment of lease and service concession liabilities resulted in payments of KEUR 34,968 (first nine months of 2023: KEUR 31,866).

CAPITAL STRUCTURE AS OF 30 SEPTEMBER 2024 COMPARED TO 31 DECEMBER 2023

Lender	Borrower	Total in KEUR as of 30		Total in KEUR as of 31. Dec.	
		Sep. 2024	Share	2023	Share
Facility B (until 19 March 2024: Facility A3)	TC AG	561,470	37.1%	479,654	39.41%
Senior Secured Notes - Bond	TC AG	710,896	47.06%	663,960	54.55%
Shareholder loans	TC AG	233,357	15.45%	67,079	5.51%
Various	Diverse	4,897	0.32%	6,401	0.53%
Total		1,510,619	100.00%	1,217,094	100.00%

With regard to the maturities of loans and financing conditions of the loan agreements, please refer to the notes in Section D.14. Liabilities from loans and from the bond issuance of the consolidated interim financial statements.

The ownership interests in subsidiaries have been pledged as collateral for the Group's entire financing.

3. Forecast adjustment report

Full year 2024 guidance has been adjusted at quarter end to reflect a lower initial conversion ratio in the bulk migration campaigns and stricter capital allocation to sales channels (IP retail and B2B). In addition, the separation of the Group in a Network and a Service company is progressing faster, resulting in higher one-off expenses. As a result, management anticipates a year-on-year decline in revenues and EBITDA and a better development of the liquidity position than originally planned (primarily due to optimisation of net working capital and capital allocation/investments).

4. Risk adjustment report

With regard to the Group's risk report, please refer to the comments in the section "Risk report" of the combined management report for the financial year 2023.

5. Opportunities adjustment report

Tele Columbus has a number of opportunities in the future, resulting in particular from the Group's competitive strengths. In this regard, please refer to the comments in the section "Opportunities report" of the combined management report for the financial year 2023.

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Consolidated income statement

KEUR	Note	1 Jan. to 30 Sep 2024	1 Jan. to 30 Sep 2023
Revenue	D.1	325,003	332,641
Own work capitalized	D.2	17,820	16,445
Other income	D.3	10,860	8,151
<i>Total operating income</i>		<i>353,683</i>	<i>357,237</i>
Cost of materials	D.4	-87,848	-94,033
Employee benefits		-81,621	-78,478
Other expenses	D.5	-78,798	-61,853
EBITDA		105,415	122,873
Depreciation/amortization and impairment		-160,440	-154,611
EBIT		-55,025	-31,738
Equity method income (+) / loss (-)		81	378
Interest income and similar income		1,275	775
Interest expense and similar expense	D.6	-103,947	-53,053
Other financial income (+) / loss (-)	D.7	11,216	-
<i>Profit (+) / Loss (-) before tax</i>		<i>-146,400</i>	<i>-83,638</i>
Income taxes	D.8	2,003	-419
Net loss		-144,397	-84,057
attributable to shareholders of Tele Columbus AG		-145,627	-85,209
attributable to non-controlling interests		1,230	1,152
Basic earnings per share in EUR		-0.49	-0.29
Diluted earnings per share in EUR		-0.49	-0.29

The following notes are an integral component of the condensed interim consolidated financial statements.
EBIT stands for earnings before interest and taxes and EBITDA for earnings before interest, taxes, depreciation and amortization.

Consolidated statement of comprehensive income

KEUR	1 Jan. to 30 Sep 2024	1 Jan. to 30 Sep 2023
<i>Net loss</i>	-144,397	-84,057
Items that will not be reclassified subsequently to profit or loss		
Remeasurement gains (+)/ losses (-) on defined benefit plans (after deferred taxes)	-	-
Change in the fair value of financial investments in equity instruments measured at fair value through other comprehensive income (after deferred taxes)	-	-
Other comprehensive income	-	-
Total comprehensive income	-144,397	-84,057
of which attributable to:		
Shareholders of Tele Columbus AG	-145,627	-85,209
Non-controlling interests	1,230	1,152

The following notes are an integral component of the condensed interim consolidated financial statements.

Consolidated statement of financial position

KEUR	Note	30 September 2024	31 December 2023
Non-current assets			
Intangible assets	D.9	1,027,863	1,031,970
Property, plant, and equipment	D.10	837,902	813,411
Investments in other entities		1,400	1,400
Investments accounted for using the equity method		120	58
Other financial receivables	D.11	15,533	16,254
Accruals and deferrals (non-financial)	D.11	2,040	2,628
Derivative financial instruments	E.3.1	108,669	-
		1,993,526	1,865,721
Current assets			
Inventories		27,683	35,130
Trade receivables	D.11	25,109	23,538
Receivables from related parties		1,238	520
Contract assets	D.11	18,963	20,495
Other financial receivables	D.11	10,338	19,409
Other assets	D.11	9,295	6,445
Income tax receivables		3,408	4,004
Cash and cash equivalents		58,356	23,160
Accruals and deferrals (non-financial)	D.11	11,947	7,501
Assets held for sale		-	200
		166,337	140,402
Total assets		2,159,863	2,006,123

The following notes are an integral component of the condensed interim consolidated financial statements

KEUR	Note	30 September 2024	31 December 2023
Equity			
Share Capital	D.12	296,617	296,617
Capital reserve		997,489	997,489
Other components of equity		-1,154,511	-1,008,885
<i>Equity attributable to shareholders of Tele Columbus AG</i>		<i>139,595</i>	<i>285,221</i>
Non-controlling interests		8,741	7,512
		148,336	292,733
Non-current liabilities			
Pensions and other long-term employee benefits		6,613	6,529
Other provisions	D.13	2,669	2,774
Liabilities from loans and from bond issuance	D.14	1,508,566	651,566
Trade payables	D.15	2,541	2,541
Contract liabilities	D.15	3,366	1,267
Other financial liabilities	D.15	42,095	43,382
Lease liabilities	E.1	212,189	206,105
Accruals and deferrals (non-financial)	D.15	18,032	19,272
Deferred tax liabilities		3,522	7,082
		1,799,594	940,518

KEUR	Note	30 September 2024	31 December 2023
Current liabilities			
Other provisions	D.13	11,811	18,220
Liabilities from loans and from bond issuance	D.14	2,053	565,528
Trade payables	D.15	71,490	89,632
Payables due to related parties		443	674
Contract liabilities	D.15	42,285	11,925
Other liabilities	D.15	18,324	28,140
Other financial liabilities	D.15	18,924	12,539
Lease liabilities	E.1	37,050	41,028
Income tax liabilities		814	1,328
Accruals and deferrals (non-financial)	D.15	8,741	3,858
		211,934	772,872
Total equity and liabilities		2,159,863	2,006,123

The following notes are an integral component of the condensed interim consolidated financial statements.

Consolidated statement of cash flows

KEUR	1 Jan. to 30 Sep 2024	1 Jan. to 30 Sep 2023
Cash flow from operating activities		
<i>Net loss</i>	-144,397	-84,057
Net financial income or expense	91,456	52,278
Income taxes	-2,003	419
Equity method income/loss	-82	-378
<i>Earnings before interest and taxes (EBIT)</i>	-55,026	-31,738
Depreciation and amortization	160,440	154,611
Non-cash income (-) / expenses (+)	-824	-
Loss (+) / gain (-) on sale of property, plant, and equipment	-614	-1,000
Increase (-) / decrease (+) in:		
Inventories	7,447	-19,680
Trade receivables, contract assets and other assets not classified as investing or financing activities	6,459	-20,083
Accruals and deferrals (non-financial)	-3,859	-6,310
Increase (+) / decrease (-) in:		
Trade payables, contract liabilities and other liabilities not classified as investing or financing activities	14,289	20,644
Provisions	-6,429	2,021
Accruals and deferrals (non-financial)	3,643	3,233
Income tax paid	-1,211	623
Cash flow from operating activities	124,313	102,321

KEUR	1 Jan. to 30 Sep 2024	1 Jan. to 30 Sep 2023
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	1,044	735
Acquisition of property, plant and equipment	-103,477	-90,320
Acquisition of intangible assets	-45,114	-39,606
Interest received	1,275	217
Payments for the acquisition of companies less cash and cash equivalents acquired	-16	-
Cash flow from investing activities	-146,288	-128,974
Cash flow from financing activities		
Payment of lease liabilities and service concession liabilities	-34,968	-31,866
Dividend		-1,293
Proceeds from loans, bonds and short or long-term borrowings	203,000	27,500
Repayment of short or long-term borrowings	-74,498	-1,296
Interest paid	-36,291	-40,778
Cash flow from financing activities	57,243	-47,733
Net increase (+) / decrease (-) in cash and cash equivalents	35,268	-74,386
Cash and cash equivalents at the beginning of the period	23,160	104,540
Cash and cash equivalents at the end of the period	58,428	30,154
Increase (+) / decrease (-) from release of restricted cash and cash equivalents during the period	-73	-36
Free cash and cash equivalents at the end of the period	58,355	30,118

The following notes are an integral component of the condensed interim consolidated financial statements.

Consolidated statement of changes in equity

For the first nine months 2024

KEUR	Issued capital	Capital reserve	Other changes in equity	Retained earnings	Other comprehensive income	Equity attributable to shareholders of Tele Columbus AG	Non-controlling interests	Total equity
Balance at 1 January 2024	296,617	997,489	-111,364	-898,565	1,044	285,221	7,512	292,733
Profit (+) / loss (-)	-	-	-	-145,627	-	-145,627	1,230	-144,397
Other comprehensive income (+)/(-)	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-106,439	-	-145,627	1,230	-144,397
Dividends	-	-	-	-	-	-	-	-
Balance at 30 September 2024	296,617	997,489	-111,364	-1,044,192	1,044	139,594	8,742	148,336

For the first nine months 2023

KEUR	Issued capital	Capital reserve	Other changes in equity	Retained earnings	Other comprehensive income	Equity attributable to shareholders of Tele Columbus AG	Non-controlling interests	Total equity
Balance at 1 January 2023	296,617	997,489	-111,364	-752,535	202	430,409	8,021	438,430
Profit (+) / loss (-)	-	-	-	-85,209	-	-85,209	1,152	-84,057
Other comprehensive income (+)/(-)	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-85,209	-	-85,209	1,152	-84,057
Dividends	-	-	-	-	-	-	-1,293	-1,293
Balance at 30 September 2023	296,617	997,489	-111,364	-837,744	202	345,200	7,880	353,080

The following notes are an integral component of the condensed interim consolidated financial statements.

Notes to the consolidated interim financial statements

A. General information

A.1. Introduction

Tele Columbus AG as the parent company with its registered office at Kaiserin-Augusta-Allee 108, 10553 Berlin, Germany (Commercial Register Berlin-Charlottenburg HRB 161349 B), is listed in free float on the Hamburg Stock Exchange. The bond is listed on the International Stock Exchange in St. Peter Port, Guernsey.

A.2. Description of operating activities

The group companies of Tele Columbus operate primarily in the eastern German federal states of the federal republic of Germany and as network operators, offer their private and business customers the entire range of fibre-optic network services (including television and radio signals, Internet and telephony).

A.3. Basis of accounting for the consolidated interim financial statements

The condensed consolidated interim financial statements of Tele Columbus Group as of 30 September 2024 present the assets, liabilities, financial position and financial performance of the Group. Gains and losses are presented for the period from 1 January 2024 to 30 September 2024 and the comparative period from 1 January 2023 to 30 September 2023. For assets, liabilities and financial position as of 30 September 2024, the comparative reporting date is 31 December 2023.

The condensed consolidated interim financial statements of the companies of Tele Columbus Group as of 30 September 2024 have been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 on a condensed basis as compared to year-end reporting as at 31 December 2023. Thus, these consolidated interim financial statements are to be considered in relation to the consolidated financial statements as at 31 December 2023. The International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) have been applied.

The condensed consolidated interim financial statements comprise the consolidated income statement, consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and the condensed notes to the consolidated financial statements.

The Group's functional currency is the euro. Unless otherwise stated, all figures are presented in thousands of euros (KEUR). Because amounts are disclosed in thousands of euros, there may be rounding differences. In some cases, such rounded amounts and percentages may not correspond 100% to the stated sums when added together, and subtotals in tables may differ slightly from non-rounded figures in other sections of the consolidated interim financial statements due to standard commercial rounding.

In respect of financial data included in the consolidated interim financial statements, a dash ("—") means that the relevant item is not applicable, whereas a zero ("0") means that the relevant number has been rounded to or equals zero.

The consolidated financial statements were prepared on the basis of the going concern assumption.

B. Significant events

B.1. Annual General Meeting

The Annual General Meeting for the 2023 financial year took place on 22 August 2024. In addition to the presentation of the annual and consolidated financial statements of Tele Columbus AG, an amendment to the Articles of Association of Tele Columbus AG was resolved, among other things. This amendment to the Articles of Association provides for the Supervisory Board to consist of four members in future, instead of the previous six members.

B.2. Composition of the Supervisory Board

After the three members appointed to the Supervisory Board by United Internet resigned by mutual agreement at the end of June 2024 and the Supervisory Board was reduced from six to four members by the Annual General Meeting in August, the election of Venkie Shantaram to the Supervisory Board with effect from 4 October 2024 meant that it was once again fully staffed.

B.3. Changes in the Management Board

With effect from 1 October 2024, the Supervisory Board of Tele Columbus Group has appointed Nicolai Oswald as Chief Financial Officer (CFO).

C. Changes in the scope of consolidation

By share purchase agreement dated 1 March 2024, Tele Columbus AG acquired 100% of the shares in Telekom Holdings 1 S.à.r.l. based in Luxembourg. The purchase price amounted to KEUR 24 and was paid in cash. Telekom Holdings 1 in turn holds 100% of the shares in Telekom Holdings 2 S.à.r.l., Luxembourg. Neither company conducts any operating activities but acts exclusively as a holding company. The background to the acquisition was the restructuring of the subsidiaries held directly by Tele Columbus AG as part of the refinancing process. With the exception of cash and cash equivalents totaling KEUR 17, neither company had any other assets at the time of acquisition. Liabilities amounted to a total of KEUR 59. The acquisition of the shares was recognized as an asset acquisition. With the contribution agreement dated 15 March 2024 between Tele Columbus AG, Tele Columbus Betriebs GmbH, Telekom Holdings 1 S.à.r.l. and Telekom Holdings 2 S.à.r.l., Tele Columbus AG contributed all shares in the subsidiaries directly held by it to Telekom Holdings 1 S.à.r.l. by way of contribution in kind against the issue of new shares. Following the implementation of the non-cash capital increase, Telekom Holdings 1 S.à.r.l. contributed these shares to Telekom Holdings 2 S.à.r.l. by way of a non-cash contribution in return for the issue of new shares.

By share purchase agreement dated and effective 29 May 2024, Tele Columbus Multimedia GmbH & Co. KG, Berlin, acquired 100% of the shares in a shelf company. The company was renamed PYUR Sales & Service GmbH with simultaneous effect. The purchase price amounted to KEUR 28 and was paid in cash.

By share purchase agreement dated and effective 7 August 2024, Tele Columbus Netz GmbH, Berlin, acquired 100% of the shares in a shelf company. The company was renamed Tele Columbus Glasfaser GmbH with simultaneous effect. The purchase price amounted to EUR 28 thousand and was paid in cash.

In the third quarter of 2024, the ownership structure within the Tele Columbus Group changed due to various share purchase agreements between various subsidiaries. In addition, agreements were also concluded on the merger of Group companies and the spin-off of the end customer business from the network and residential business. The aim of these legal measures is to optimise and streamline the Group structure and to ensure an efficient positioning according to business models. However, this intragroup reorganisation has no impact on the Group's net assets, financial position and results of operations.

D. Accounting policies

D.1. Significant estimation uncertainty

The preparation of the consolidated interim financial statements in accordance with IFRS requires assessments, estimates and assumptions that have a direct effect on the application of accounting policies and the reported amounts of assets and liabilities, the contingent assets and liabilities presented on the reporting date and the revenue and expenses recognized during the reporting period. Although management has formulated the estimates to the best of their knowledge as well as taken the most recent results into consideration, the actual results may differ.

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes to estimates are recognized in the period in which they occur, and prospectively in future relevant periods.

There have been no significant changes as compared to the consolidated financial statements as at 31 December 2023 regarding any significant judgements and assumptions made by management or in estimation uncertainty.

D.2. Significant accounting policies

The accounting policies applied to the condensed consolidated interim financial statements as of 30 September 2024 are essentially the same as those applied to the consolidated financial statements as at 31 December 2023.

The following table shows the main new or revised standards (IAS/IFRS) or interpretations (IFRIC) that are not yet mandatory.

D.3. Compliance with IFRS

In the condensed consolidated interim financial statements, the Tele Columbus Group has applied all IFRSs and IFRIC interpretations adopted by the EU that are mandatory for financial years beginning 1 January 2024.

Standard/ Interpretations		Effective as at ¹⁾
<i>Not yet adopted into EU law:</i>		
Amendments to IAS 21	Lack of Exchangeability	1 January 2025
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027

1) Financial years which begin on or after the specified date.

With the exception of IFRS 18, the amendments are not expected to have a significant impact on the financial reporting of Tele Columbus. The impact of IFRS 18 will be analyzed.

E. Explanatory notes to the consolidated income statement and consolidated statement of financial position

E.1. Revenue

KEUR	1 Jan. to 30 Sep 2024	1 Jan. to 30 Sep 2023
Revenue from contracts with customers	321,236	330,512
TV, Internet/telephony, additional digital services	278,558	284,171
Other transmission fees and miscellaneous feed-in charges	16,491	20,068
Network capacity	11,100	11,936
Data center	5,449	4,091
Construction services	3,581	1,998
Hardware sales	1,612	2,604
Other	4,445	5,644
Revenue from renting	3,768	2,130
Network infrastructure rent	3,171	2,108
Interest income from finance lease	597	22
Revenue	325,003	332,641

E.2. Own work capitalized

Own work capitalized in the amount of KEUR 17,820 for the first nine months of 2024 (first nine months of 2023: KEUR 16,445) mainly comprises expenses for services provided by own employees in connection with the upgrade of existing HFC networks, expansion of the general cable network infrastructure and IT projects.

E.3. Other income

KEUR	1 Jan. to 30 Sep 2024	1 Jan. to 30 Sep 2023
Income from the reversal of provisions and derecognition of liabilities	3,572	1,322
Income from subsidies	1,463	545
Gains on disposal of non-current assets	1,439	1,065
Income from dunning fees	762	532
Income from customer credit notes	-	1,908
Miscellaneous other income	3,624	2,779
	10,860	8,151

Other income includes services and gains in relation to items not directly related to the corporate purpose.

E.4. Cost of materials

KEUR	1 Jan. to 30 Sep 2024	1 Jan. to 30 Sep 2023
Cost of raw materials and supplies	-2,535	-779
Cost of purchased services	-85,313	-93,254
	-87,848	-94,033

The expenses for raw materials and supplies represent the consumption of goods for repairs and maintenance.

The expenses for purchased services relate to fees for the reception of signals, construction services, maintenance costs, commissions, electricity, and other services.

E.5. Other expenses

KEUR	1 Jan. to 30 Sep 2024	1 Jan. to 30 Sep 2023
Legal and consulting fees	-27,309	-16,575
Advertising	-18,548	-9,928
IT costs	-15,687	-17,937
Impairment on receivables	-3,415	-4,823
Occupancy costs	-2,668	-2,918
Vehicle costs	-2,474	-2,067
Communication costs	-2,323	-1,936
Insurance, fees and contributions	-1,297	-1,121
Travel expenses	-994	-1,032
Miscellaneous other expenses	-4,081	-3,517
	-78,798	-61,853

E.6. Interest expenses

Interest expenses relate in particular to the balance sheet item "Liabilities from loans and from bond issuance".

The increase compared to the same period of the previous year is mainly due to the interest expenses for the shareholder loans of Kublai GmbH and Hilbert Management GmbH as well as the higher interest rate according to the effective interest method due to the changed conditions from the refinancing.

More details can be found in section D.14 "Liabilities from loans and from bond issuance".

E.7. Other finance income/costs

KEUR	1 Jan. to 30 Sep 2024	1 Jan. to 30 Sep 2023
Value adjustment of embedded derivatives	47,164	-
Result from substantial modification (refinancing)	-35,948	-
Total other financial income/costs	11,216	-

With regard to the value adjustment on embedded derivatives, please refer to the explanations in section F3.1. With regard to the result from substantial modification, please refer to the explanations in section E.14.

E.8. Income tax expense

Please refer to section 2.3.1 Financial performance of the group interim management report.

E.9. Intangible assets

Intangible assets are mainly comprised of goodwill in the amount of KEUR 881,955 (31 December 2023: KEUR 881,955), contract costs of KEUR 58,710 (31 December 2023: KEUR 45,575), and other acquired intangible assets of KEUR 47,888 (31 December 2023: KEUR 51,548).

E.10. Property, plant and equipment

Property, plant and equipment of KEUR 837,902 increased slightly compared to 31 December 2023 (KEUR 813,411).

The additions in the amount of KEUR 139,738 resulted primarily from own investments, but also from the capitalization of property, plant and equipment classified as right-of-use assets in accordance with IFRS 16 (KEUR 39,630). Depreciation amounted to KEUR 111,454.

E.11. Trade receivables, contract assets, other financial receivables, other assets, accruals and deferrals (non-financial)

The following table shows the development of impairments for trade receivables at Group level:

KEUR	30 Sep 2024	31 December 2023
Trade receivables – gross	38,567	35,742
Impairment losses	-13,459	-12,204
Trade receivables – net	25,108	23,538

Trade receivables mainly include receivables from subscription fees and from signal delivery, transmission and feed-in charges.

Contract assets are related to customer contracts and amount to KEUR 18,963 (31 December 2023: KEUR 20,495).

Other financial receivables in the amount of KEUR 25,871 (31 December 2023: KEUR 35,663) mainly consist of deposited cash collateral, lease receivables, rent deposits, and claims from employer pension liability insurance for pensions that do not qualify as plan assets.

Other assets in the amount of KEUR 9,295 (31 December 2023: KEUR 6,445) mainly include prepayments made on account of orders and advance lease payments before the start of the lease.

Accruals and deferrals of KEUR 13,987 (31 December 2023: KEUR 10,129) primarily consist of payments relating to insurance and maintenance agreements.

E.12. Equity

The share capital of KEUR 296,617 includes 296,617,494 registered shares and was fully paid up. No treasury shares were held as of the balance sheet date.

For other changes in equity and distributions to non-controlling interests, please see the section "Consolidated statement of changes in equity".

E.13. Other provisions

Other provisions reported as of 30 September 2024 comprise current obligations of KEUR 11,812 (31 December 2023: KEUR 18,220) and non-current obligations of KEUR 2,669 (31 December 2023: KEUR 2,774).

Tele Columbus accrued provisions in the amount of KEUR 7,058 for possible additional funding obligations to compensate for future charges at the level of former subsidiaries.

Litigation provisions amount to KEUR 1,668 as of 30 September 2024 and relate to ongoing proceedings.

Provisions for dismantling obligations in the amount of KEUR 2,277 are mainly related to the lease contract of the Company's headquarters in Berlin and from the network infrastructure.

The provisions also include the estimated costs for services already received for which the remuneration is disputed.

The current provisions are expected to be utilized within one year. It is considered probable that the amount utilized will correspond to the amounts accrued as of the balance sheet date.

E.14. Liabilities from loans and from bond issuance

Non-current and current liabilities (each including accrued interest liabilities) as of 31 December 2023 consisted of credit facilities entered into by Tele Columbus AG under the Senior Facilities Agreement and Senior Secured Notes (bond) of KEUR 1,143,614, the loan liability to Hilbert Management GmbH of KEUR 67,079 and other individual loans and liabilities of subsidiaries of KEUR 6,401.

The credit facility of KEUR 462,463 ("Term Loan Facility A3") available to the Group under the Senior Facilities Agreement and the bond issued in May 2018 (Senior Secured Notes) in the amount of KEUR 650,000 were refinanced by two "Amendment and Restatement Agreements" dated 19 March 2024.

The term of both financing instruments was extended until 1 January 2029. The financing conditions and covenant regulations were also adjusted. Voluntary early

repayments before the final maturity date are generally permitted. In the event of an exit event, an exit fee of 2.50% to 4.00% of the nominal amount of both financing instruments outstanding at that time is payable. The amount of the exit fee depends on the date of the exit event.

Term Loan

The term loan bears interest at EURIBOR (floor of 6.00%) plus a margin of 4.00% per annum. With the exception of an amount of 0.5 % of the nominal value, which is paid semi-annually, the accrued interest is allocated to the original loan amount and paid semi-annually.

As part of the refinancing process, the creditors of the respective financing instruments were granted an option to switch between the term loan and the bond and vice versa. By exercising the option, the nominal amount of the term loan increased by (net) KEUR 24,539. Furthermore, the interest accrued on the term loan until 19 March 2024 and the consent fees granted were not paid in full to the creditors but were capitalized. The nominal value of the term loan amounted to KEUR 503,207 as of 19 March 2024.

Senior Secured Notes

The interest rate on the bond is 10.00% p.a., with all interest liabilities maturing at maturity. The nominal amount of the bond - taking into account the creditors who have changed the financing instrument and the capitalized interest and consent fees - amounted to KEUR 635,767 as of 19 March 2024.

The adjustment of the contractual terms of both financing arrangements represents a substantial modification in accordance with IFRS 9 and leads to a derecognition of the existing liabilities as at 19 March 2024 in the total amount of KEUR 1,133,850 with a simultaneous recognition of the new liabilities at fair value in the amount of KEUR 1,214,693. Taking into account the initial recognition of the derivative financial assets from termination rights, a negative disposal result of KEUR 35,948 was recognized in the other financial result. Please refer to section E.3.1. for information on termination rights.

As at the reporting dates, the balances of credit facilities and senior secured notes (including outstanding interest) were as follows:

KEUR	30 September 2024	31 December 2023
Term Loan Facility B (until 19 March 2024: A3)	561,470	479,654
Senior Secured Notes	710,896	663,960
	1,272,366	1,143,614

In accordance with the share and interest pledge agreement dated 19 March 2024, interests in affiliated companies are pledged as collateral for liabilities to banks (Term Loan Facility B) as well as Senior Secured Notes. Pledges on interests in affiliated companies may be enforced if the conditions underlying the pledge were in place and the collateralized financial instruments were also terminated.

Shareholder loan

On 25 July 2023, a short-term loan agreement for KEUR 15,000 at an interest rate of 13% was agreed with Hilbert Management GmbH, an affiliated company of Tele Columbus (main shareholder). In addition, a short-term credit line of KEUR 82,000 with an interest rate of 17% was granted by agreement dated 30 August 2023, from which KEUR 58,000 (31 December 2023: KEUR 50,000) had been drawn by 19 March 2024.

During the reporting period loan agreements was concluded between Kublai GmbH and Tele Columbus AG. Under this agreement, Kublai GmbH grants Tele Columbus a loan of up to EUR 300.0 million to be paid out in several tranches. The first tranche of EUR 180.0 million was granted as part of the closing on 19 March 2024. Of the first tranche, Tele Columbus initially had to repay the existing liabilities of KEUR 73,000 (excluding accrued interest liabilities) from the loans granted by Hilbert Management GmbH in the 2023 financial year. Further tranches of up to EUR 120.0 million will be paid out as required, at the latest twelve months after the first tranche. During the third quarter 2024 further EUR 15 million were paid. The interest rate on the loans is 17.00%

p.a. The final maturity date of the loans, including interest, is 1 January 2030; however, the aim is to convert the loan into equity before then.

The loan agreements with Kublai GmbH also include termination rights that are classified as separable embedded derivatives (please refer to the explanations in section E.3.1.).

The interest liabilities accrued as at 19 March 2024 on the loans from Hilbert Management GmbH in the amount of KEUR 1,191 and KEUR 3,310 bear interest at the original interest rates of 13% and 17% respectively; the term has been extended to 1 January 2030.

The carrying amounts according to IFRS (including outstanding interest) as at the reporting dates are as follows:

KEUR	30 September 2024	31 December 2023
Loan Kublai GmbH	204,360	-
Loan Hilbert Management GmbH	4,708	67,079
	233,357	67,079

Other loan liabilities

There are other individual contractual loan agreements and liabilities between subsidiaries of Tele Columbus AG and banks. As at the reporting date, these result in financial liabilities of KEUR 4,897 (31 December 2023: KEUR 6,401). The term of these loan agreements/liabilities varies between 13 and 47 months. Fixed interest rates between 0.68% p.a. and 4.20% p.a. have been agreed for the loans.

E.15. Trade payables, contract liabilities, other financial liabilities, other liabilities, accruals and deferrals (non-financial)

Trade payables of KEUR 74,031 (31 December 2023: KEUR 92,173) mainly comprise signal supply contracts, services and unbilled supplies and services provided up to the balance sheet date.

Contract liabilities amount to KEUR 45,651 (31 December 2023: KEUR 13,192) as at 30 September 2024. The increase is mainly due to customer prepayments during the year.

Other financial liabilities of KEUR 61,019 (31 December 2023: KEUR 55,921) mainly relate to a service concession agreement and a potential earn-out obligation.

Other liabilities of KEUR 18,324 (31 December 2023: KEUR 28,140) mainly relate to personnel-related provisions and VAT liabilities.

A significant part of accruals and deferrals (30 September 2024: KEUR 26,773; 31 December 2023: KEUR 23,130) results from grants from cities and municipalities for the expansion of fibre optic networks.

F. Other explanatory information

F.1. Leases and other financial obligations

F.1.1. LEASES

AS LESSEE

Tele Columbus has a large number of leases, for which the Group almost exclusively, acts as lessee. A significant portion of leases account for the leases of local and regional transmission lines (fibre leases). Furthermore, the Group leases buildings and premises on a large scale. These serve to accommodate offices for administrative staff, retail stores for end customers and in some instances also technical equipment (data centres).

The maturities of the lease liabilities as of 30 September 2024 are as follows:

KEUR	30 September 2024	31 December 2023
Less than one year	37,050	41,028
Between one and five years	103,347	101,193
More than five years	108,842	104,912
	249,239	247,133

Future lease obligations from short-term leases and leases based on low-value assets as of 30 September 2024 are as follows:

30 September 2024	Short-term leases	Leases based on low-value assets	Total
Less than one year	1,239	305	1,544
Between one and five years	–	110	110
More than five years	–	36	36
	1,239	451	1,690

F.1.2. OTHER FINANCIAL OBLIGATIONS

In addition to the leases described above, the Group has other financial obligations (mainly from service contracts).

Future minimum payments from these contractual relationships have the following maturities:

KEUR	30 September 2024	31 December 2023
Less than one year	12,753	19,244
Between one and five years	18,973	22,529
More than five years	4,428	3,983
	36,154	45,756

F.2. Related party disclosures

GENERAL RELATED PARTY DISCLOSURES

Please refer to section B. Significant events for information on the changes to the Supervisory Board and Executive Board.

With regard to the shareholder loan granted, please refer to the information in section E.14 Liabilities from loans and bonds.

There were no other material changes to related party relationships in the reporting period compared to 31 December 2023.

F.3. Financial instruments and risk management

F.3.1. FINANCIAL INSTRUMENTS

In the case of the term loan and bond financing instruments modified as part of the refinancing as well as the shareholder loans granted by Kublai GmbH, Tele Columbus has the right to terminate the liabilities prematurely under certain conditions. These termination rights represent embedded derivatives and are recognized separately as derivative financial assets in the consolidated statement of financial position in accordance with IFRS 9 and measured at fair value through profit or loss (Level 3). The options, which can be exercised at any time, enable the early repayment of liabilities. These cancellation rights are measured using an option pricing model. Interest rates and default intensities are simulated. Unobservable input parameters of the valuation model are the interest rate and credit spread volatilities as well as the interest rate structure and credit default swap (CDS) rates on the respective valuation date. The volatility of the credit spread is taken into account on the basis of the historical volatility of the CDS spreads. The interest rate volatilities are derived from swaption volatilities quoted on the market. The initial fair value as at 19 March 2024 was

KEUR 60,522. As at the reporting date of 30 September 2024, a positive change in fair value of KEUR 47,164 was recognized in the other financial result.

F.3.2. RISK MANAGEMENT OF FINANCIAL INSTRUMENTS

There have been no significant changes in the risk management objectives and methods or in the nature and scope of risks arising from financial instruments for the six-months period ended 30 September 2024 - with the exception of the following explanations - as compared to the consolidated financial statements as at 31 December 2023.

F.3.2.1. LIQUIDITY RISK

Liquidity risk represents the risk that existing liquidity reserves will be insufficient to meet financial obligations in a timely manner. Liquidity risks can also arise if cash outflows become necessary due to operating activities or investment activities. The management of liquidity in Tele Columbus AG is intended to ensure that - as far as possible - sufficient liquid funds are always available to meet payment obligations when due under both normal and strained conditions without incurring unacceptable losses or damaging the Group's reputation. Liquidity risks from financing activities arise, for example, when short-term cash outflows are required to repay liabilities but sufficient cash inflows cannot be generated from operating activities and, at the same time, sufficient liquid funds are not available for repayment.

Cash and cash equivalents amounted to KEUR 58,356 as of 30 September 2024 (31 December 2023: KEUR 23,160). As a result of the adjustment of the covenant regulations as part of the refinancing, Tele Columbus must comply with certain liquidity ratios. In order to comply with these covenants and payment obligations, corresponding risk monitoring measures implemented in the previous year will be continued.

The financing agreements dated 19 March 2024 contain various covenants, in the event of non-compliance with which the lenders have the option of calling in the loans. Compliance with these covenants, to which Tele Columbus is subject as a stock corporation, is continuously monitored by the Management Board.

The liquidity risk in case of non-compliance with these covenants amounts to KEUR 1,171,524 as of the balance sheet date (31 December 2023: KEUR 1,112,643).

The risk of non-compliance with the covenants and the related financing regulations may have a negative impact on the credit availability and the going concern assumption of the companies of Tele Columbus Group.

There were relevant changes to the market and interest rate risk for the nine-month period as at 30 September 2024 compared to the interest rate risks presented in the consolidated financial statements as at 31 December 2023 insofar as the interest rate on the term loan was adjusted as a result of the refinancing. The loan, which previously bore interest at 1-month, 3-month or 6-month EURIBOR plus a margin of 3.50%, has borne interest at EURIBOR (floor of 6.00%) plus a margin of 4.00% since 19 March 2024. The floor results in a lower variability of future interest expense.

The coupon on the senior secured bond has also increased from 3.875% to 10.00%.

G. Events after the reporting date

There were no reportable events after the end of the reporting period

Berlin, 25 November 2024
Tele Columbus AG, Berlin

Management Board



Markus Oswald

Chief Executive Officer



Nicolai Oswald

Chief Financial Officer



Christian Biechteler

Chief Sales Officer Housing Industry &
Infrastructure



Michael Fränkle

Chief Technology Officer



Jochen Busch

Chief Consumer Officer

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Berlin, November 2024

Management Board: Markus Oswald, Nicolai Oswald, Christian Biechteler, Michael Fränkle, Jochen Busch

Chairman of the Supervisory Board: Marc van't Noordende

Registered seat of the Company: Kaiserin-Augusta-Allee 108, 10553 Berlin, Germany

District Court of Berlin-Charlottenburg HRB 161349 B

Note

Due to calculation processes, tables and references may produce rounding differences from the mathematically exact values (monetary units, percentage statements, etc.). This Interim Statement is available in German and English. Both versions can also be downloaded from www.telecolumbus.com/investor-relations/. In all cases of doubt, the German version shall prevail.

Disclaimer

This Interim Statement contains certain forward-looking statements which reflect the current views of Tele Columbus AG's management with regard to future events. These forward looking statements are based on our currently valid plans, estimates and expectations. The forward-looking statements made in this Interim Statement are only based on those facts valid at the time when the statements were made. Such statements are subject to certain risks and uncertainties, as well as other factors which Tele Columbus often cannot influence but which might cause our actual results to be materially different from any future results expressed or implied by these statements. Such risks, uncertainties and other factors are described in detail in the Risk Report section of the Annual Reports of Tele Columbus AG. Tele Columbus does not intend to revise or update any forward-looking statements set out in this Interim Statement.