



PRESS RELEASE

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## QUALITY OF SERVICES LEVERAGES NOS' GROWTH IN THE THIRD QUARTER

- Telecommunications services increase by 519 thousand to 10.655 million, compared to the same period of 2021
- Number of mobile services grow by 8.3% in the same period to 5.642 million
- TV customers increase to 1.659 million
- Number of cinema tickets sold rise to 1.786 million in 3Q, compared to 1.252 million sold in the same period of 2021
- Telecommunications business revenues rise 3% in 3Q compared to the same period of 2021 to 367.6 million euros
- Consolidated revenues in 3Q increase by 4.1% to 381.5 million euros
- Consolidated EBITDA improves 3.9% to 177.8 million euros
- Net profit in 3Q, before capital gains on the sale of assets, was 43.1 million euros, a fall of 6.6% compared to same period of 2021
- Total investment, excluding leasing contracts and other contractual rights, increases 9.3% compared to 3Q of 2021. For the nine months of the year, investment increases by 17.5%, compared to the prior year, to 364.2 million euros.

### Message from the CEO

*Against a highly challenging background of inflation, war in Europe and disruptions in supply chains, NOS continues to manage to achieve its aggressive investment plan, always with the ultimate goal of creating value for its customers, and delivering the best, most advanced and diversified communications service on the market. Across the nine months of the year, this investment already exceeds 364 million euros, an increase of 17.5% compared to last year. This effort to invest in technology, innovation and in service quality and experience is today recognized not only by third parties but also and more importantly by our customers.*

*In only one year, NOS has gained 1.3% market share in the mobile segment, reaching a total of 28% at the end of the first six months, according to officially released figures. Also, in convergent services, we continue to be increasingly the preferred choice of the Portuguese, whether it is in their homes or in businesses.*

*We made a clear choice to focus on the country and on strengthening its competitiveness, as well as on accelerating the availability of 5G technology to our companies and public services – in particular town and city councils– preparing them more and more for the future. Today, more than 80% of Portuguese people have the possibility of accessing 5G, in a clear commitment to leadership, a position which NOS has assumed from the start and which we strengthen every day on all fronts, despite a regulatory environment that continues to be burdensome for the comprehensive development of the sector.*

**Miguel Almeida**

## Summary – Highlights 3Q 2022

Destaques 9M22	3T21	3T22	3T22 / 3T21	9M21	9M22	9M22 / 9M21
<b>Destaques Operacionais</b>						
Casas Passadas	5 068,9	5 216,6	2,9%	5 068,9	5 216,6	2,9%
RGUs Totais	10 146,1	10 665,2	5,1%	10 146,1	10 665,2	5,1%
Subscritores de Televisão	1 638,2	1 652,3	0,9%	1 638,2	1 652,3	0,9%
Clientes Convergentes + Integrados	1 005,8	1 071,2	6,5%	1 005,8	1 071,2	6,5%
Subscritores Móveis	5 209,9	5 642,3	8,3%	5 209,9	5 642,3	8,3%
<b>Destaques Financeiros</b>						
Receitas Consolidadas	366,5	381,5	4,1%	1 044,9	1 123,5	7,5%
EBITDA Consolidado	171,1	177,8	3,9%	477,7	500,1	4,7%
Margem EBITDA	46,7%	46,6%	(0,1pp)	45,7%	44,5%	(1,2pp)
EBITDA Consolidado - CAPEX Total Excluindo Contratos de Leasing, Licenças de Espectro e Outros Direitos Contratuais	61,2	57,6	(5,8%)	167,7	135,9	(19,0%)
Receitas de Telecomunicações	356,8	367,6	3,0%	1 029,2	1 089,0	5,8%
EBITDA de Telecomunicações	159,2	167,3	5,1%	447,6	468,2	4,6%
Margem EBITDA	44,6%	45,5%	0,9pp	43,5%	43,0%	(0,5pp)
Resultado Líquido atribuível a detentores da NOS excluindo mais valias referentes à alienação de torres	46,1	43,1	(6,6%)	120,0	128,4	7,0%
CAPEX Total Excluindo Contratos de Leasing, Licenças de Espectro e Outros Direitos Contratuais	110,0	120,2	9,3%	310,1	364,2	17,5%

## TECHNOLOGICAL LEADERSHIP AND SERVICE QUALITY DRIVE GROWTH IN THE THIRD QUARTER

In terms of the growth of services, the third quarter of 2022 was the best since the start of the year. With net additions of 141.6 thousand new customers, the total of the services provided by NOS rose to 10.665 million, up 519 thousand compared to the end of September 2021.

Mobile services continued to be the segment with the greatest growth, with an additional 113.3 thousand subscribers between July and September, of which 107.2 thousand were post-paid. This was also the best quarter since 2015 in terms of customers using this method of payment. NOS ended the third quarter with 5.642 million mobile service subscribers, up 8.3% on prior year.

The strategic focus on building and modernizing its communications networks, the excellence of which has been recognized by various independent organizations, and on the 5G network, the most extensive in Portugal which already covers more than 80% of the population, has provided strong leverage in attracting and retaining customers.

The convergent customer base also continues to grow, reaching 1.071 million at the end of the third quarter for a total of 5.539 million services. This continued growth is consolidating the preference of Portuguese people to bring together a range of services in a single account.

In addition to the heavy investment in the mobile network, NOS continues to invest in its new generation Gigabit networks, thus providing a telecommunications and entertainment service that is increasingly comprehensive. At the end of September this year, the new generation fixed network covered 5.217 million homes, up 3.2% on last year.

In the business segment, NOS strengthened its relevance as an accelerator of competitiveness among companies and organizations. At the end of September, business services totalled 1.640 million, 86 thousand more than in the same period of 2021.

In entertainment, the third quarter saw a recovery compared to the same quarter of 2021, although without reaching pre-pandemic levels. In the months of July, August and September, NOS sold 1.786 million tickets,



which was the best post-pandemic quarter, equal to an increase of 43% compared to same period of 2021. This performance exceeds that of the market as a whole, which grew by 37% to 2.720 million tickets. Also, in audiovisuals, there was a recovery in film distribution, a segment in which NOS has an important market share.

### **INVESTMENT BY NOS TOTALS 364 MILLION EUROS IN THE FIRST THREE QUARTERS OF 2022**

NOS continues to strengthen its investment in technology and innovation, consolidating its leadership in fixed and mobile telecommunications networks, with a special mention for 5G, as well as for customer service quality and experience. In the third quarter, total investment, excluding leasing contracts, spectrum licences and other contractual rights, increased by 9.3% to 120.2 million euros. Since the beginning of the year, investment amounted to 364 million euros, an increase of 17.5% over 2021.

Recognition of the quality of NOS' technological infrastructure and services has been the reason for the growing number of Portuguese people signing up to the NOS value proposal, and is reflected in the 4.1% increase in revenues to 381.5 million euros in the third quarter, which compares to 366.5 million euros posted in the same quarter of 2021.

Telecommunications revenues increased by 3% in the period to 367.6 million euros, while the cinema and audiovisual segment saw growth of 22.8% compared to same period of last year to 23.4 million, maintaining its strong post-pandemic recovery.

Consolidated EBITDA totalled 177.8 million euros in the third quarter, up 3.9% compared to the previous year. EBITDA of the telecommunications segment grew by 5.1% to 167.3 million euros, while cinema and audiovisual EBITDA was 10.5 million euros.

Net consolidated profit for the third quarter was 43.1 million euros, not including capital gains during this period, relating to the disposal of towers. For the nine months of the year, this figure is 128.4M, with a variance of 7% compared to the same period last year.

At the end of the period under consideration, Net Financial Debt was 999.5 million euros, equal to 1,85x EBITDA After Leasings, with the company showing a conservative and robust financial structure.

### **COMMITMENT TO THE COMMUNITY AND SUSTAINABILITY**

As a company promoting a more inclusive digital society, NOS started the Projeto ZER01, to bring the teaching of computing to primary and secondary school students across Portugal. The goal of this initiative is to strengthen the fight against info-exclusion and encourage the empowerment of children so that they can successfully integrate into an increasingly more digital, complex and challenging society.

In order to celebrate European Mobility Week, NOS, in partnership with Bird, worldwide leader in micro-mobility shared services, offered free electric scooter travel to all of its customers. Also in the period, the campaign, promoting the planting of a tree for every purchase of a product or service, was re-launched. The planting will be done between October and March in areas of forest affected by fires and a total of 256 thousand trees will be planted.