Telenet Q1 2021 results
Investor & Analyst presentation

April 29, 2021

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Private Securities Litigation Reform Act of 1995

Various statements contained in this document constitute "forward-looking statements" as that term is defined under the U.S. Private Securities Litigation Reform Act of 1995. Words like "believe," "anticipate," "should," "intend," "plan," "will," "expects," "estimates," "projects," "positioned," "strategy," and similar expressions identify these forward-looking statements related to our financial and operational outlook; future growth prospects;, strategies; product, network and technology launches and expansion and the anticipated impact of acquisitions on our combined operations and financial performance, which involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted whether expressed or implied, by these forward-looking statements. These factors include: potential adverse developments with respect to our liquidity or results of operations; potential adverse competitive, economic or regulatory developments, the potential adverse impact of the recent outbreak of the novel coronavirus (COVID-19) pandemic; our significant debt payments and other contractual commitments; our ability to fund and execute our business plan; our ability to generate cash sufficient to service our debt; interest rate and currency exchange rate fluctuations; the impact of new business opportunities requiring significant up-front investments; the potential adverse impact of the recent outbreak of the novel coronavirus (COVID-19) pandemic, our ability to attract and retain customers and increase our overall market penetration; our ability to compete against other communications and content distribution businesses; our ability to maintain contracts that are critical to our operations; our ability to respond adequately to technological developments; our ability to develop and maintain back-up for our critical systems; our ability to continue to design networks, install facilities, obtain and maintain any required governmental licenses or approvals and finance construction and development, in a timely manner at reasonable costs and on satisfactory terms and conditions; our ability to have an impact upon, or to respond effectively to, new or modified laws or regulations; our ability to make value-accretive investments; and our ability to sustain or increase shareholder distributions in future periods. We assume no obligation to update these forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.

Adjusted EBITDA, Operating Free Cash Flow, Adjusted Free Cash Flow and net total leverage are non-GAAP measures as contemplated by the U.S. Securities and Exchange Commission's Regulation G. For related definitions and reconciliations, see the Investor Relations section of the Liberty Global plc website (http://www.libertyglobal.com). Liberty Global plc is our controlling shareholder.

Executive summary

RAISING THE BAR ON SUSTAINABILITY IN THE POST-COVID ERA

- Adoption of a new 2021-2025 Sustainability Strategy by June 2021, taking into account the increased focus on:

DIGITAL INCLUSION

investments in a connectivity for all solution ‘Telenet Essential Internet’, complemented by hardware and digital skills training

DIVERSITY, INCLUSION & EQUALITY

establishment of a formal policy built on three pillars : inclusive culture, diversity along the employee lifecycle and inclusive communications

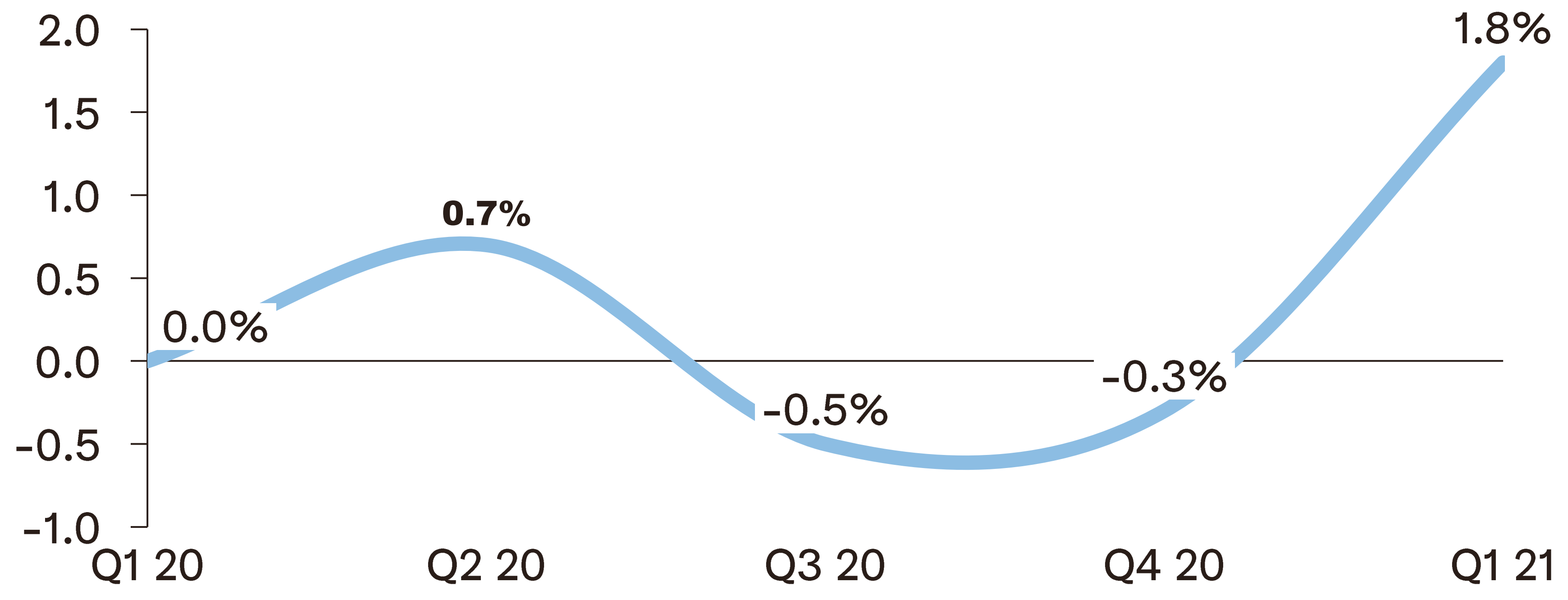
ENVIRONMENTAL RESONSIBILITY

adoption of more ambitious targets in line with the Paris Agreement in order to improve the Telenet’s climate performance by 2030

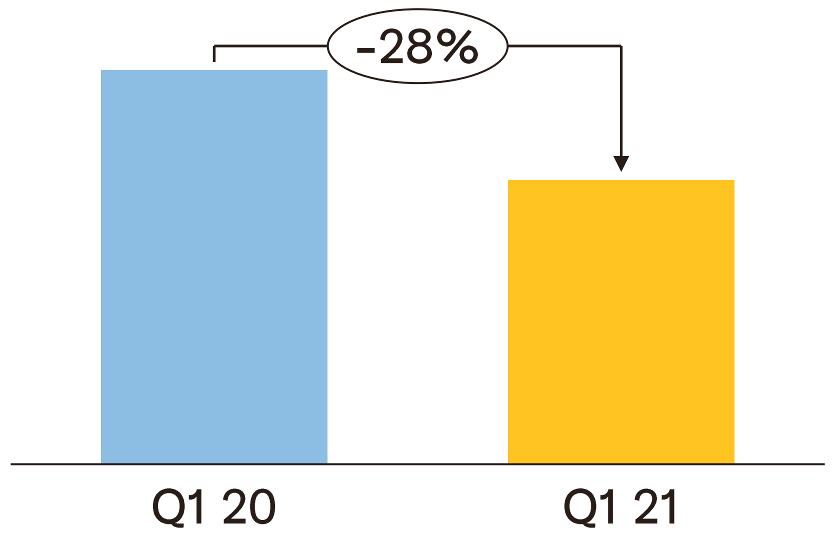
SUSTAINED FMC AND ARPU GROWTH, LOWER INTERCONNECT AND USAGE REVENUE DUE TO COVID

Financial highlights: positive trend in subscription revenue, interconnect and usage revenue impacted by COVID

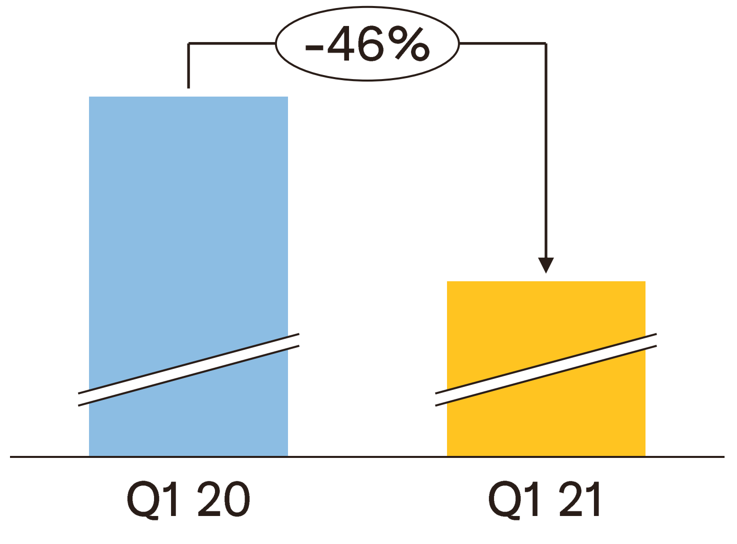
Cable subscription revenue, rebased[1] (yoy , %)



Mobile usage Telenet customers[2] (€m)



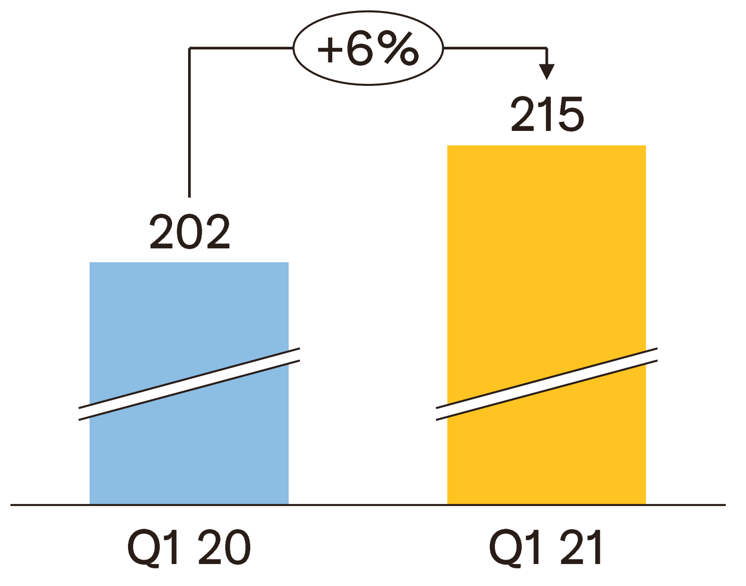
Average SMS per user[2] (%)



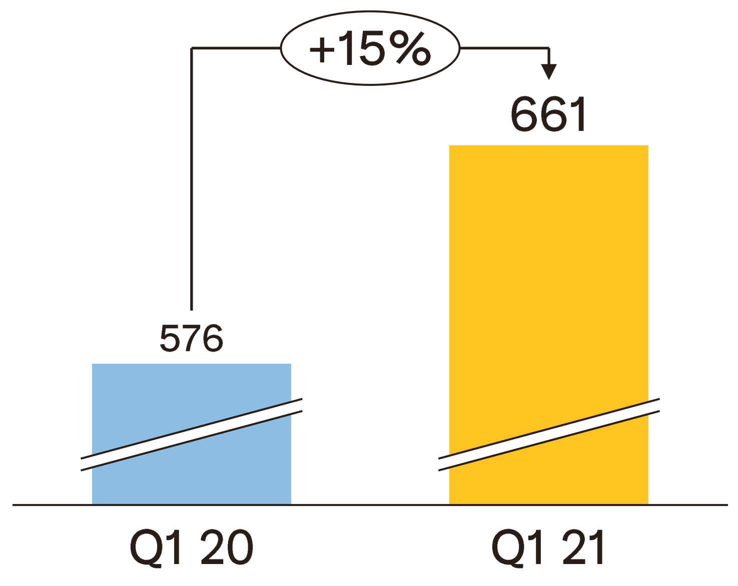
[1] See Definitions in the Appendix section
[2] Source: Internal company data

Operational highlights: leveraging on speed leadership, continued FMC growth & churn well under control

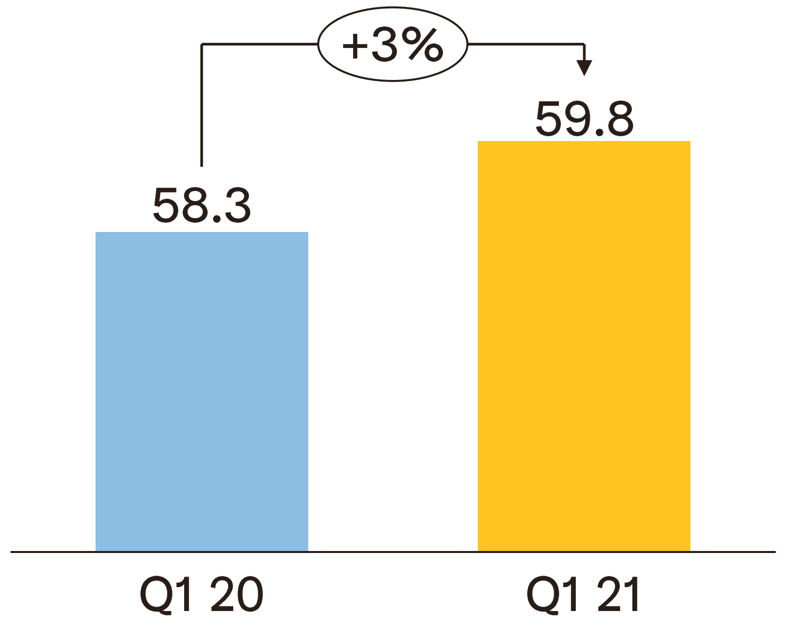
Average broadband download speed[2] (Mbps)



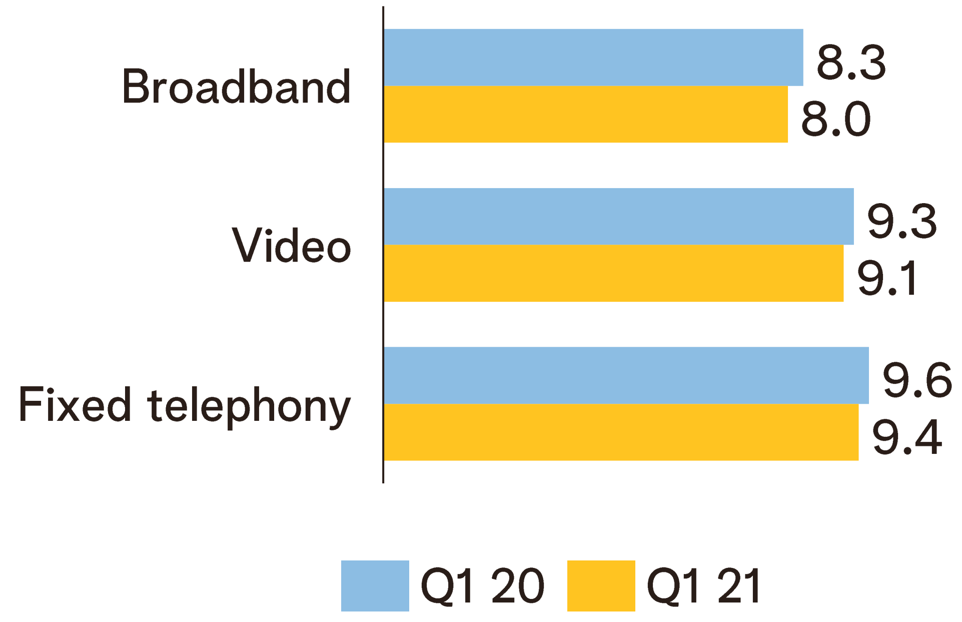
FMC subscribers (k)



Fixed customer relationship ARPU[1] (€)



Annualized churn[1] (%)



...WHILE FULLY EXECUTING ON OUR STRATEGY

EXTEND

our customer relationships, enabling our customers to get greater value from living and working digitally

ACCELERATE

growth in the business segment by differentiating through our human touch

BUILD

a deep customer centric experience, underpinned by a “digital first” approach and radical simplification

CONTINUE

to thrive via excellent networks tailored to our customers’ needs, and via flexible platforms

EMPOWER

People to create value through team collaboration in an inspiring culture

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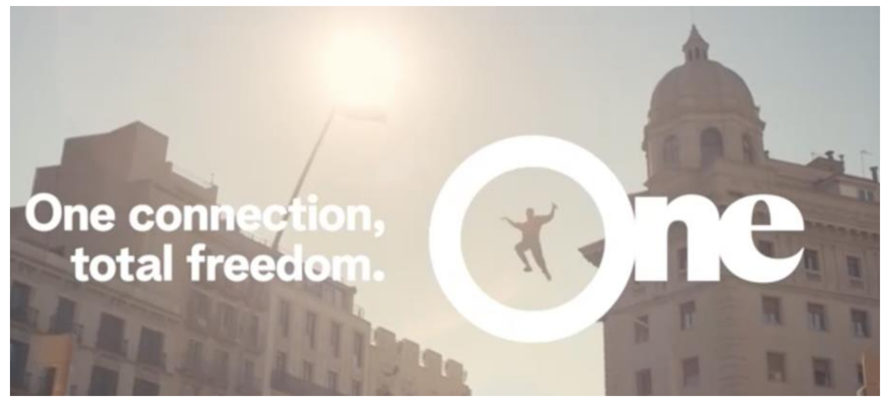
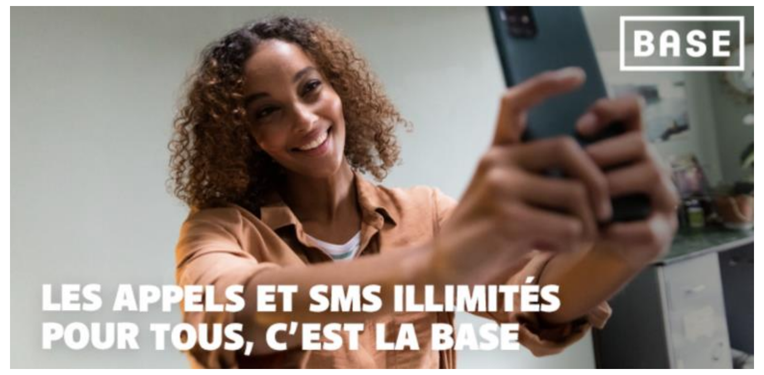
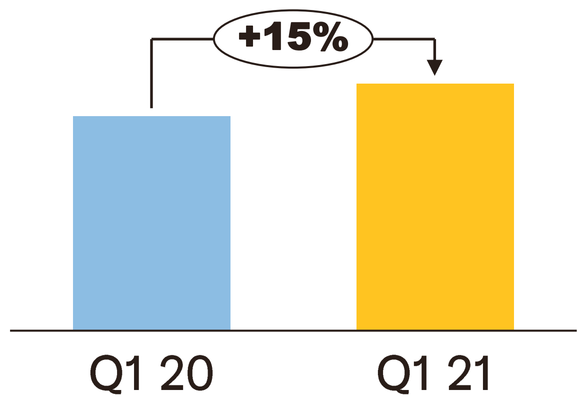
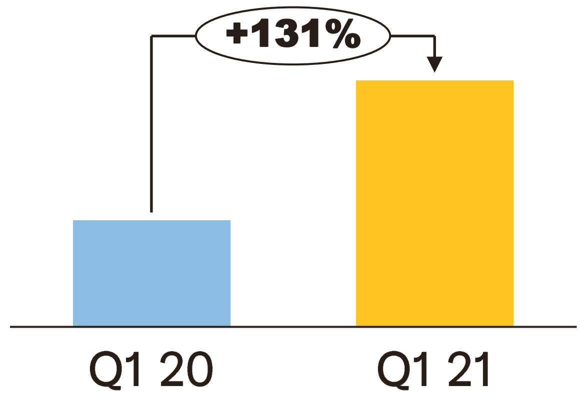




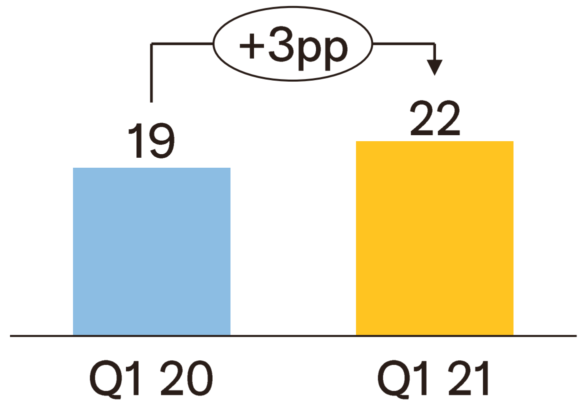
KLIK FMC customer base[1] (k)



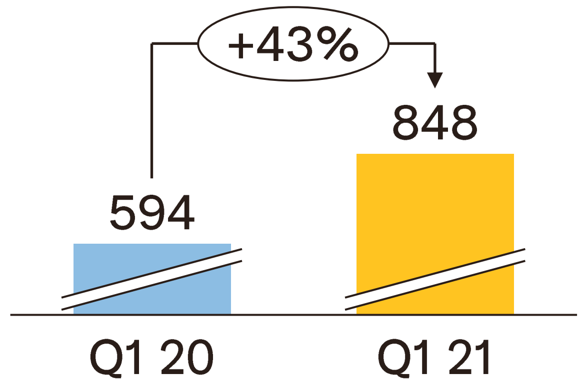
Digital assisted service contacts[1] (k)



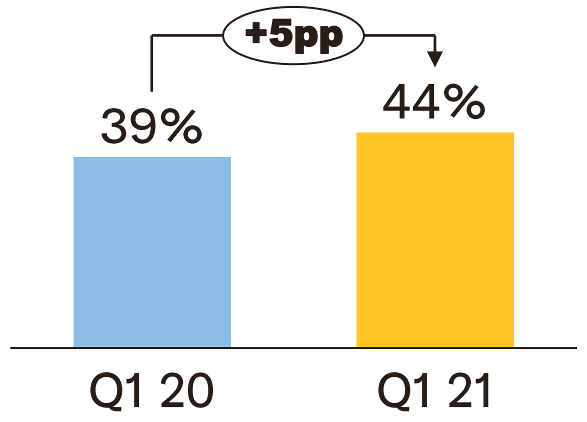
Online sales residential all products[1] (%)



 # Wi-Fi boosters[1] (k)



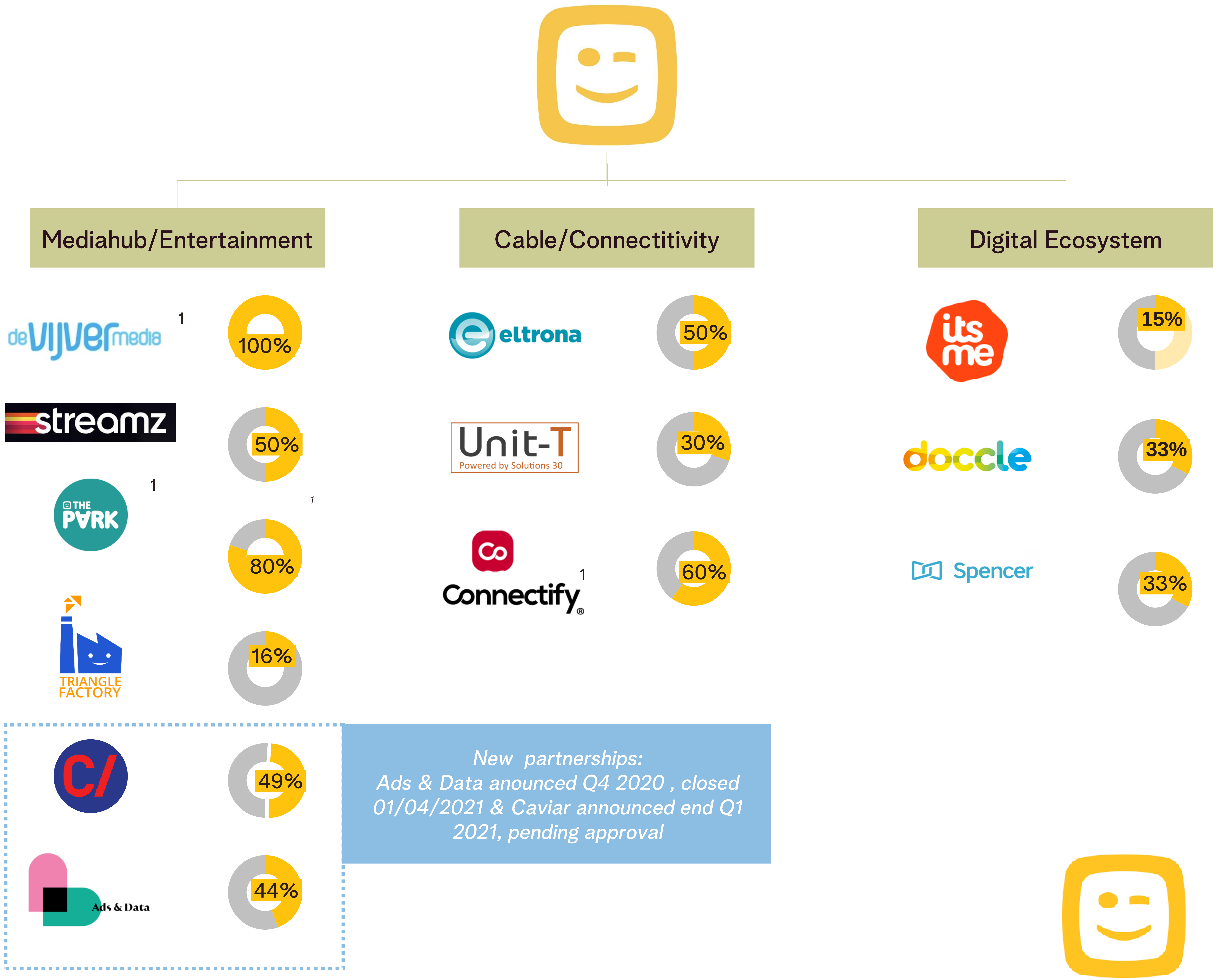
 # BB subs on 300 Mpbs or higher (%)[1]



- New homeworking approach
- Introduction Focus Time – 2hrs/week
- Employee MOOD checks
- Employee Assistance Program

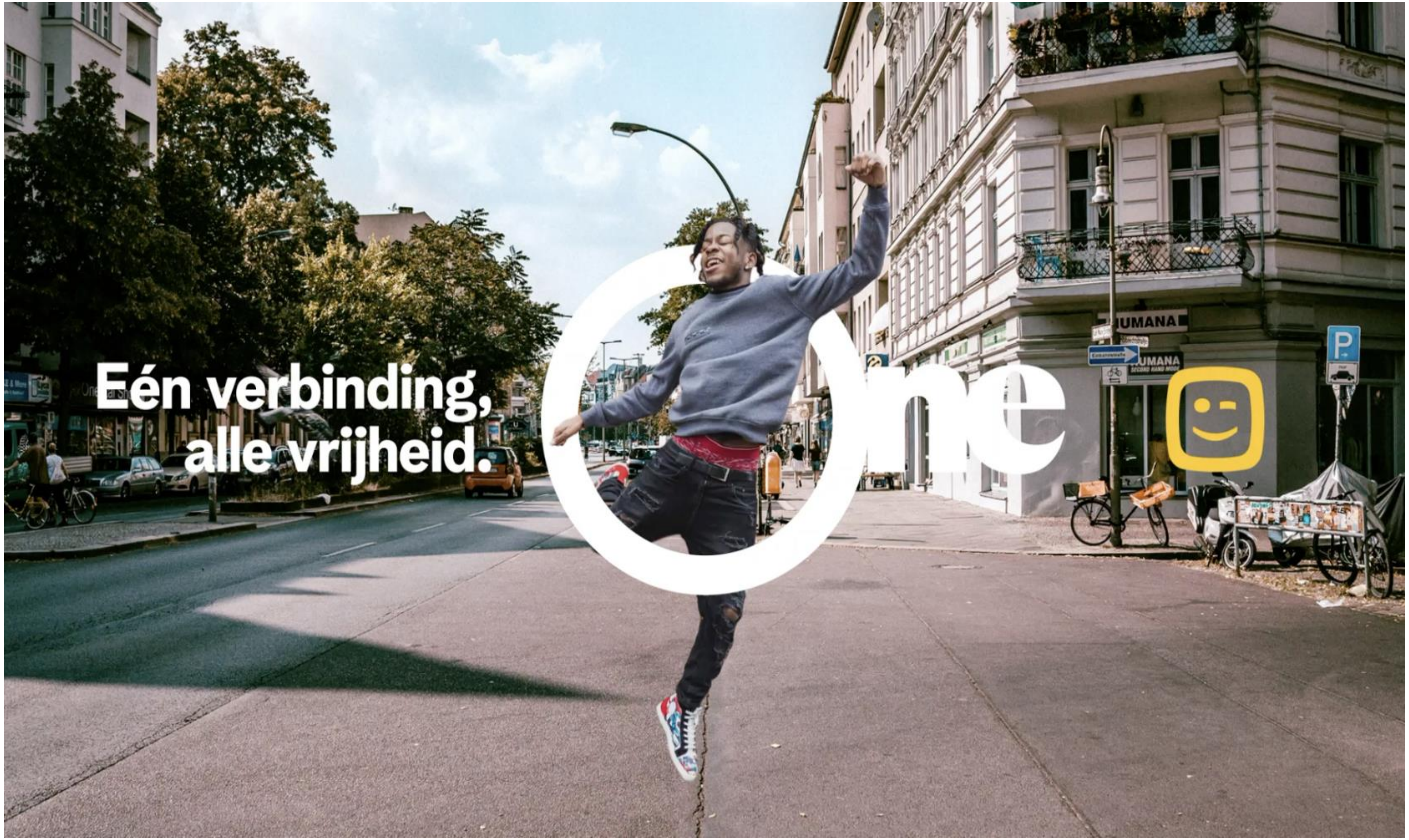
[1] *Source: Internal company data*

...and further diversifying our investment portfolio



[1] *Fully consolidated into Telenet's financial results*

Launching a new way of connectivity in an ever-changing world



...where customer intimacy is key

ONE

Vanaf €66 Per maand

IN ONE ZIT SOWIESO:

- Onbeperkt* supersnel surfen thuis en onderweg
- Down- en uploadsnelheid tot 150 Mbps / 15 Mbps thuis en tot 30 Mbps onderweg
- 1 mobiel nummer
- Onbeperkt mobiel bellen en sms'en
- Veilig surfen thuis door anti-phishing software op de modem

JE KAN TOEVOEGEN:

- Tot 5 mobiele nummers
- Gratis datasimkaart (enkel data, niet bellen/sms'en)
- Gratis vaste telefoonlijn
- Tv

ONE UP

Vanaf €86 Per maand

IN ONE UP ZIT SOWIESO:

- Onbeperkt* gigasnel surfen thuis en onderweg
- Downloadsnelheid tot 1 Gbps, uploadsnelheid tot 40 Mbps thuis en onderweg geen beperkingen.
- 1 mobiel nummer
- Onbeperkt mobiel bellen en sms'en
- Veilig surfen thuis en onderweg
- Toegang en schermtijd beheren

JE KAN TOEVOEGEN:

- Tot 5 mobiele nummers
- Gratis datasimkaart (enkel data, niet bellen/sms'en)
- Gratis vaste telefoonlijn
- Tv

Choose your TV experience

KIJK COMFORTABEL MET DE TV-BOX

€20 Per maand

iconic tv

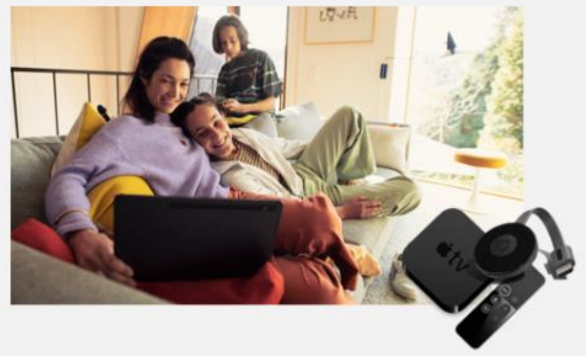
- Al je entertainment **op één plek** met de Telenet TV-box
- Kijk verder **op elk scherm**[7] met de app
- Meerdere opnames tegelijk en **7 dagen Terugkijk TV**[8]
- **Gratis extra content** en Play Sports Open

Meer details

MAAK STREAMEN MAKKELIJK

€9.50 Per maand

flow tv



- **14 zenders in één app**, zonder Telenet TV-box
- Stream makkelijk **op elk scherm**[7], ook op TV
- Inclusief **Terugkijk TV**[8] en 60 dagen bewaren
- **Gratis extra content** en Play Sports Open

Meer details

ONE CONNECTION[1]
Inside or outside
Always high-speed, always connected

Wifi + 4G worden één

Eén simpele verbinding voor alles

ONE SAFETY SHIELD
Protecting all your devices

Altijd beschermd

A ONE FOR EVERYONE
You choose with how many you want to be ONE

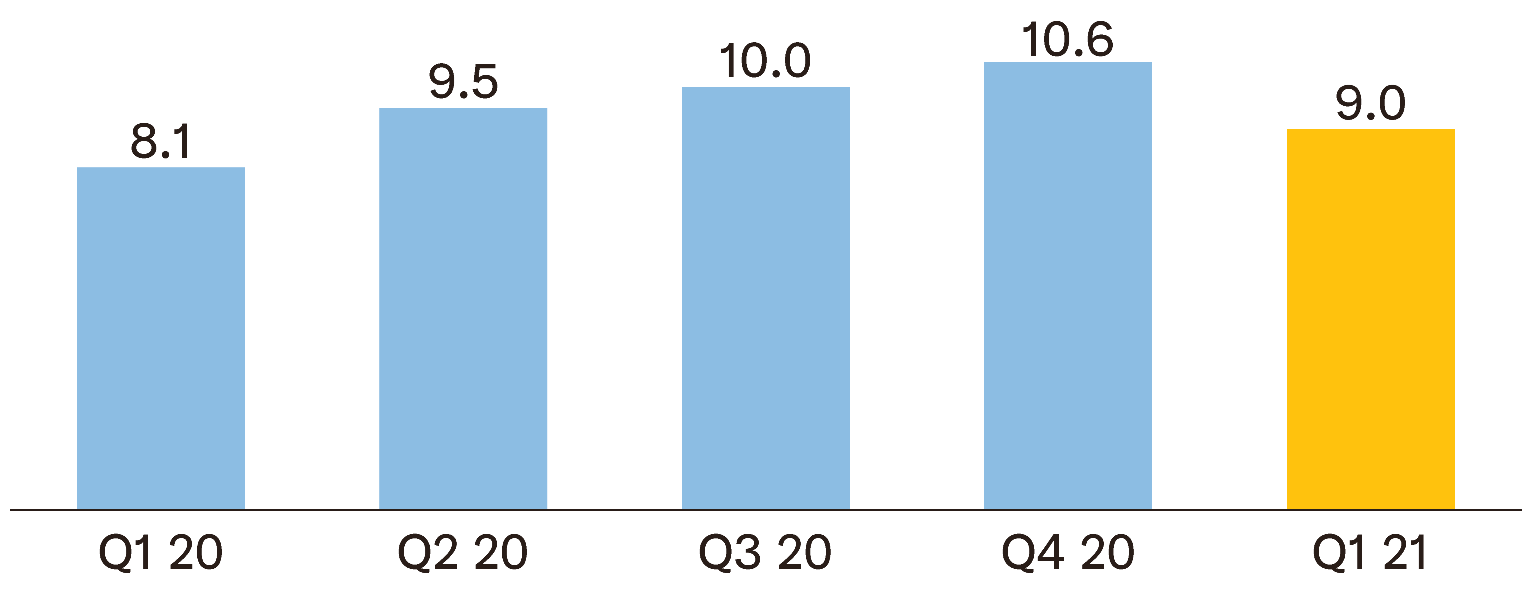
IJ kiest met hoeveel personen je ONE bent

[1] *Unlimited is subject to the friendly user policy, see https://www2.telenet.be/nl/klantenservice/wat-is-onbeperkt-surfen/*

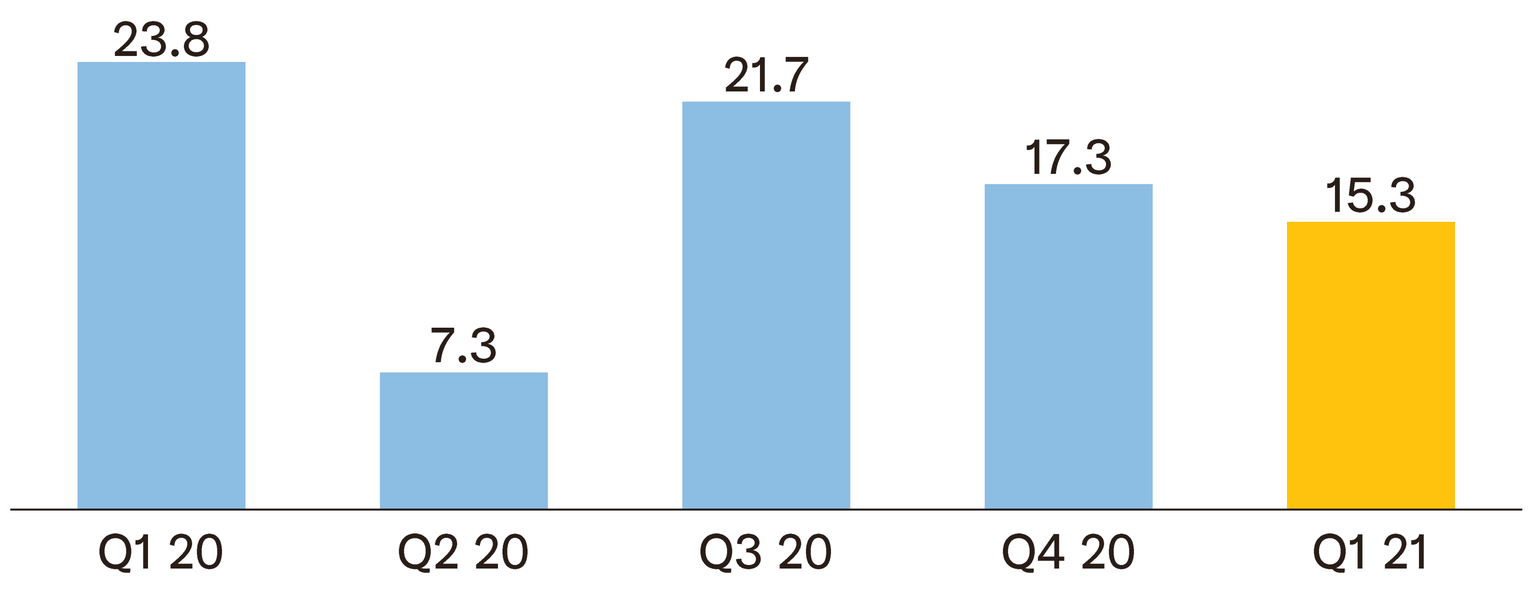
Operational & financial highlights

CONTINUED OPERATIONAL MOMENTUM IN BROADBAND AND FMC, MODESTLY LOWER MOBILE POSTPAID RUN RATE

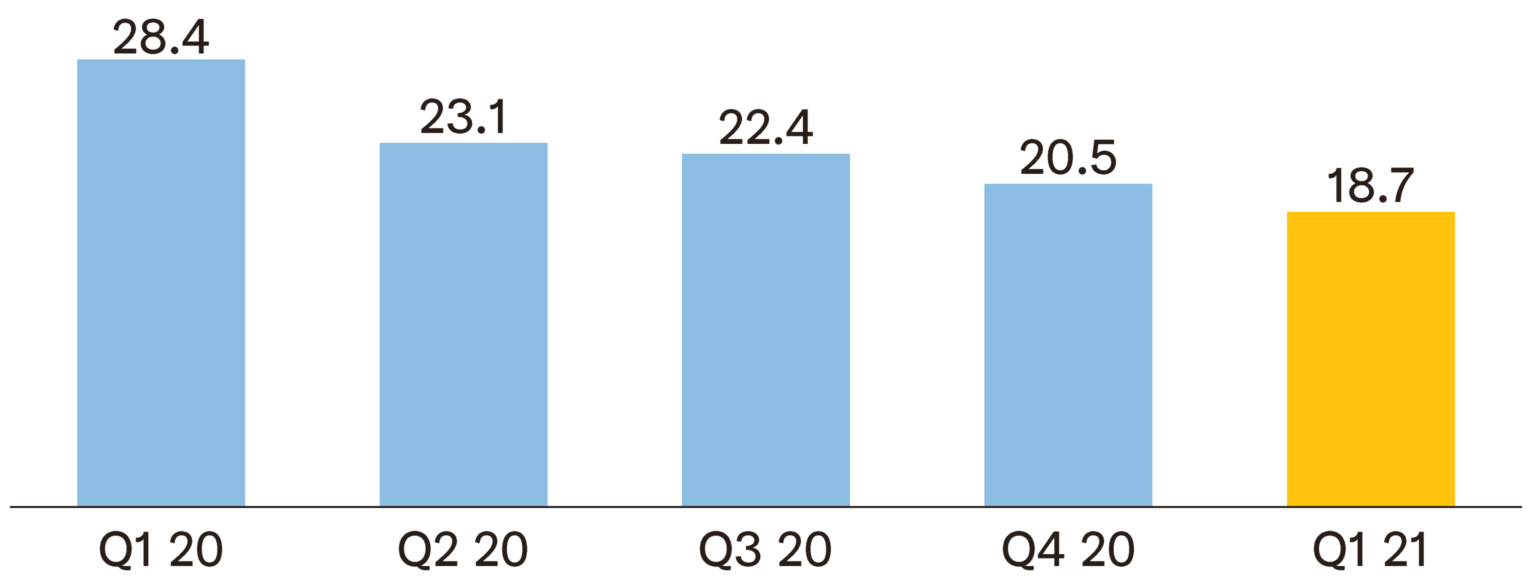
Broadband net adds (k)[1,2]



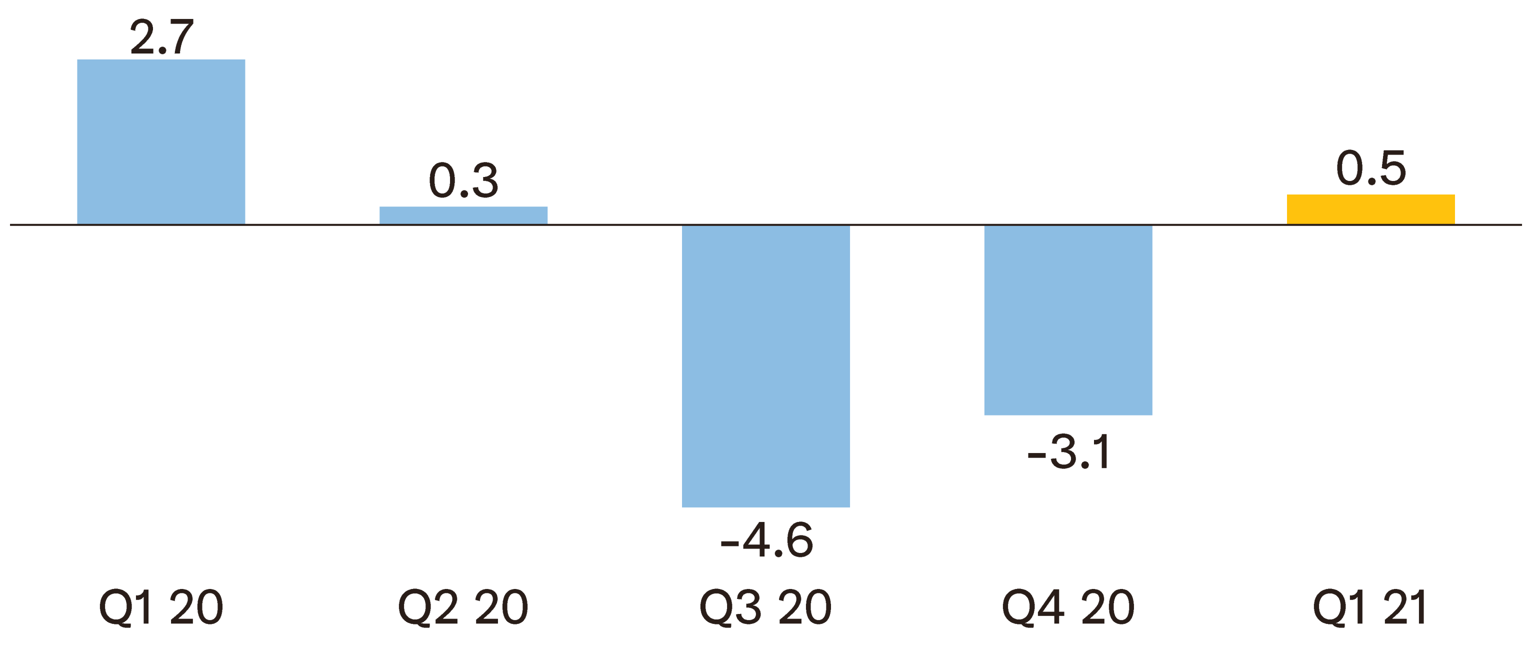
Mobile postpaid net adds (k)[1]



FMC net adds (k)[1,2]

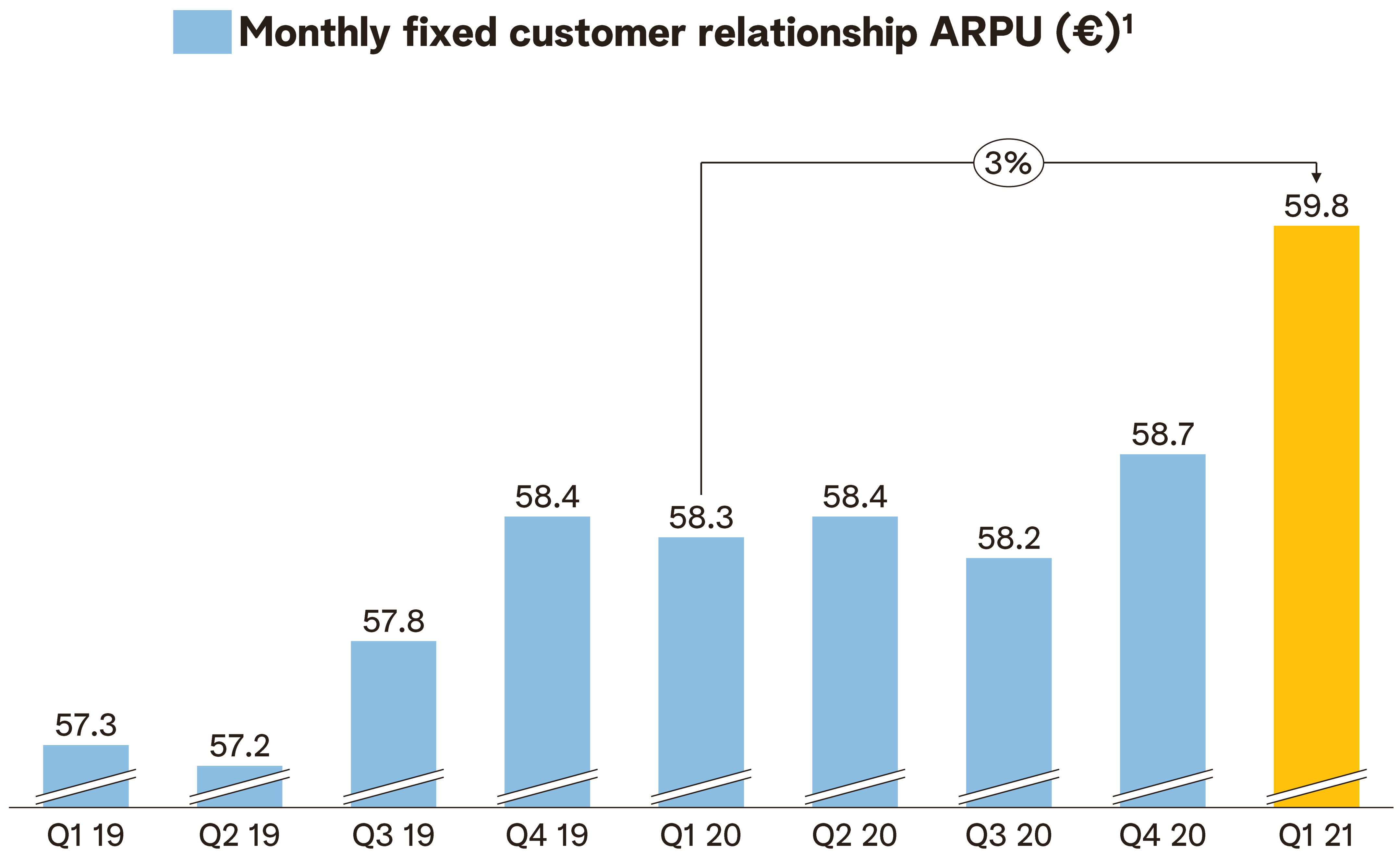


Enhanced TV net adds (k)[1,2]



[1] Our Q2 2020 quarter-end subscriber numbers included the removal of certain non-paying subscribers in line with our accounting policy, even though we couldn't disconnect such subscribers before July 1, 2020, following specific COVID-19 related regulation imposed by the national telecoms regulator BIPT. Our Q3 2020 subscriber numbers include many of the non-paying subscribers being added back as meanwhile invoices were paid.
[2] As of April 1, 2020, our subscriber numbers exclude our former SFR - Coditel customers due to the merger into the Luxembourg cable operator Eltrona.

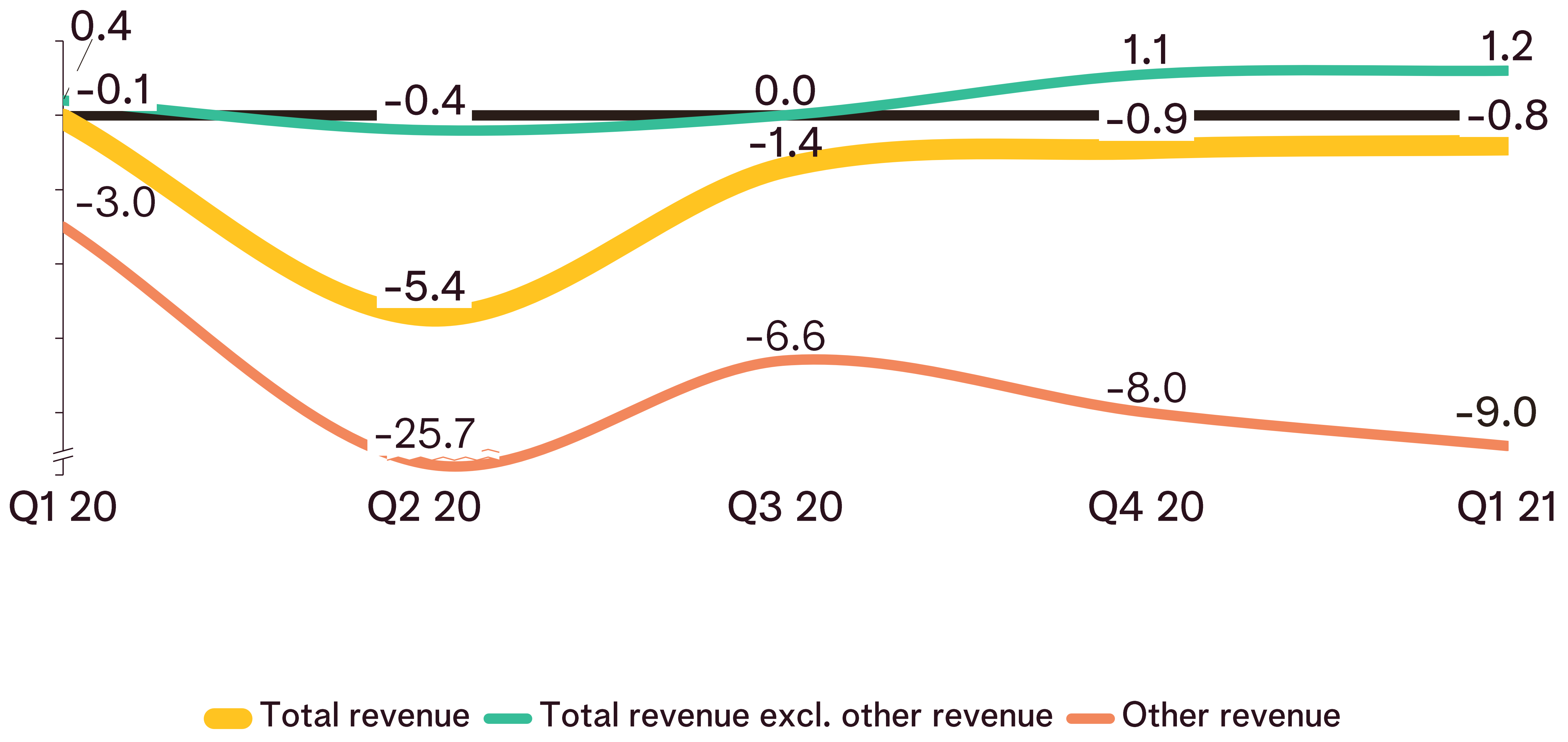
SOLID 3% ARPU PER CUSTOMER GROWTH



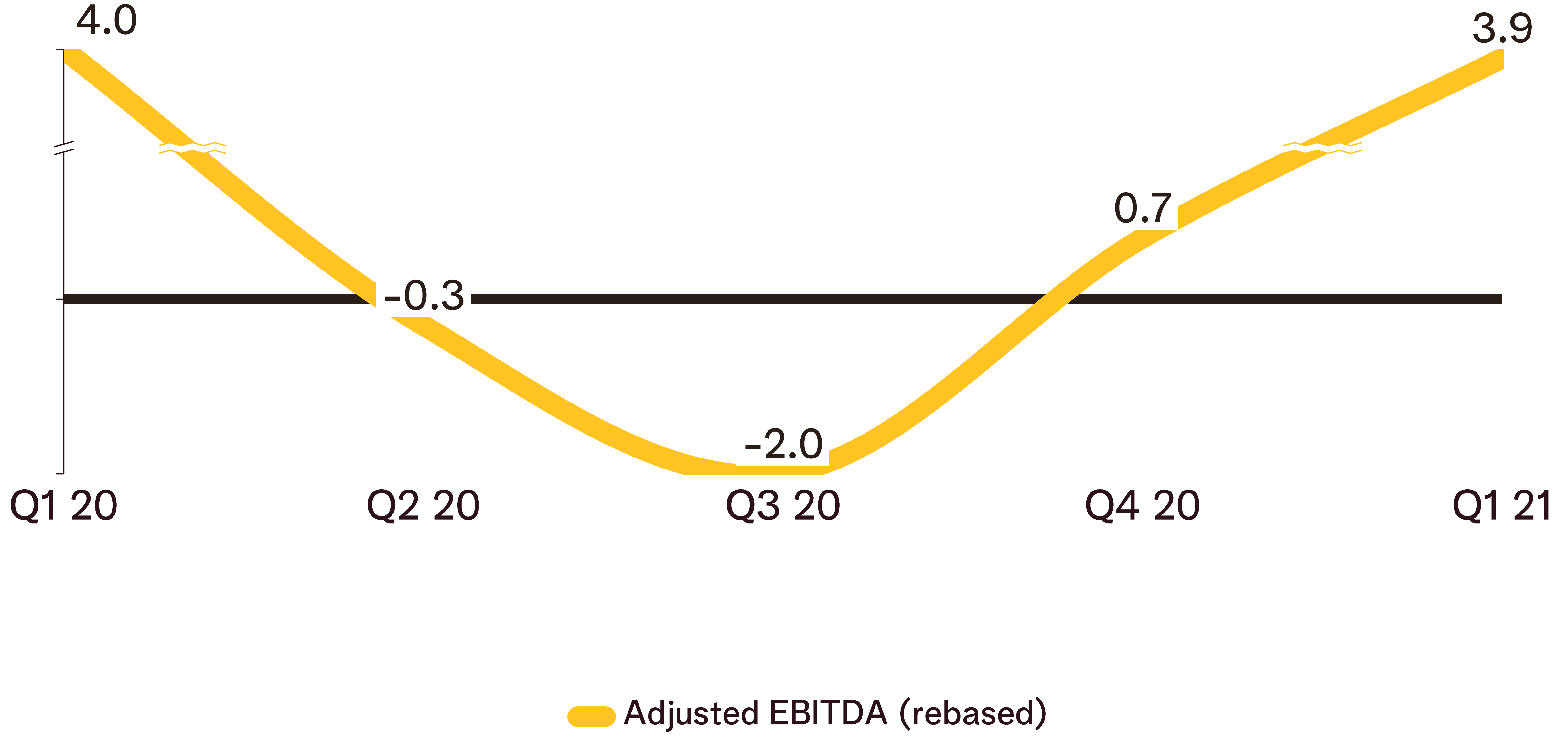
[1] *See Definitions section in the Appendix for additional disclosure*

IMPROVED REBASED REVENUE & ADJUSTED EBITDA TRENDS

Quarterly revenue trend (rebased[1]) (%, yoy)

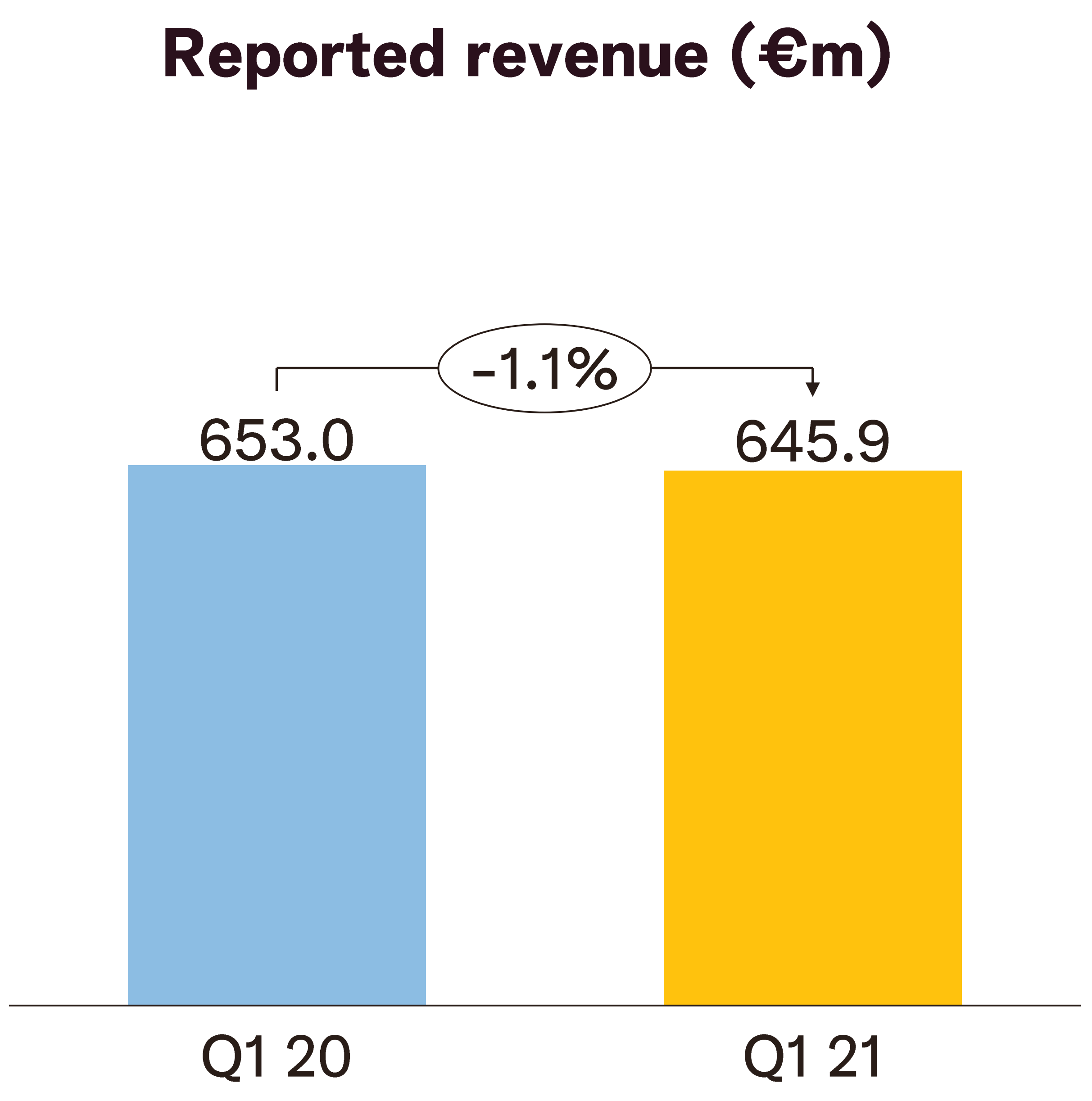


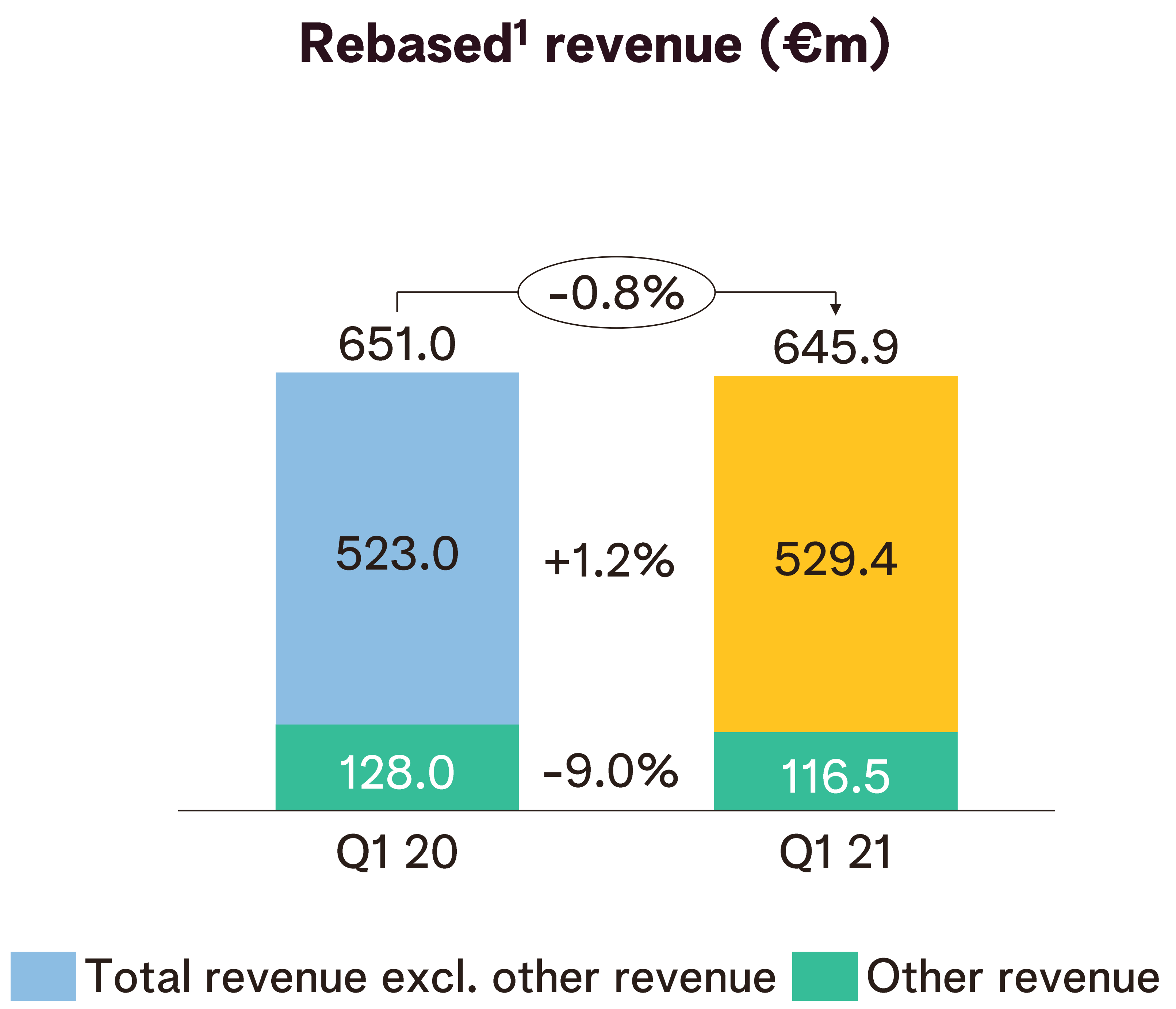
Quarterly EBITDA trend (rebased[1]) (%, yoy)



[1] *See Definitions section in the Appendix for additional disclosure*

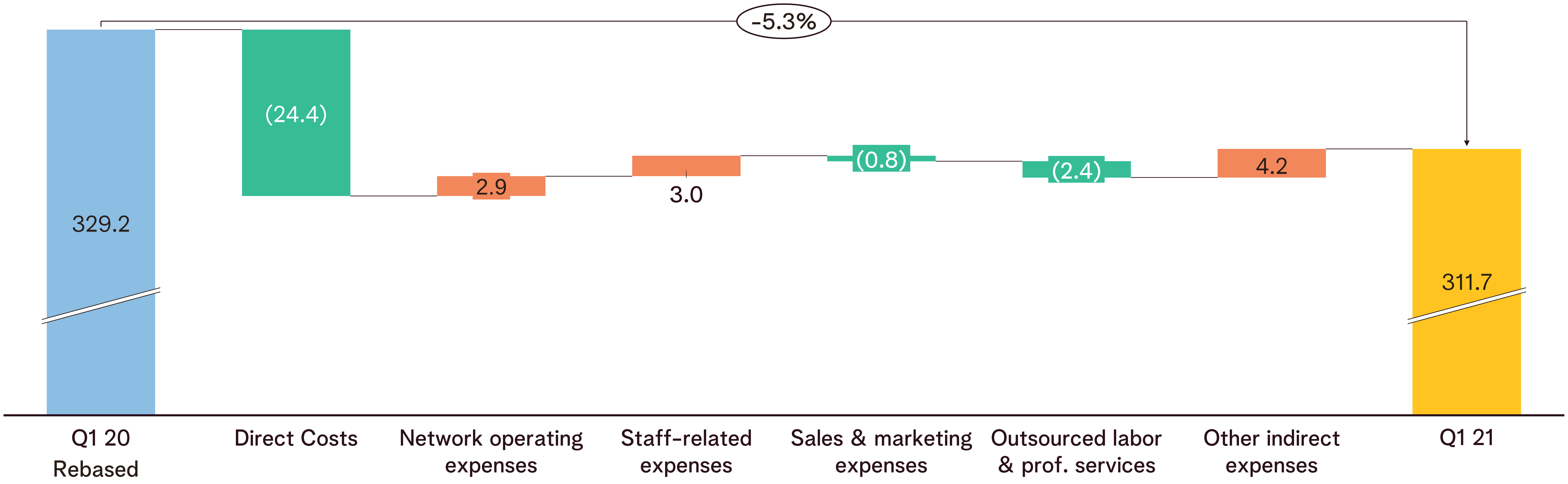
Q1 2021 REVENUE OF € 645.9 MILLION, -1% YOY REBASED DUE TO LOWER OTHER REVENUE AND +1% YOY EXCLUDING OTHER REVENUE





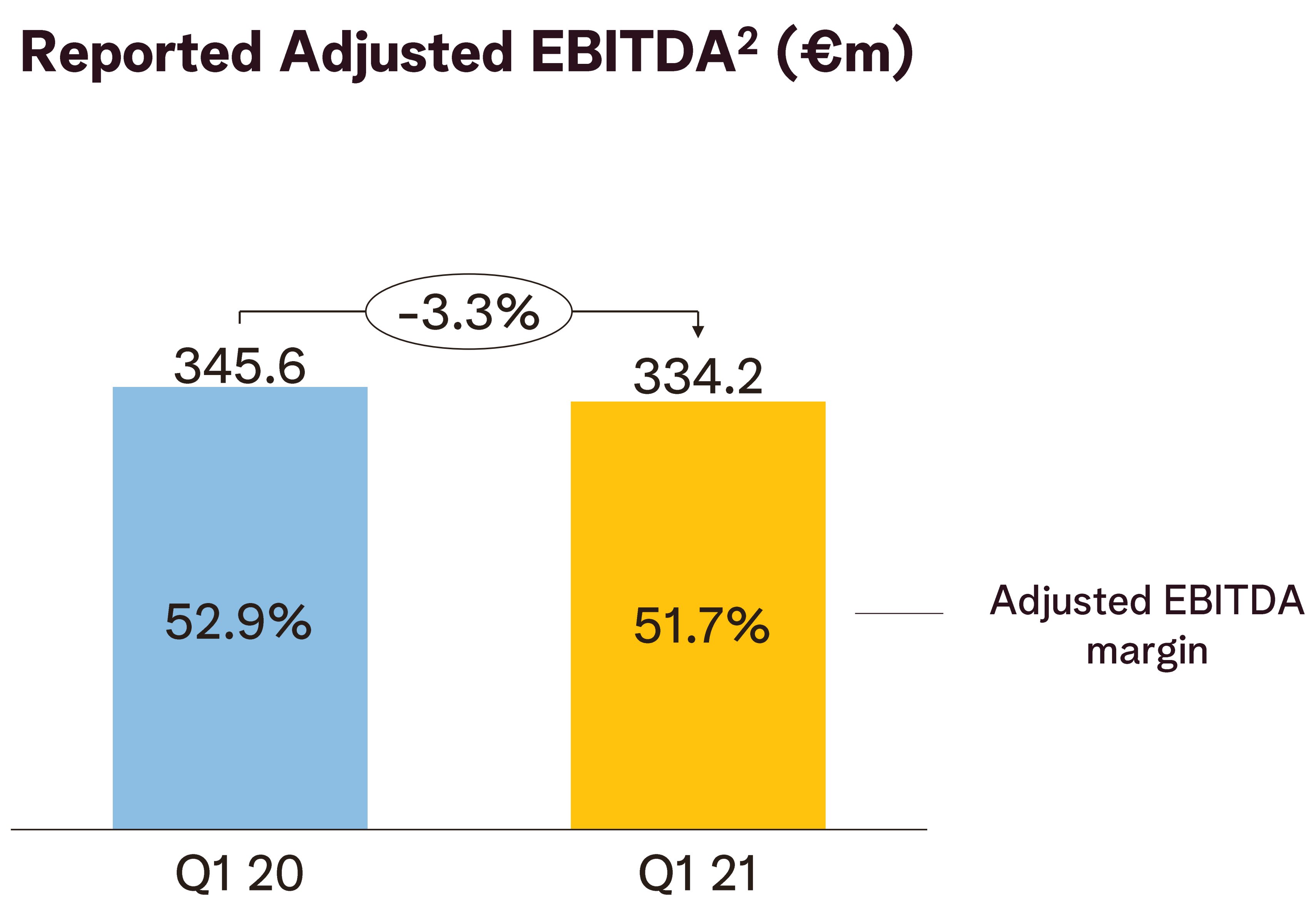
[1] *See Definitions section in the Appendix for additional disclosure*

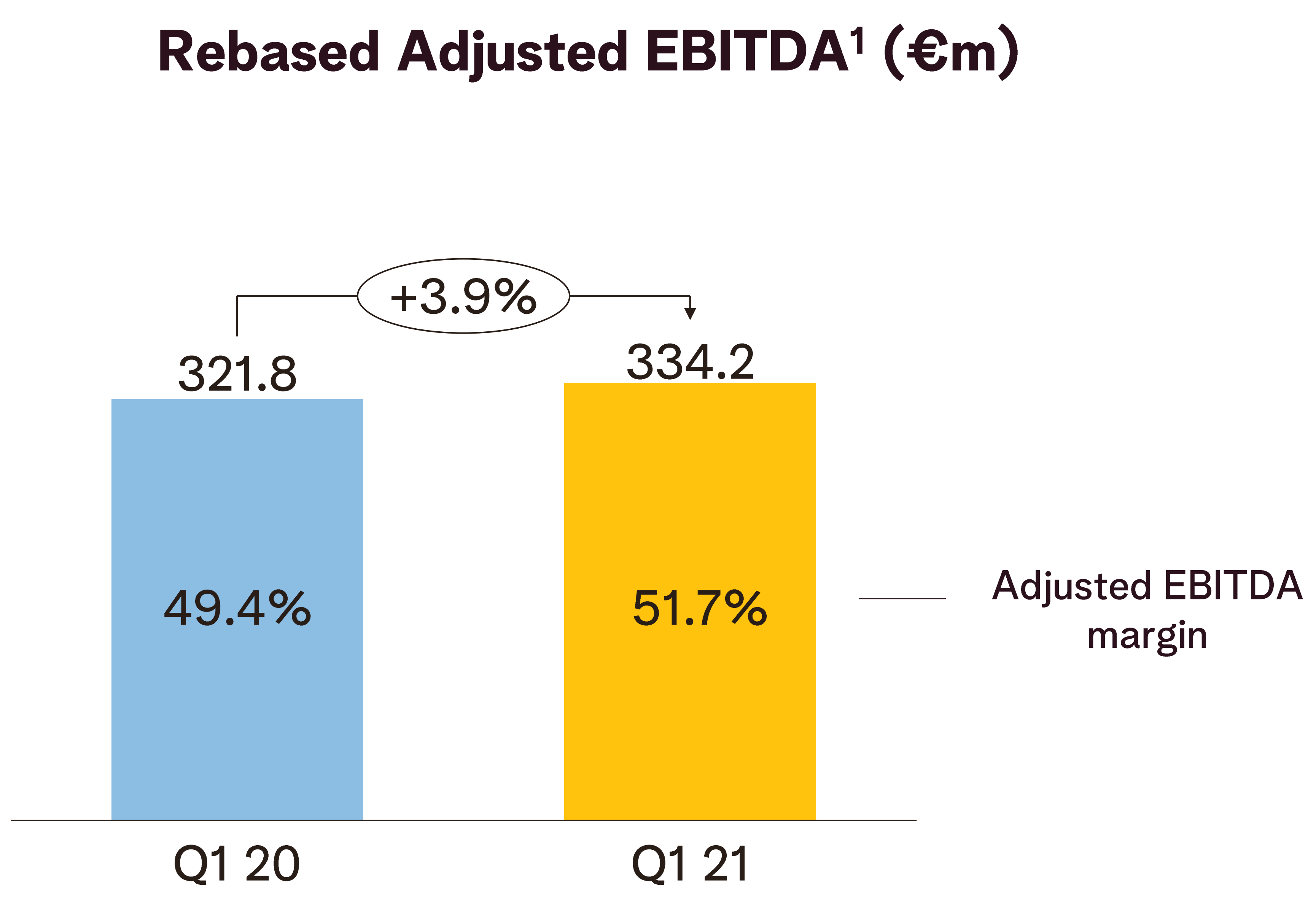
LOWER DIRECT COSTS, REFLECTING ACCELERATED BROADCASTING RIGHTS WRITE-DOWN IN Q1 20, LED TO 5% LOWER REBASED OPERATING EXPENSES IN Q1 21[1]



[1] *See Definitions section in the Appendix for additional disclosure*

Q1 21 ADJUSTED EBITDA UP 4% YOY REBASED[1] TO €334.2 MILLION

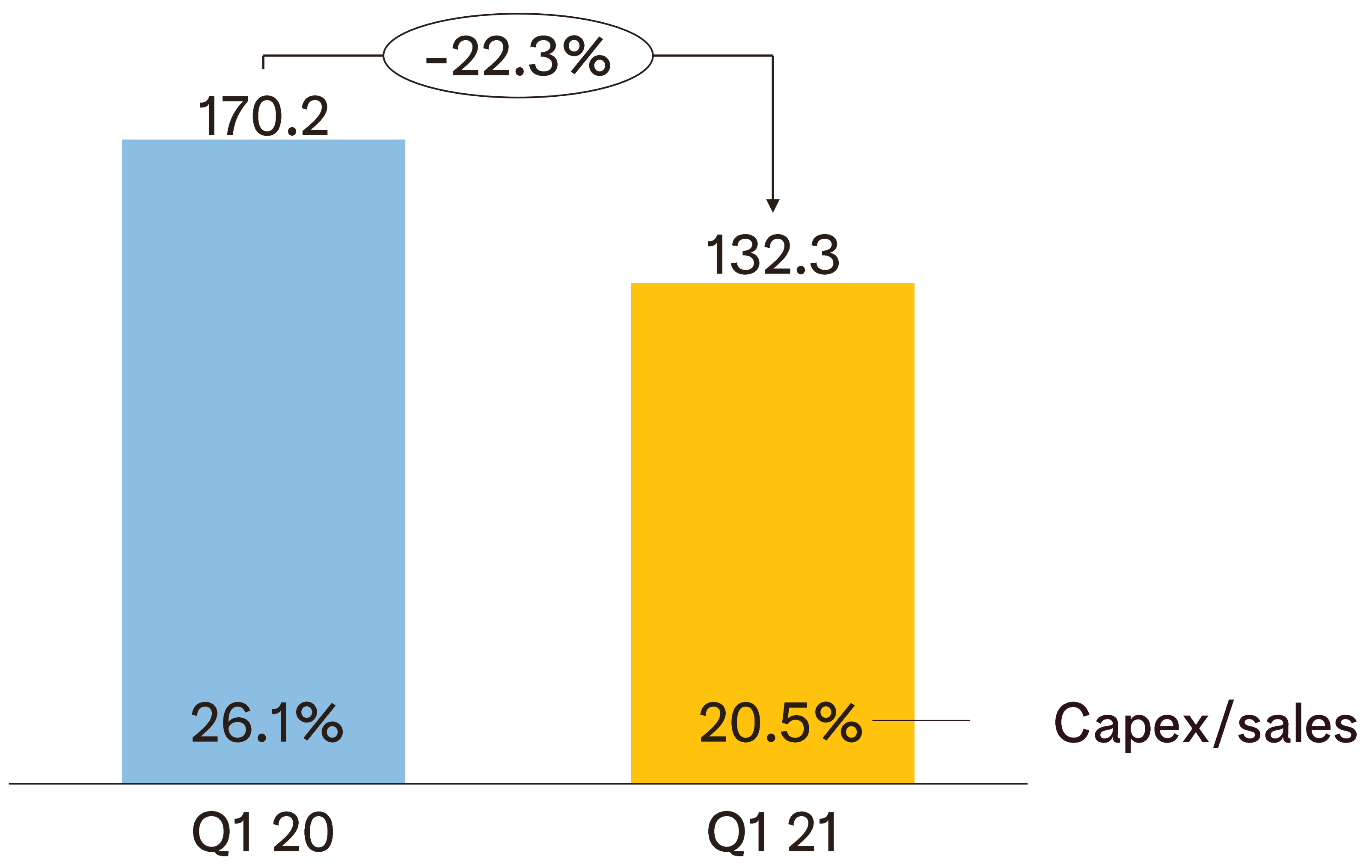




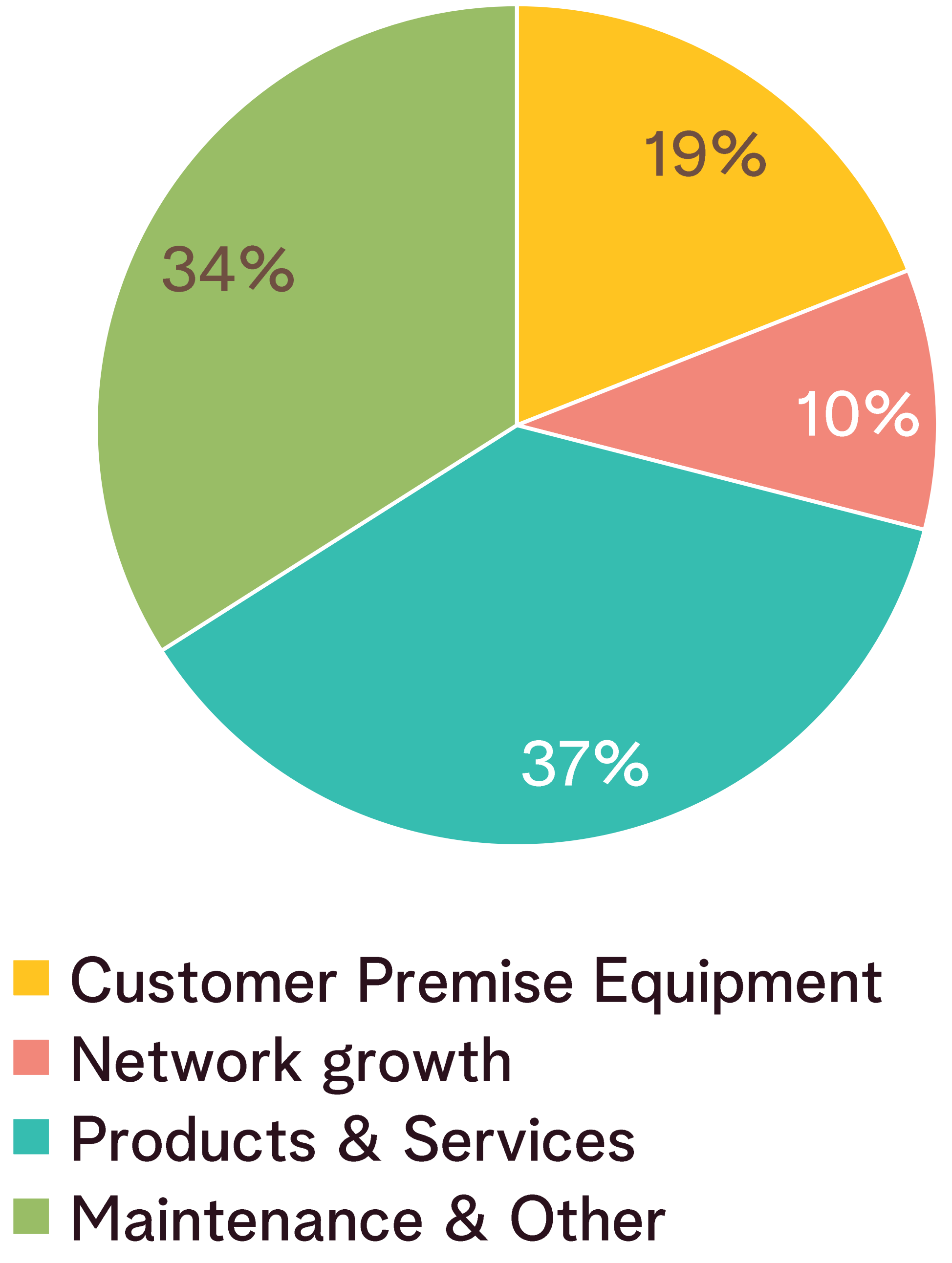
[1]See Definitions in Appendix for additional disclosure
[2] As of Q3 2020, our Adjusted EBITDA reflects changes to the IFRS accounting outcome of certain content-related costs for our premium entertainment packages and the Belgian football broadcasting rights, because of changes related to the underlying contracts

22% lower accrued capex[1,2,3] in Q1 21, equivalent to ~21% of revenue

Accrued capex[1,2,3] (€m)



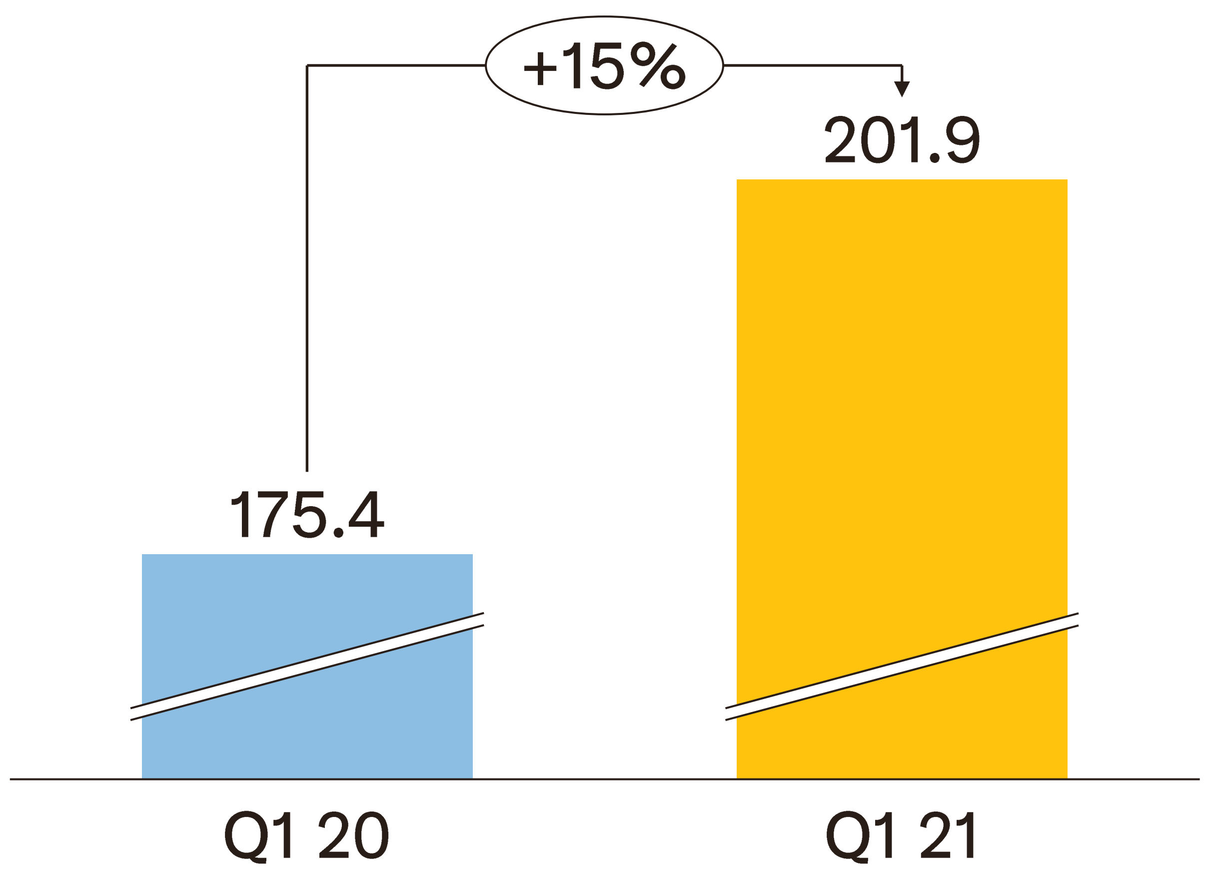
Accrued capex[1,2,3] per segment Q1 21 (€m)



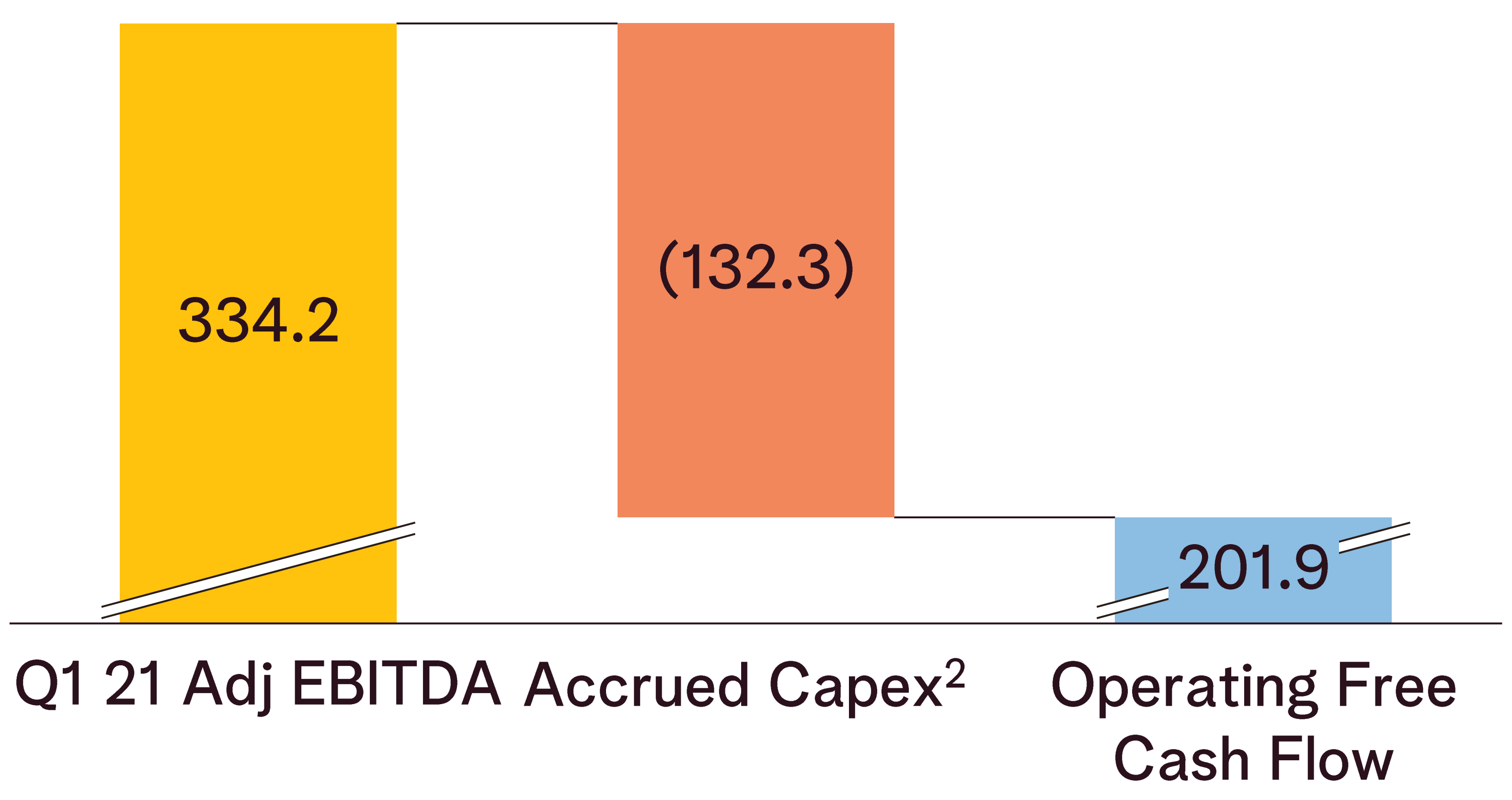
[1] *The IFRS accounting outcome for certain content rights agreements related to both the Streamz BV joint venture and the Belgian football broadcasting rights has started to impact our capex profile as of the third quarter. Whilst both categories were previously recognized within our accrued capex, such costs will now be accounted for under our operating expenses (direct costs), hence impacting our Adjusted EBITDA performance.*
[2] *See Definitions in the Appendix for additional disclosure*
[3] *Excluding the recognition of football broadcasting rights and the temporary extension of both 2G and 3G mobile spectrum licenses*

Q1 21 OPERATING FREE CASH FLOW[1,2] OF €201.9 MILLION, +15% YOY

Operating Free Cash Flow[1] (€m)



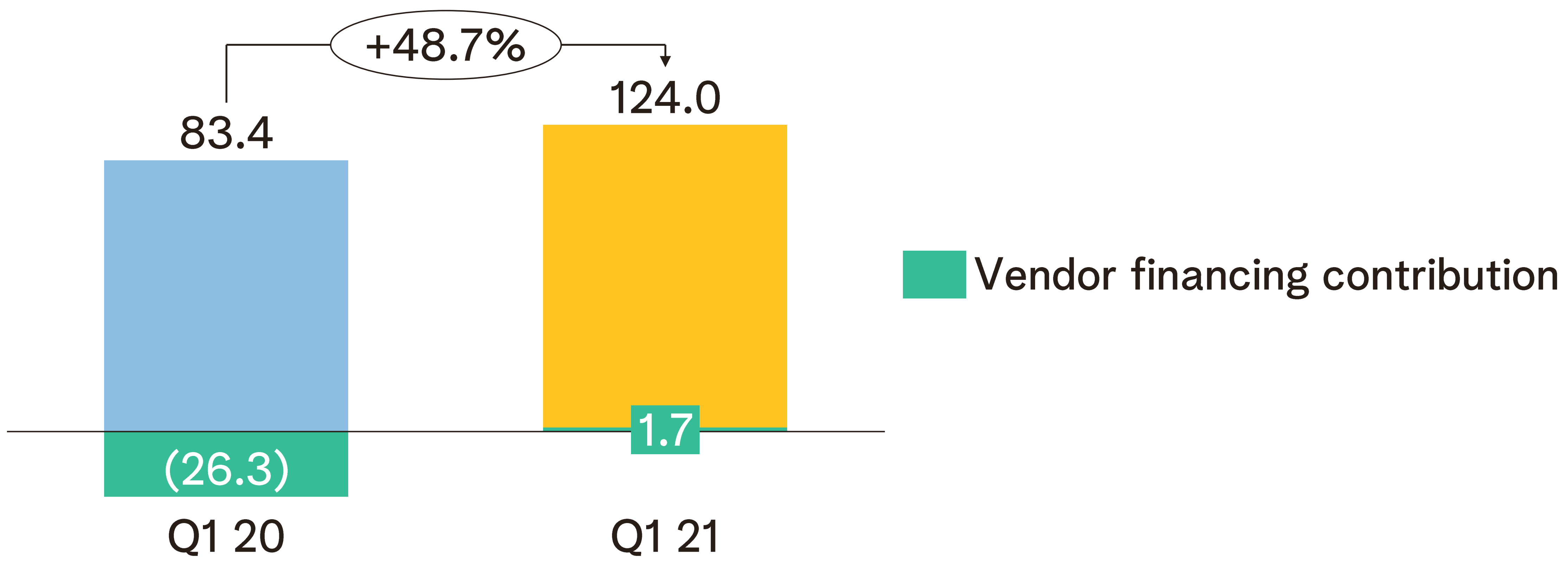
Q1 21 OFCF bridge[1] (€m)



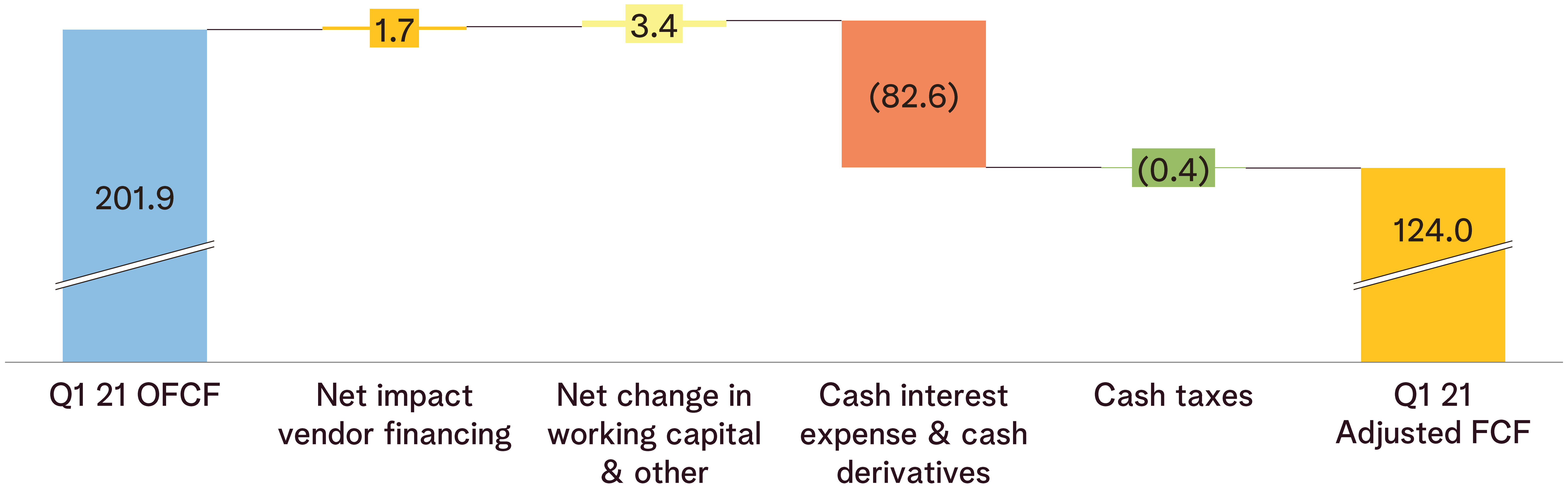
[1] *See Definitions in Appendix for additional disclosure*
[2] *Excluding the recognition of football broadcasting rights and the temporary extension of both 2G and 3G mobile spectrum licenses*

Q1 21 Adjusted Free Cash Flow[1] of €124.0 million, up 49% YOY

Q1 21 Adjusted Free Cash Flow[1] (€m)

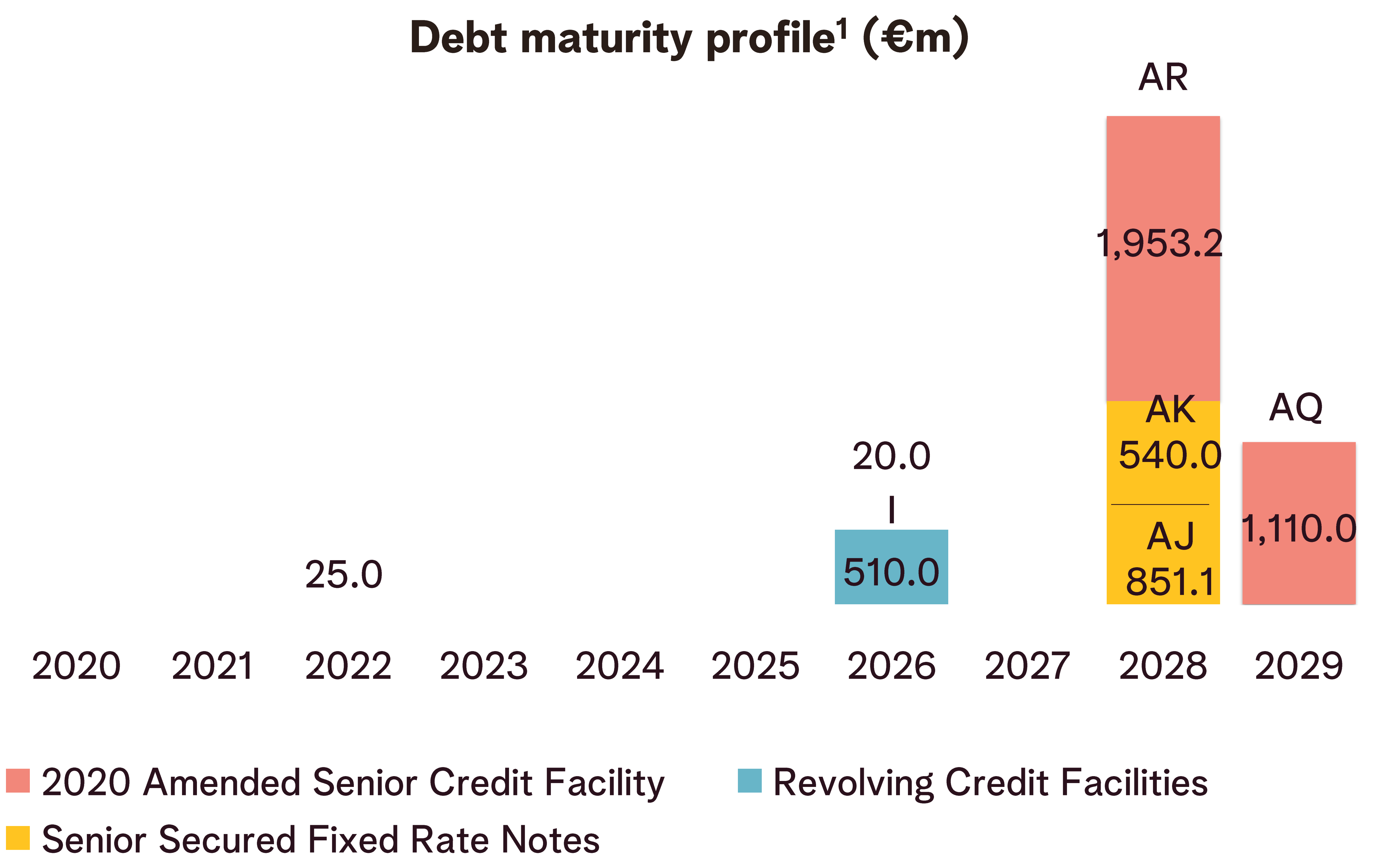


Q1 21 Adjusted Free Cash Flow[1] conversion (€m)



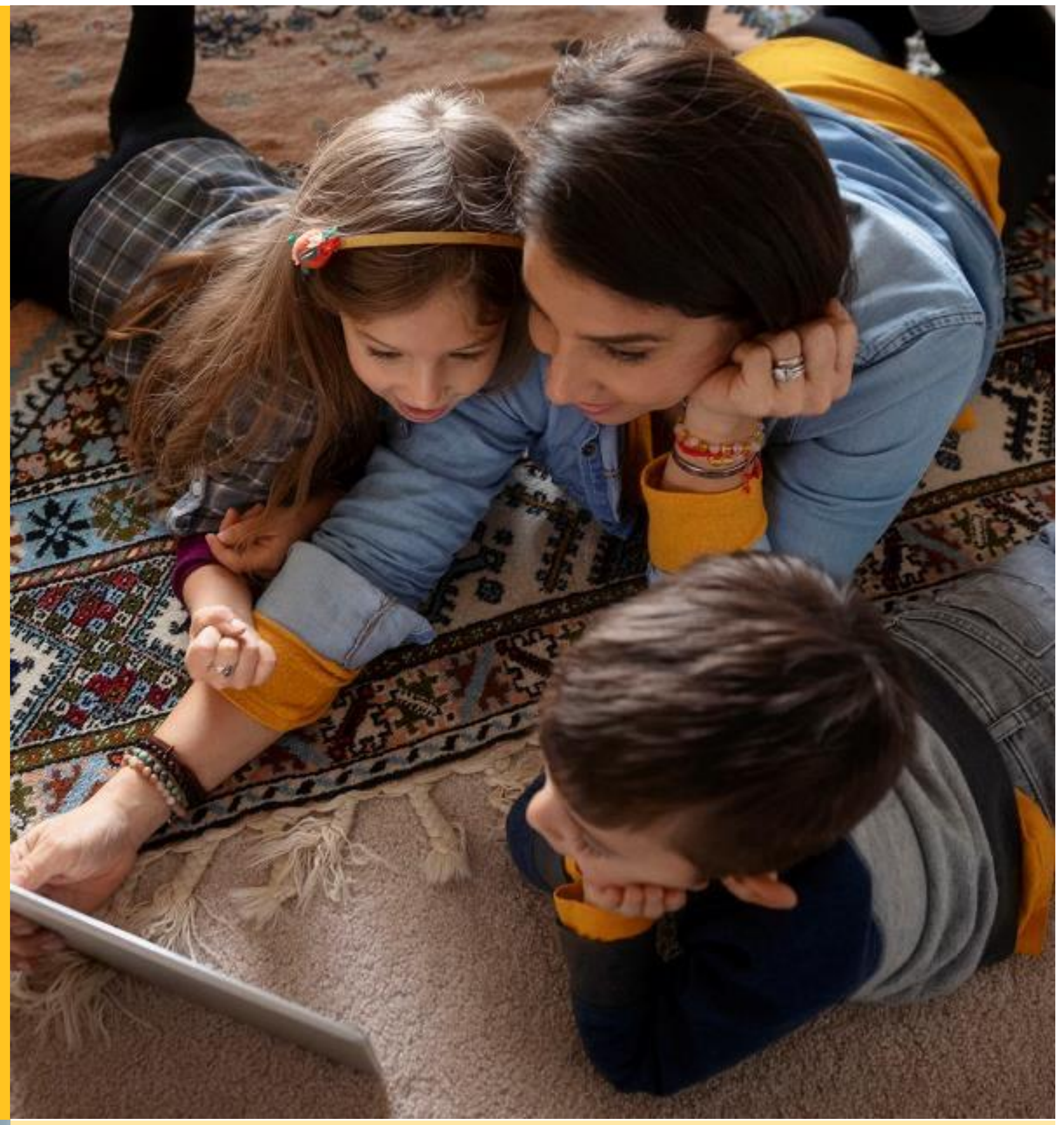
[1] *See Definitions section in the Appendix for additional disclosure*

ROBUST DEBT[1] MATURITY PROFILE IN TERMS OF BOTH COST AND TENOR



7.3 year weighted average maturity

3.1% weighted average cost of debt



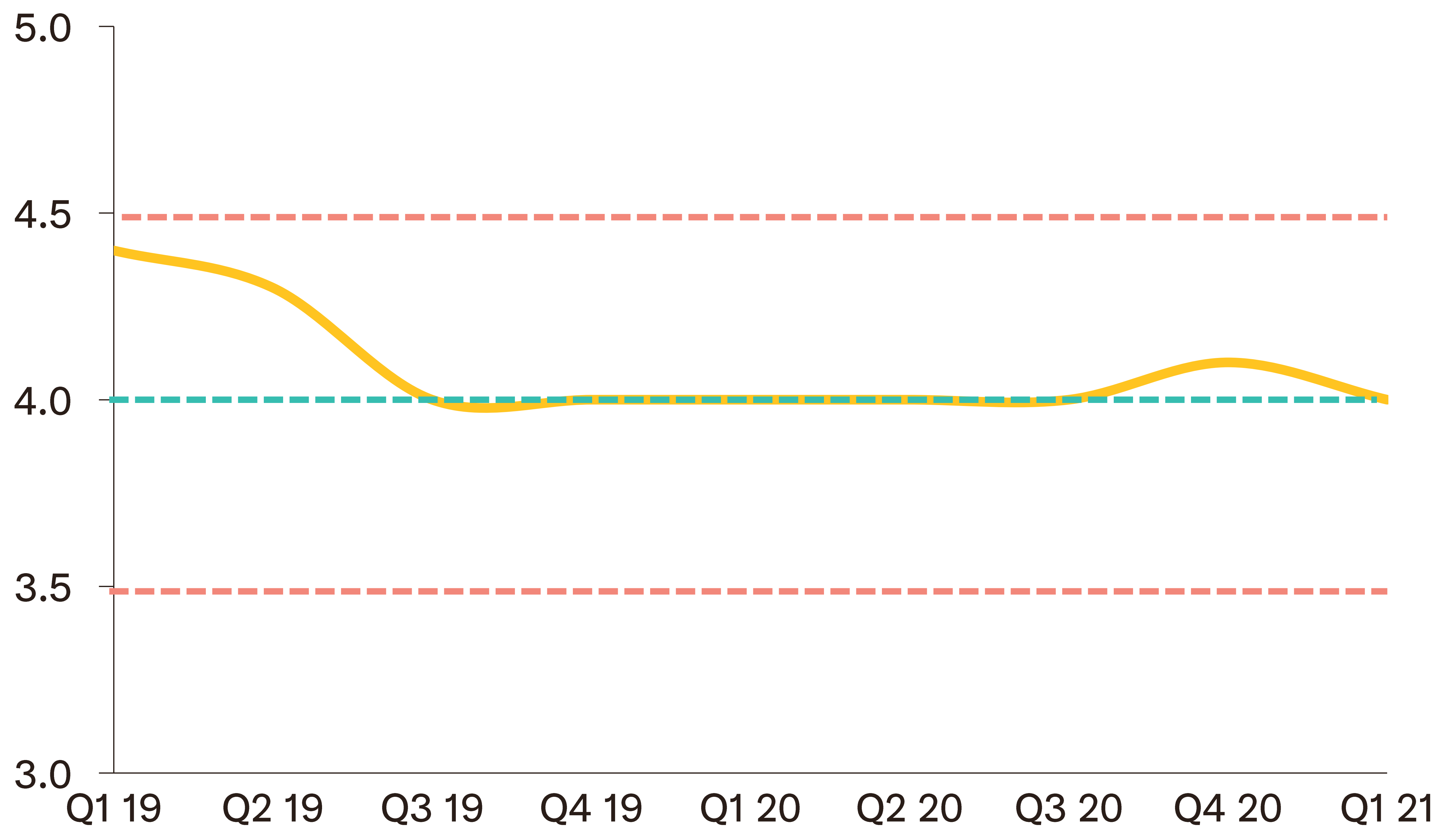
€755.0 million of untapped liquidity, including cash & cash equivalents

100% swapped into fixed rates

[1] *In the chart above, Telenet's USD-denominated debt has been converted into € using the March 31, 2021, EUR/USD exchange rate. As Telenet has entered into several derivative transactions to hedge both the underlying floating interest rate and exchange risks, the €-equivalent hedged amounts were €2,041.5 million (USD 2,295.0 million Term Loan AR) and €882.8 million (USD 1.0 billion Senior Secured Notes due 2028), respectively. For the calculation of its net leverage ratio, Telenet uses the €-equivalent hedged amounts given the underlying economic risk exposure.*

NET TOTAL LEVERAGE[1] AT 4.0X (Q1 21), MODESTLY DOWN QOQ

Net total leverage ratio[1]



[1] *See Definitions section in the Appendix for additional disclosure*

Guidance reconfirmed:

Expecting both our top line and Adjusted EBITDA[1] to return back to growth in 2021

Revenue growth (rebased)[a,b]	Up to 1%
Adjusted EBITDA (rebased)[a,c]	Between 1-2%
Operating Free Cash Flow (rebased)[a,c,d]	Around -1%
Adjusted Free Cash Flow[c,e]	€420.0 -440.0 million

On track to deliver towards the lower end of our 2018-2021 Operating Free Cash Flow CAGR[e] of 6.5% to 8.0%

(a) For purposes of calculating rebased growth rates on a comparable basis for the periods shown above, we have adjusted our historical revenue and Adjusted EBITDA to reflect the impact of the following transactions to the same extent revenue and adjusted EBITDA related to these transactions is included in our current results: (i) exclude the revenue and Adjusted EBITDA of our former Luxembourg cable subsidiary Coditel S.à r.l. (deconsolidated as of April 1, 2020) and (ii) reflect changes related to the IFRS accounting outcome of certain content rights agreements entered into during the third quarter of 2020.

(b) Relative to our reported revenue for the full year 2020, our revenue growth for the full year 2021 would be equivalent to up to 1%.

(c) Quantitative reconciliations to net profit (including net profit growth rates) and cash flows from operating activities for our Adjusted EBITDA, Operating Free Cash Flow and Adjusted Free Cash Flow guidance cannot be provided without unreasonable efforts as we do not forecast (i) certain non-cash charges including depreciation and amortization and impairment, restructuring and other operating items included in net profit, nor (ii) specific changes in working capital that impact cash flows from operating activities. The items we do not forecast may vary significantly from period to period.

(d) Excluding the recognition of the capitalized football broadcasting rights and mobile spectrum licenses and excluding the impact from lease-related capital additions on our accrued capital expenditures.

(e) Assuming certain payments are made for the temporary prolongation our current 2G and 3G mobile spectrum licenses in 2021 yet excluding payments on any future spectrum licenses as part of the upcoming multiband auction, and assuming the tax payment on our 2020 tax return will not occur until early 2022.

1 See Definitions section in the Appendix for additional disclosure

THE APRIL 2021 AGM APPROVED THE PROPOSED GROSS DIVIDEND OF €1.3750 PER SHARE

- Gross dividend of €1.3750 per share (€0.9625 per share on a net basis), equivalent to €105.2 million[1]
- Dividend to be paid on May 5, 2021, through available cash and cash equivalents on our balance sheet, with the shares trading ex-dividend as of May 3, 2021
- Dividend complements the intermediate gross dividend of €1.3750 per share which was paid in December 2020 and together represent the aforementioned €2.75 gross dividend per share floor
- Total dividend per share over FY 2020 Adjusted Free Cash Flow up 47% versus FY 2019

April 28:
AGM

May 3:
Ex-dividend date

May 4:
Record date

May 5:
Payment date (T)

May 15 (T+10):
End of withholding tax reclaim

[1] *Based on 109,243,261 dividend-entitled shares as per April 28, 2021, excluding 4,598,558 treasury shares which are not dividend-entitled*

Questions?

Thank
You!

Appendix

RECONCILIATION REPORTED VERSUS REBASED FINANCIAL INFORMATION (UNAUDITED)

(€ in millions)	Reported				
	Q1 2020	**Q2 2020**	**Q3 2020**	**Q4 2020**	**FY 2020**
Revenue by nature					
Video	144.4	139.6	136.6	138.4	559.0
Broadband internet	160.2	163.3	164.9	166.5	654.9
Fixed-line telephony	56.8	57.0	56.2	55.2	225.2
Cable subscription revenue	**361.4**	**359.9**	**357.7**	**360.1**	**1,439.1**
Mobile telephony	113.6	109.4	114.8	113.4	451.2
Total subscription revenue	**475.0**	**469.3**	**472.5**	**473.5**	**1,890.3**
Business services	50.0	48.3	50.8	58.6	207.7
Other	128.0	101.6	114.6	133.0	477.2
Total Revenue	**653.0**	**619.2**	**637.9**	**665.1**	**2,575.2**
Operating expenses by Nature					
Network operating expenses	(54.3)	(46.4)	(49.1)	(48.4)	(198.2)
Direct costs (programming, copyrights, interconnect and other)	(130.3)	(112.2)	(127.0)	(144.9)	(514.4)
Staff-related expenses	(68.7)	(64.5)	(64.7)	(73.2)	(271.1)
Sales and marketing expenses	(21.2)	(18.8)	(23.2)	(32.4)	(95.6)
Outsourced labor and professional services	(9.5)	(4.8)	(6.8)	(7.3)	(28.4)
Other indirect expenses	(23.4)	(20.1)	(24.0)	(22.0)	(89.5)
Total operating expenses	**(307.4)**	**(266.8)**	**(294.8)**	**(328.2)**	**(1,197.2)**
Adjusted EBITDA	**345.6**	**352.4**	**343.1**	**336.9**	**1,378.0**
Adjusted EBITDA margin	***52.9 %***	***56.9 %***	***53.8 %***	***50.7 %***	***53.5 %***

(€ in millions)	Divestment Coditel S.à r.l. and changes related to the IFRS accounting outcome of certain content rights agreements				
	Q1 2020	**Q2 2020**	**Q3 2020**	**Q4 2020**	**FY 2020**
Revenue by nature					
Video	(1.2)	—	—	—	(1.2)
Broadband internet	(0.2)	—	—	—	(0.2)
Fixed-line telephony	(0.2)	—	—	—	(0.2)
Cable subscription revenue	**(1.6)**	—	—	—	**(1.6)**
Mobile telephony	—	—	—	—	—
Total subscription revenue	**(1.6)**	—	—	—	**(1.6)**
Business services	(0.4)	—	—	—	(0.4)
Other	—	—	—	—	—
Total Revenue	**(2.0)**	**—**	**—**	**—**	**(2.0)**
Operating expenses by Nature					
Network operating expenses	(0.5)	—	—	—	(0.5)
Direct costs (programming, copyrights, interconnect and other)	(22.7)	(5.5)	(3.2)	—	(31.4)
Staff-related expenses	0.5	0.3	0.2	—	1.0
Sales and marketing expenses	1.1	0.3	0.2	—	1.6
Outsourced labor and professional services	—	—	—	—	—
Other indirect expenses	(0.2)	—	—	—	(0.2)
Total operating expenses	**(21.8)**	**(4.9)**	**(2.8)**	**—**	**(29.5)**
Adjusted EBITDA	**(23.8)**	**(4.9)**	**(2.8)**	**—**	**(31.5)**

IMPORTANT REPORTING CHANGES

a. Merger between SFR-Coditel and Eltrona: On April 1, 2020, we divested our wholly-owned Luxembourg cable subsidiary Coditel S.à r.l. to Eltrona and acquired a 34% stake in the latter from Post Luxembourg. Following these transactions, we now hold a 50% minus 1 share ownership in Eltrona, the largest cable operator in Luxembourg. As of April 1, 2020, SFR-Coditel is no longer consolidated in our operational and financial results. Consequently, we removed 47,700 homes passed, 9,500 customer relationships and 18,500 RGUs.

b. Rebased growth: For purposes of calculating rebased growth rates on a comparable basis, we have adjusted our historical revenue and Adjusted EBITDA to reflect the impact of the following transactions, to the same extent revenue and Adjusted EBITDA related to these transactions is included in our current results: (i) exclude the revenue and Adjusted EBITDA of our former Luxembourg cable subsidiary Coditel S.à r.l. (deconsolidated as of April 1, 2020) and (ii) reflect changes related to the IFRS accounting outcome of certain content rights agreements entered into during the third quarter of 2020. See Definitions for more disclosures. For more information regarding the variance between our reported and rebased financial results, we refer to the Appendix in this press release.

c. Accounting framework Streamz joint venture and Belgian football broadcasting rights: Mid-September, we launched "Streamz": A unique streaming service of DPG Media and Telenet, in which we have a 50% shareholding. Consequently, neither the operational nor the financial results of the joint venture itself are consolidated into our accounts. As we offer both "Streamz" and "Streamz+" directly to customers through our digital TV platform, we will continue to include the number of premium entertainment customers to whom we directly serve. The revenue generated by these direct premium entertainment subscribers is unaffected and remains within our video subscription revenue, while the content-related costs are accounted for as direct costs (programming-related expenses) and hence impacting our Adjusted EBITDA. In August 2020, we signed a five-year agreement with Eleven Sports for the broadcasting of the Belgian football league. Unlike the previous contract, the cost of the new Belgian football contract will be accounted for as a direct cost (programming-related expenses) and hence impacting our Adjusted EBITDA. Both changes have started to impact our (operating) expenses and Adjusted EBITDA as of the third quarter of 2020. We provide rebased year-on-year changes in order to allow both investors and analysts to assess our financial performance on a like-for-like basis. For more information regarding the variance between our reported and rebased financial results, we refer to the Appendix in the press release.

DEFINITIONS (1/4)

a. Rebased information: For purposes of calculating rebased growth rates on a comparable basis, we have adjusted our historical revenue and Adjusted EBITDA to reflect the impact of the following transactions, to the same extent revenue and adjusted EBITDA related to these transactions is included in our current results: (i) exclude the revenue and Adjusted EBITDA of our former Luxembourg cable subsidiary Coditel S.à r.l. (deconsolidated as of April 1, 2020) and (ii) reflect changes related to the IFRS accounting outcome of certain content rights agreements entered into during the third quarter of 2020. We reflect the revenue and Adjusted EBITDA of acquired businesses in our historical amounts based on what we believe to be the most reliable information that is currently available to us (generally pre-acquisition financial statements), as adjusted for the estimated effects of (a) any significant differences between our accounting policies and those of the acquired entities, (b) any significant effects of acquisition accounting adjustments, and (c) other items we deem appropriate. We do not adjust pre-acquisition periods to eliminate nonrecurring items or to give retroactive effect to any changes in estimates that might be implemented during post-acquisition periods. As we did not own or operate the acquired businesses during the pre-acquisition periods, no assurance can be given that we have identified all adjustments necessary to present the revenue and Adjusted EBITDA of these entities on a basis that is comparable to the corresponding post-acquisition amounts that are included in our historical results or that the pre-acquisition financial statements we have relied upon do not contain undetected errors. In addition, the rebased growth percentages are not necessarily indicative of the revenue and Adjusted EBITDA that would have occurred if these transactions had occurred on the dates assumed for purposes of calculating our rebased amounts or the revenue and Adjusted EBITDA that will occur in the future. The rebased growth percentages have been presented as a basis for assessing growth rates on a comparable basis. Rebased growth is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G and is an additional measure used by management to demonstrate the Company’s underlying performance and should not replace the measures in accordance with EU IFRS as an indicator of the Company’s performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure.

b. EBITDA is defined as profit before net finance expense, the share of the result of equity accounted investees, income taxes, depreciation, amortization and impairment. Adjusted EBITDA is defined as EBITDA before stock-based compensation, measurement period adjustments related to business acquisitions and restructuring charges, and before operating charges or credits related to successful or unsuccessful acquisitions or divestitures. Operating charges or credits related to acquisitions or divestitures include (i) gains and losses on the disposition of long-lived assets, (ii) due diligence, legal, advisory and other third-party costs directly related to the Company’s efforts to acquire or divest controlling interests in businesses, and (iii) other acquisition-related items, such as gains and losses on the settlement of contingent consideration. Adjusted EBITDA is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission’s Regulation G and represents an additional measure used by management to demonstrate the Company’s underlying performance and should not replace the measures in accordance with EU IFRS as an indicator of the Company’s performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure.

DEFINITIONS (2/4)

c. Accrued capital expenditures are defined as additions to property, equipment and intangible assets, including additions from capital leases and other financing arrangements, as reported in the Company's consolidated statement of financial position on an accrued basis.

d. Operating Free Cash Flow ("OFCF") is defined as Adjusted EBITDA minus accrued capital expenditures as reported in the Company's consolidated financial statements. Accrued capital expenditures exclude the recognition of football broadcasting rights and mobile spectrum licenses. Operating Free Cash Flow is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G and represents an additional measure used by management to demonstrate the Company's underlying performance and should not replace the measures in accordance with EU IFRS as an indicator of the Company's performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure.

e. Adjusted Free Cash Flow is defined as net cash provided by the Company's operating activities, plus (i) cash payments for third-party costs directly associated with successful and unsuccessful acquisitions and divestitures and (ii) expenses financed by an intermediary, less (i) purchases of property and equipment and purchases of intangibles as reported in the Company's consolidated statement of cash flows, (ii) principal payments on amounts financed by vendors and intermediaries, (iii) principal payments on capital leases (exclusive of network-related leases that were assumed in acquisitions), and (iv) principal payments on post acquisition additions to network leases, each as reported in the Company's consolidated statement of cash flows. Adjusted Free Cash Flow is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G and is an additional measure used by management to demonstrate the Company's ability to service debt and fund new investment opportunities and should not replace the measures in accordance with EU IFRS as an indicator of the Company's performance, but rather should be used in conjunction with the most directly comparable EU IFRS measure.

f. Basic Video Subscriber is a home, residential multiple dwelling unit or commercial unit that receives Telenet's video service over the Combined Network either via an analog video signal or via a digital video signal without subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Encryption-enabling technology includes smart cards, or other integrated or virtual technologies that Telenet uses to provide its enhanced service offerings. Telenet counts Revenue Generating Unites ("RGUs") on a unique premises basis. In other words, a subscriber with multiple outlets in one premise is counted as one RGU and a subscriber with two homes and a subscription to Telenet's video service at each home is counted as two RGUs.

g. Enhanced Video Subscriber is a home, residential multiple dwelling unit or commercial unit that receives Telenet's video service over the Combined Network via a digital video signal while subscribing to any recurring monthly service that requires the use of encryption-enabling technology. Enhanced Video Subscribers are counted on a unique premises basis. For example, a subscriber with one or more set-top boxes that receives Telenet's video service in one premise is generally counted as just one subscriber. An Enhanced Video Subscriber is not counted as a Basic Video Subscriber. As Telenet migrates customers from basic to enhanced video services, Telenet reports a decrease in its Basic Video Subscribers equal to the increase in Telenet's Enhanced Video Subscribers.

h. Internet Subscriber is a home, residential multiple dwelling unit or commercial unit that receives internet services over the Combined Network.

i. Fixed-line Telephony Subscriber is a home, residential multiple dwelling unit or commercial unit that receives fixed-line voice services over the Combined Network. Fixed-line telephony Subscribers exclude mobile telephony subscribers

DEFINITIONS (3/4)

j. Telenet's 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 (via a dongle) would be counted as two mobile subscribers. Customers who do not pay a recurring monthly fee are excluded from Telenet's mobile telephony subscriber counts after a 90-day inactivity period.

k. Customer Relationships are the number of customers who receive at least one of Telenet's video, internet or telephony services that Telenet counts as RGUs, without regard to which or to how many services they subscribe. Customer Relationships generally are counted on a unique premises basis. Accordingly, if an individual receives Telenet's services in two premises (e.g. a primary home and a vacation home), that individual generally will count as two Customer Relationships. Telenet excludes mobile-only customers from Customer Relationships.

l. Average Revenue Per Unit (“ARPU”) refers to the average monthly subscription revenue per average customer relationship and is calculated by dividing the average monthly subscription revenue (excluding mobile services, Business-to-Business ("B2B") services, interconnect, channel carriage fees, mobile handset sales and installation fees) for the indicated period, by the average of the opening and closing balances for customer relationships for the period.

m. Homes Passed are homes, residential multiple dwelling units or commercial units that can be connected to the Combined Network without materially extending the distribution plant. Telenet's Homes Passed counts are based on census data that can change based on either revisions to the data or from new census results.

n. RGU is separately a Basic Video Subscriber, Enhanced Video Subscriber, Internet Subscriber or Fixed-line Telephony Subscriber. A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer subscribed to Telenet's enhanced video service, fixed-line telephony service and broadband internet service, the customer would constitute three RGUs. Total RGUs is the sum of Basic Video, Enhanced Video, Internet and Fixed-line 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 Telenet's 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 cable, internet or fixed-line 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, free service to employees) generally are not counted as RGUs. Telenet does not include subscriptions to mobile services in its externally reported RGU counts.

o. Customer Churn represents the rate at which customers relinquish their subscriptions. The annual rolling average basis is calculated by dividing the number of disconnects during the preceding 12 months by the average number of customer relationships. For the purpose of computing churn, a disconnect is deemed to have occurred if the customer no longer receives any level of service from Telenet and is required to return Telenet's equipment. A partial product downgrade, typically used to encourage customers to pay an outstanding bill and avoid complete service disconnection is not considered to be disconnected for purposes of Telenet's churn calculations. Customers who move within Telenet's cable footprint and upgrades and downgrades between services are also excluded from the disconnect figures used in the churn calculation.

DEFINITIONS (4/4)

p. Telenet's ARPU per mobile subscriber calculation that excludes interconnect revenue refers to the average monthly mobile subscription revenue per average mobile subscribers in service and is calculated by dividing the average monthly mobile subscription revenue (excluding activation fees, handset sales and late fees) for the indicated period, by the average of the opening and closing balances of mobile subscribers in service for the period. Telenet's ARPU per mobile subscriber calculation that includes interconnect revenue increases the numerator in the above-described calculation by the amount of mobile interconnect revenue during the period.

q. Net total leverage is defined as the sum of loans and borrowings under current and non-current liabilities minus cash and cash equivalents ("Net Total Debt"), as recorded in the Company's statement of financial position, divided by the last two quarters' Consolidated Annualized Adjusted EBITDA. In its statement of financial position, Telenet's USD-denominated debt has been converted into € using the March 31, 2021 EUR/USD exchange rate. As Telenet has entered into several derivative transactions to hedge both the underlying floating interest rate and exchange risks, the €-equivalent hedged amounts were €2,041.5 million (USD 2,295.0 million Term Loan AR) and €882.8 million (USD 1.0 billion Senior Secured Notes due 2028), respectively. For the calculation of its net leverage ratio, Telenet uses the €-equivalent hedged amounts given the underlying economic risk exposure. Net total leverage is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G.

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