Telenet 9M 2022 Results

Investor & Analyst presentation

27 October 2022

Safe harbor disclaimer

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 and performance, including revenue, Adjusted Free Cash Flow, Adjusted EBITDA, rebased Adjusted EBTIDAaL and Adjusted EBITDA less property & equipment additions, as well as our financial guidance; future growth prospects; strategies; product, network and technology launches and capabilities and expansion; the strength of our and our affiliates' respective balance sheets (including cash and liquidity position), tenor of our third-party debt, anticipated borrowing capacity; the anticipated endeavors, growth and financial performance of the NetCo creation between Telenet and Fluvius, including the timing, costs and benefits to be derived therefrom; any dividends to be paid to shareholders; the anticipated continued expansion of our 5G network, including the timing, costs and benefits to be derived therefrom; the costs and benefits to be realized as a result of the company’s sale of its mobile tower infrastructure to DigitalBridge; and the anticipated impact of acquisitions on our combined operations and financial performance, each of 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 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; 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, Adjusted EBITDAaL, Adjusted EBITDA less property & equipment additions (previously referred to as 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.

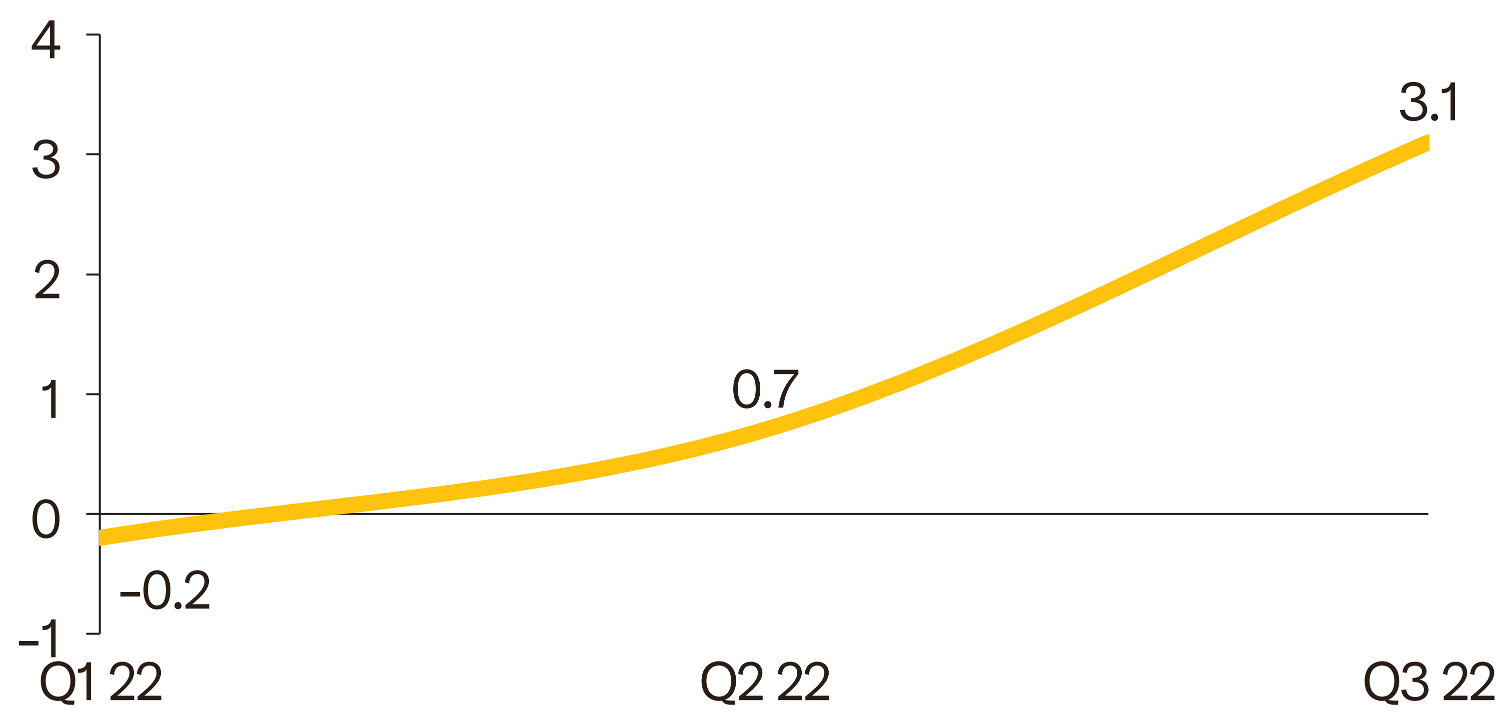
1. Executive summary

John Porter

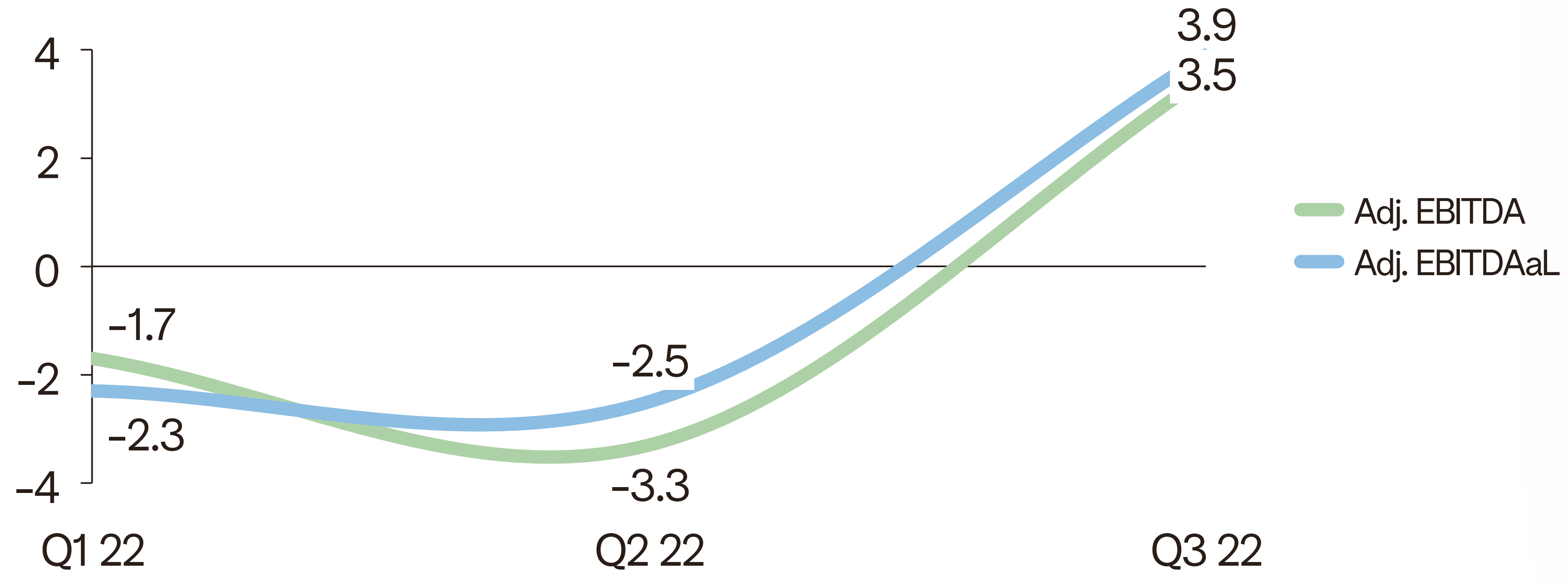
Chief Executive Officer
& Managing Director

Improved financial trends in Q3 22, mainly driven by mid-June price adjustment...

Quarterly yoy evolution reported revenue (%)[1]



Quarterly evolution rebased Adjusted EBITDAaL (%)[2]



Revenue growth driven by high proportion of index-linked recurring revenue as well as higher wholesale and advertising & production revenue...

- ~75% of 9M 22 revenue generated from monthly recurring subscriptions
- ~60% of revenue is index-linked
- Clear acceleration in yoy top line growth in Q3 22 to just over 3%, driven by the mid-June price adjustment and a 6% yoy increase in other revenue

...leading to an inflection in our Adjusted EBITDAaL trend in Q3 22

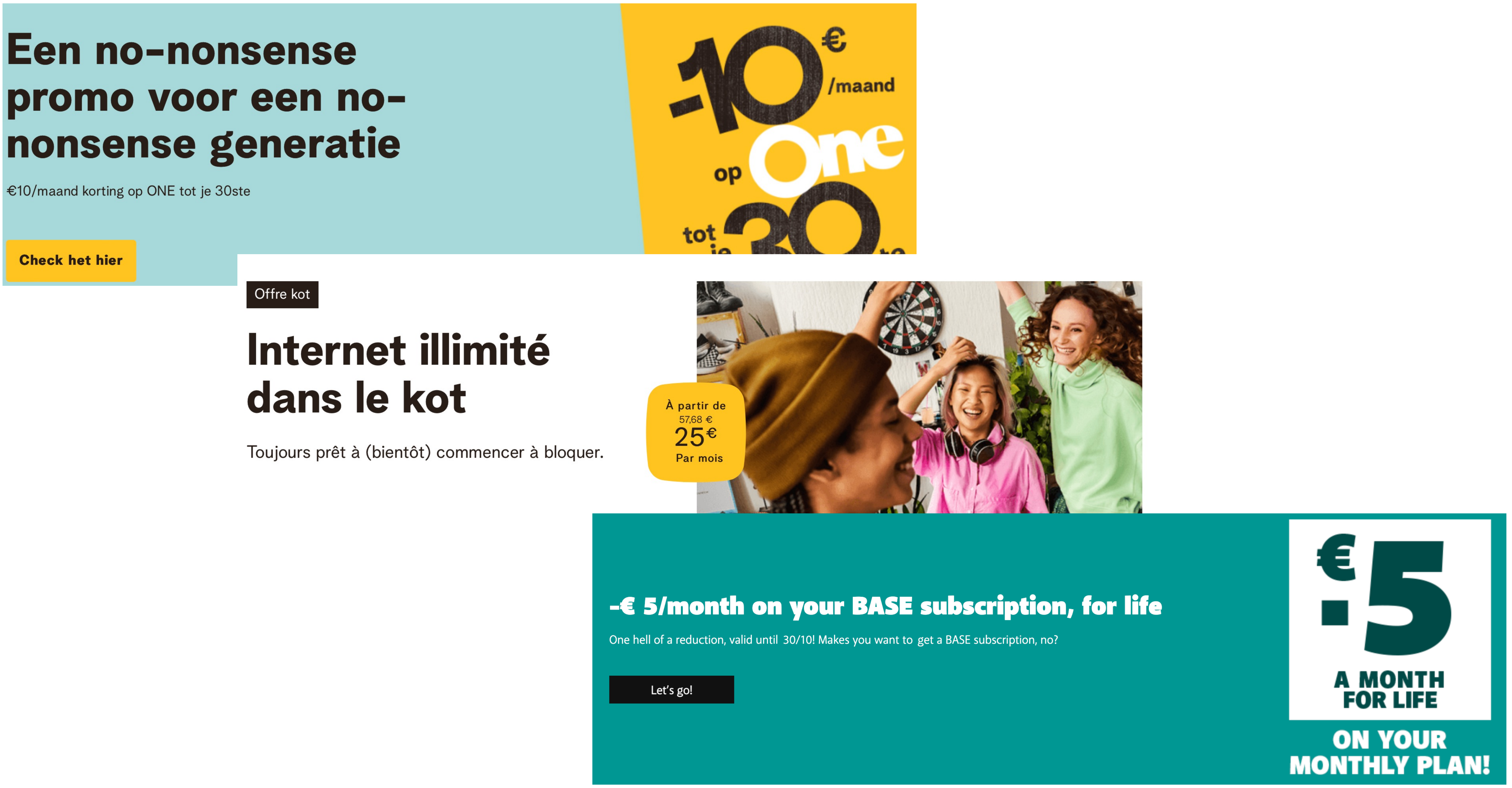
- In line with our FY 22 outlook, our rebased[2] Adjusted EBITDAaL reached an inflection point in Q3 and was up well over 3% in the quarter compared to Q3 21
- Broadly stable yoy Q3 22 rebased[2] Adjusted EBITDA margin of 52.6%, absorbing substantially higher staff-related expenses and energy costs
- Modest year-to-date rebased[2] Adjusted EBITDA contraction, reflecting €16.0m higher staff-related expenses and €14.9m higher energy costs

[1] The disposal of our mobile tower infrastructure business to DigitalBridge on June 1, 2022 had no meaningful impact on our revenue profile for the first nine months of the year and the third quarter of 2022, except for our business services and other revenue segments, mainly reflecting lower external rental revenue from other mobile operators. Therefore, the rebased year-on-year revenue growth rates were broadly similar compared to the reported year-on-year trends; [2] See Definitions in the Appendix section

...while our operations remained resilient despite competitive intensity

Q3 22 net subscriber additions – Q3 22 yoy ARPU (%)

Stable[1] Broadband customer base	**+15.6k** FMC customers
+17.9k Mobile postpaid net additions	**+2.9%** Fixed customer relationship ARPU

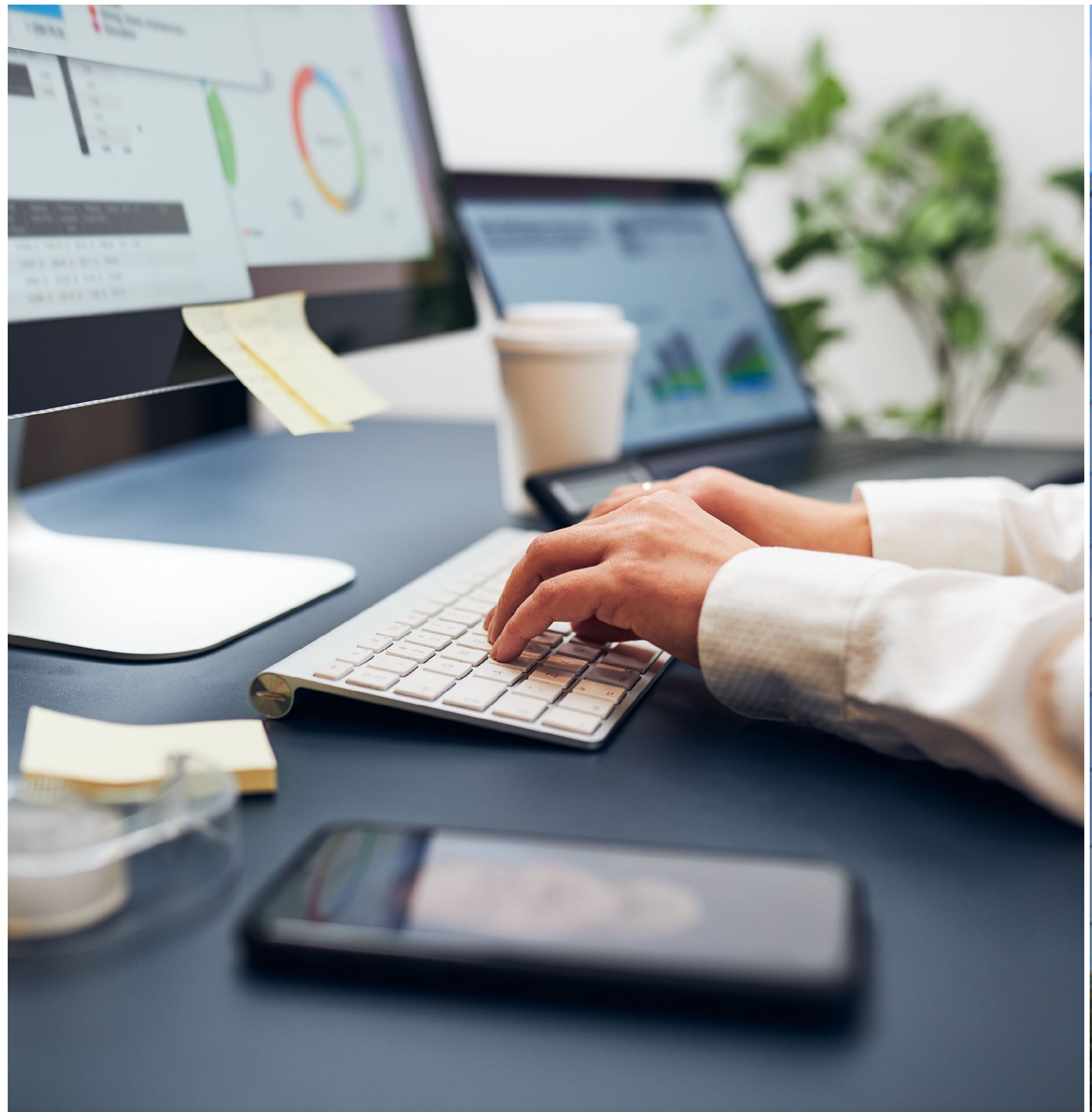


- Managed to keep broadband customer base stable[1] despite removal of 2,000 inactive TADAAM customers
- Fixed customer relationship ARPU up 3% yoy to €60.3 due to continued expansion of FMC customer base via ONE(Up) tactical promotions, successful uptiering and June 2022 price adjustment
- Growth in mobile postpaid net additions supported by both Telenet Mobile and BASE

[1] In Q3 22, total broadband net additions were adversely impacted by the removal of 2,000 inactive TADAAM customers. TADAAM is our fixed-mobile substitution brand, which combines fully wireless connectivity and TV services.

Fully preparing NetCo set-up with Fluvius[1]

1. Regulatory consultation process ongoing
2. Fluvius internal approval process ongoing
3. Preparing organizational design and processes
4. Preparing the operational framework and systems



[1] Pending regulatory approval from the relevant competition authorities

We have ample value creation opportunities across our entire Company as presented during our September 2022 CMD

Telenet value upsides

Opportunities
Growth opportunities across Residential, Entertainment & Media, B2B and New Business

Efficiency
Efficiency potential from digitization

NetCo value levers

Value creation
Value creation from bringing in additional investors and increased penetration

CAPEX efficiency
CAPEX efficiency potential from smart roll-out strategy

Long-term ambition
(Consolidated)

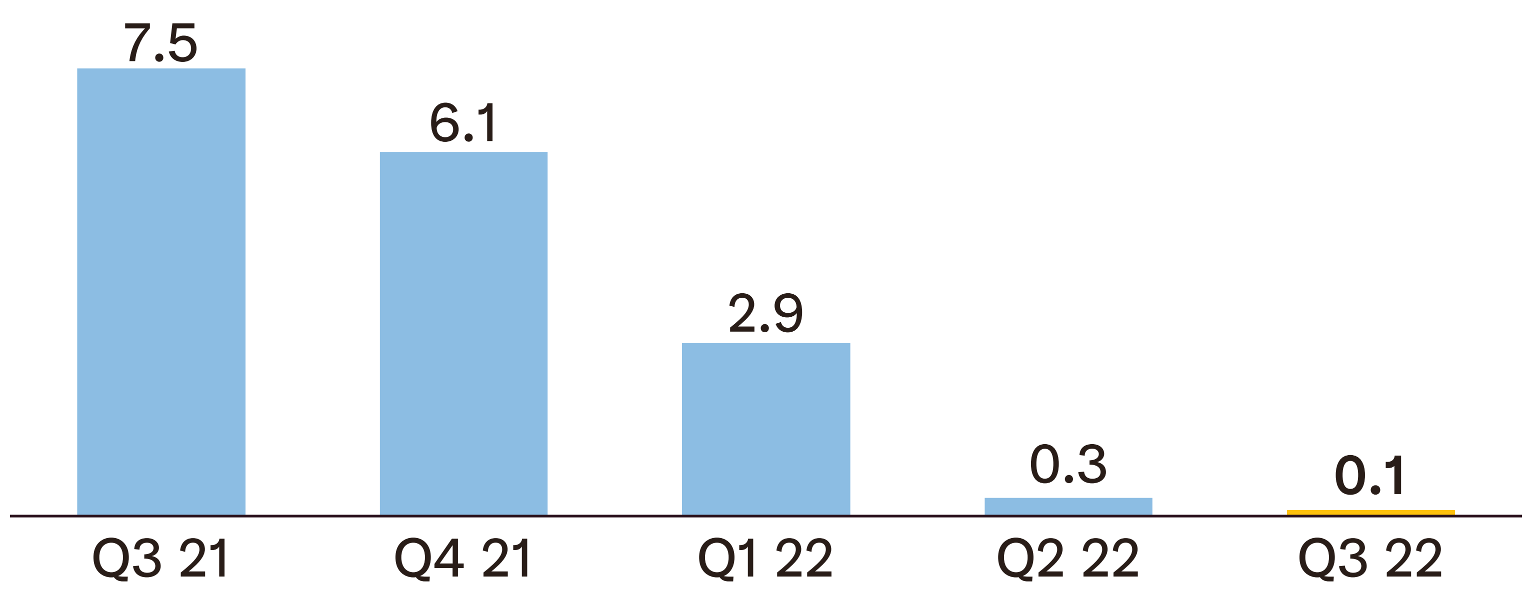
ARPU	GROW
Customer base	GROW
Digital KPIs	GROW
OPEX	DECREASE
Adj. EBITDA	GROW
CAPEX	DECREASE

2. Operational & financial highlights

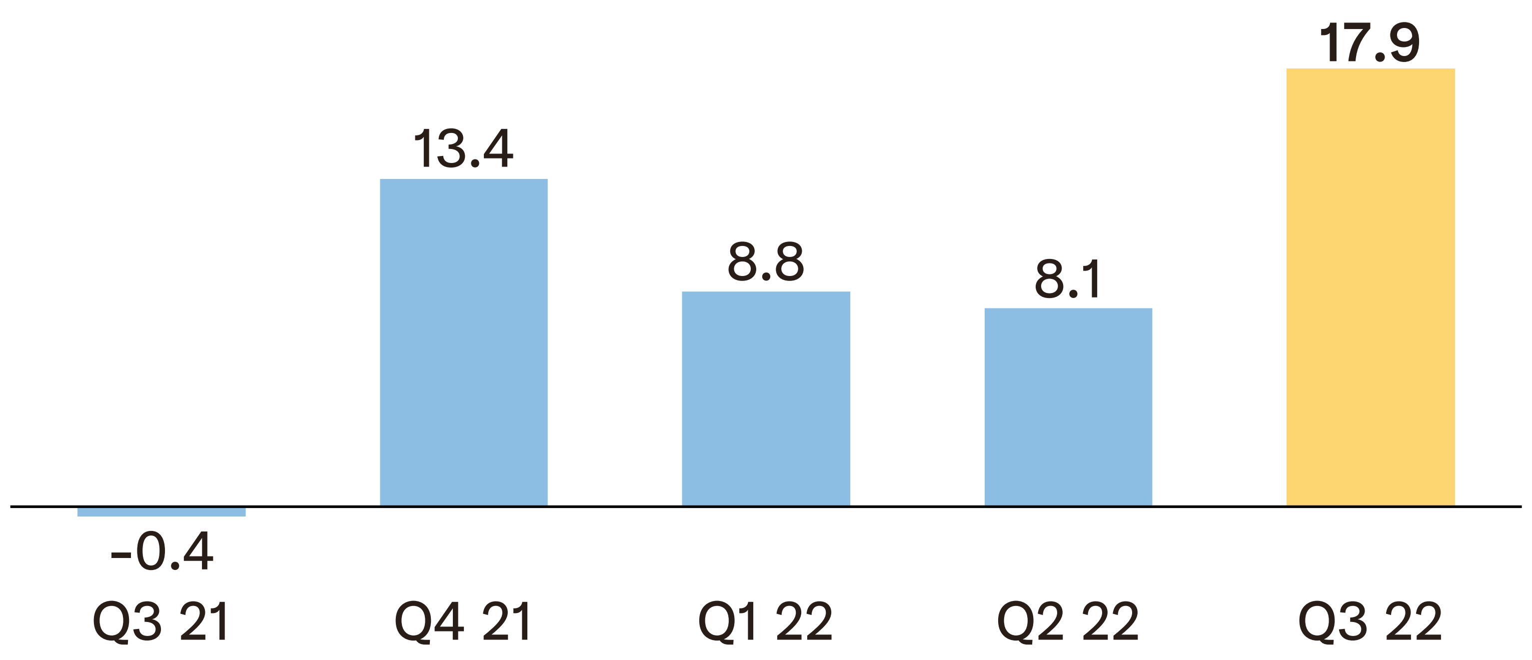
Erik Van den Enden
Chief Financial Officer

Growing FMC and postpaid subscriber base, broadband stable

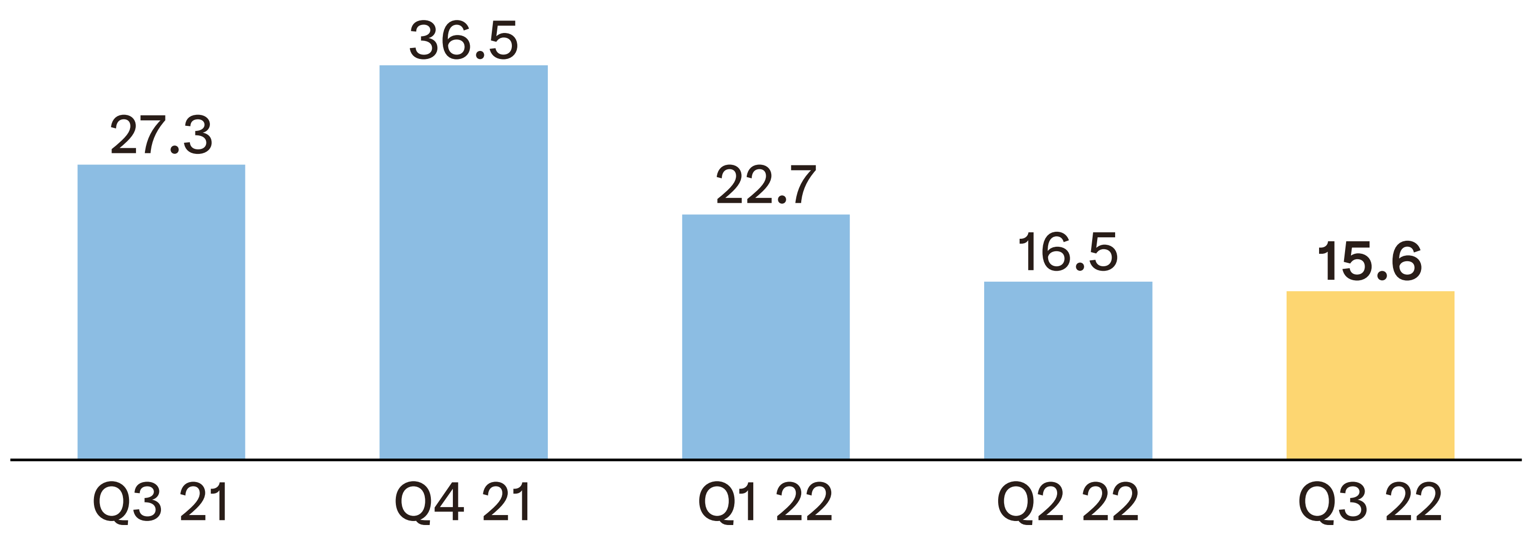
Broadband net adds (k)[1]



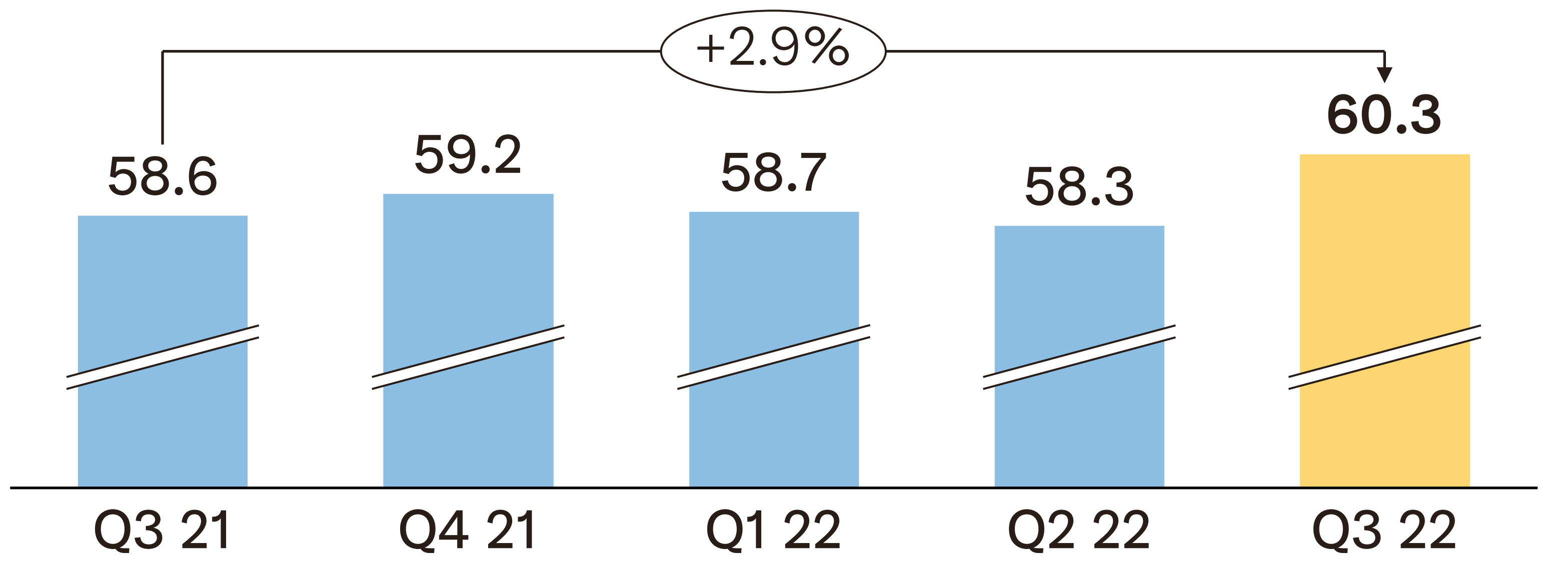
Mobile postpaid net adds (k)[2,3]



FMC net adds (k)



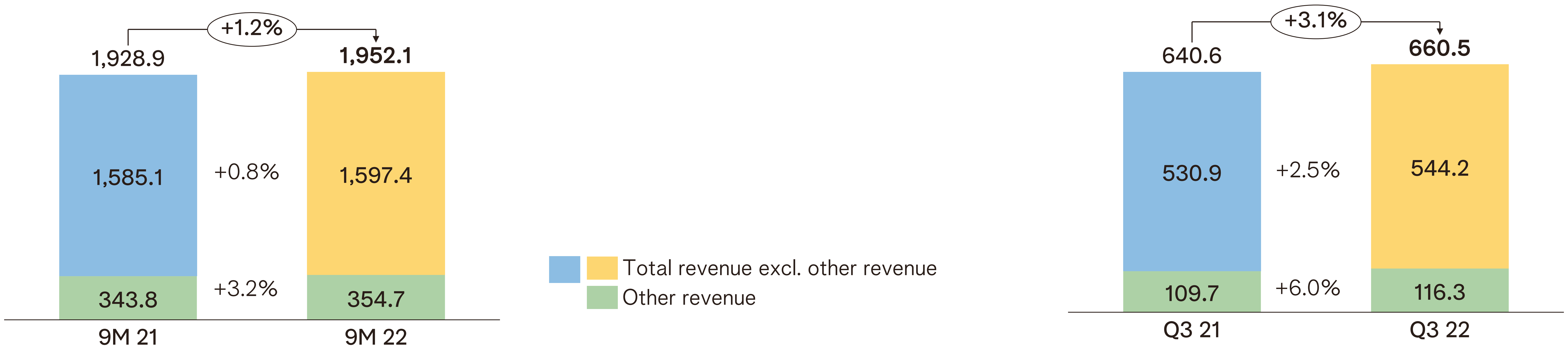
Fixed customer relationship ARPU (€)[4]



[1] In Q3 22, total broadband net additions were adversely impacted by the removal of 2,000 inactive TADAAM customers; [2] As of Q2 2021, our postpaid and total mobile subscriber count includes our SME and LE business customers, which were previously not recorded in our SIM count; [3] Organic changes; [4] See Definitions in the Appendix section for additional disclosure

9M 22 revenue of €1,952 million, +1% yoy, with a clear acceleration in Q3

Reported revenue[1] (€m) **Reported revenue[1] (€m)**



9M 22 revenue up 1% yoy to €1,952.1m driven by:

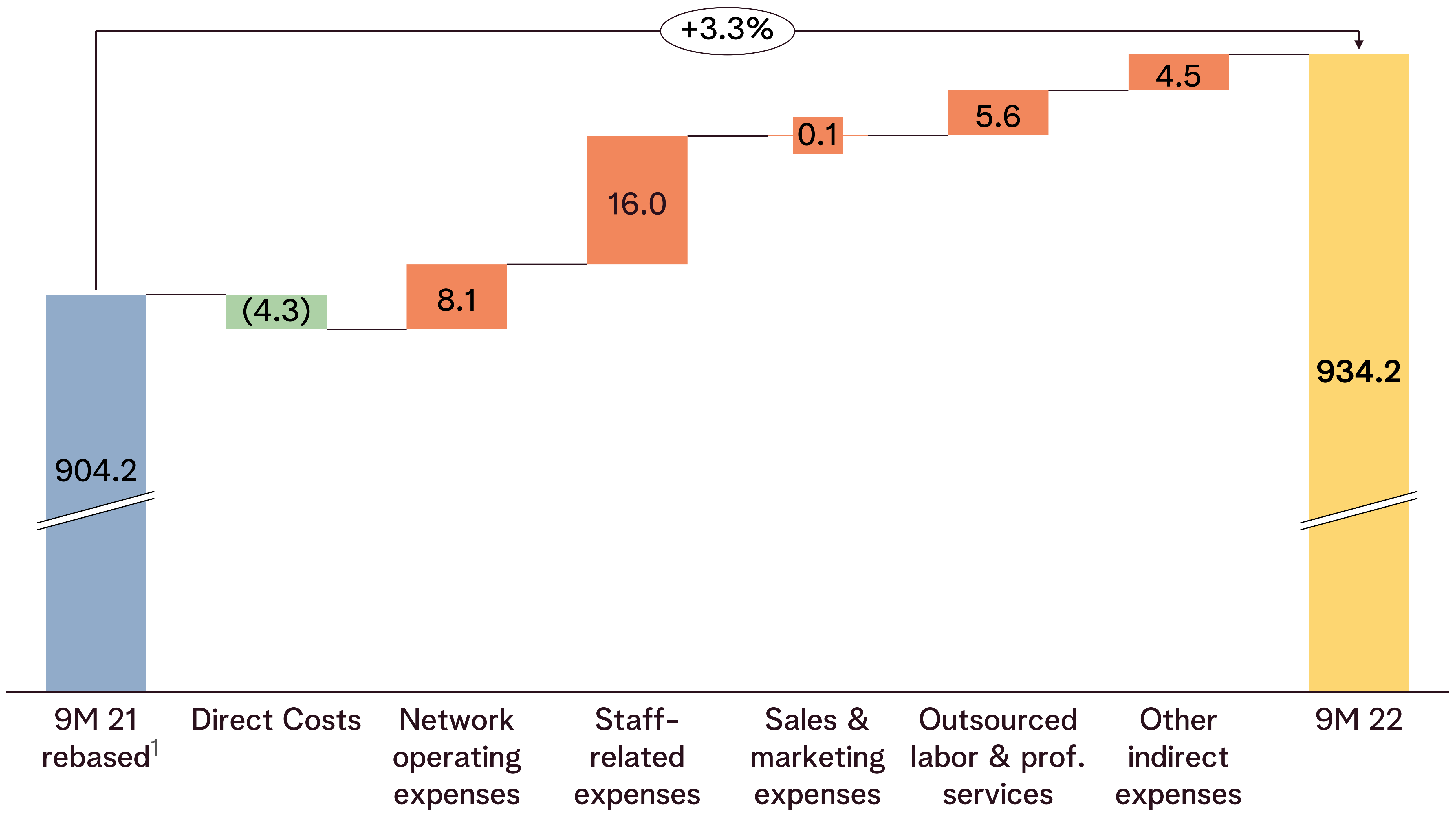
- 3% higher broadband revenue mainly due to the mid-June price adjustment effect and a favorable tier-mix effect
- 6% yoy growth in mobile telephony because of the higher reallocation of ONE bundle revenue to mobile and price adjustment impact
- 3% increase in other revenue driven by higher wholesale, handset-related revenue and advertising & production income

Q3 22 revenue growth accelerated to 3% yoy to €660.5m fueled by same factors as mentioned above

[1] The disposal of our mobile tower infrastructure business to DigitalBridge on June 1, 2022 had no meaningful impact on our revenue profile for the first nine months of the year and the third quarter of 2022, except for our business services and other revenue segments, mainly reflecting lower external rental revenue from other mobile operators. Therefore, the rebased year-on-year revenue growth rates were broadly similar compared to the reported year-on-year trends.

Operating expenses up 3% yoy in 9M 22, reflecting higher energy prices and staff-related costs impacted by mandatory wage indexation

Operating expenses (€m)

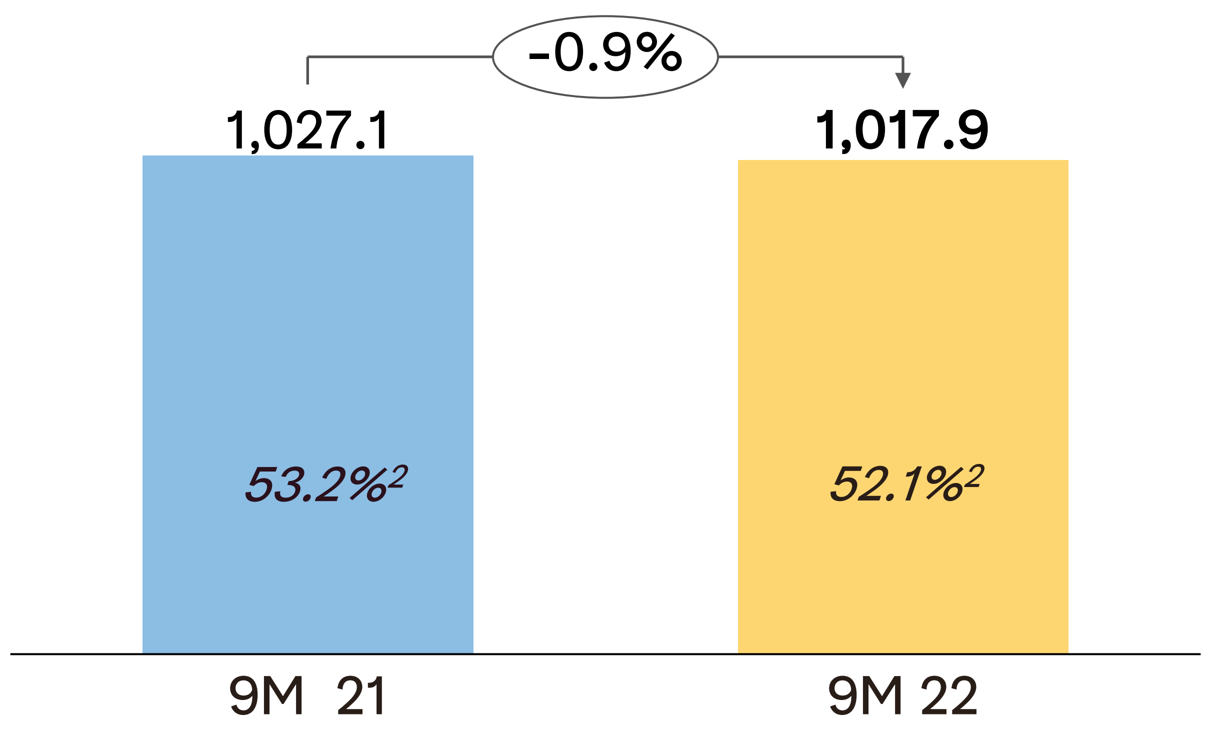


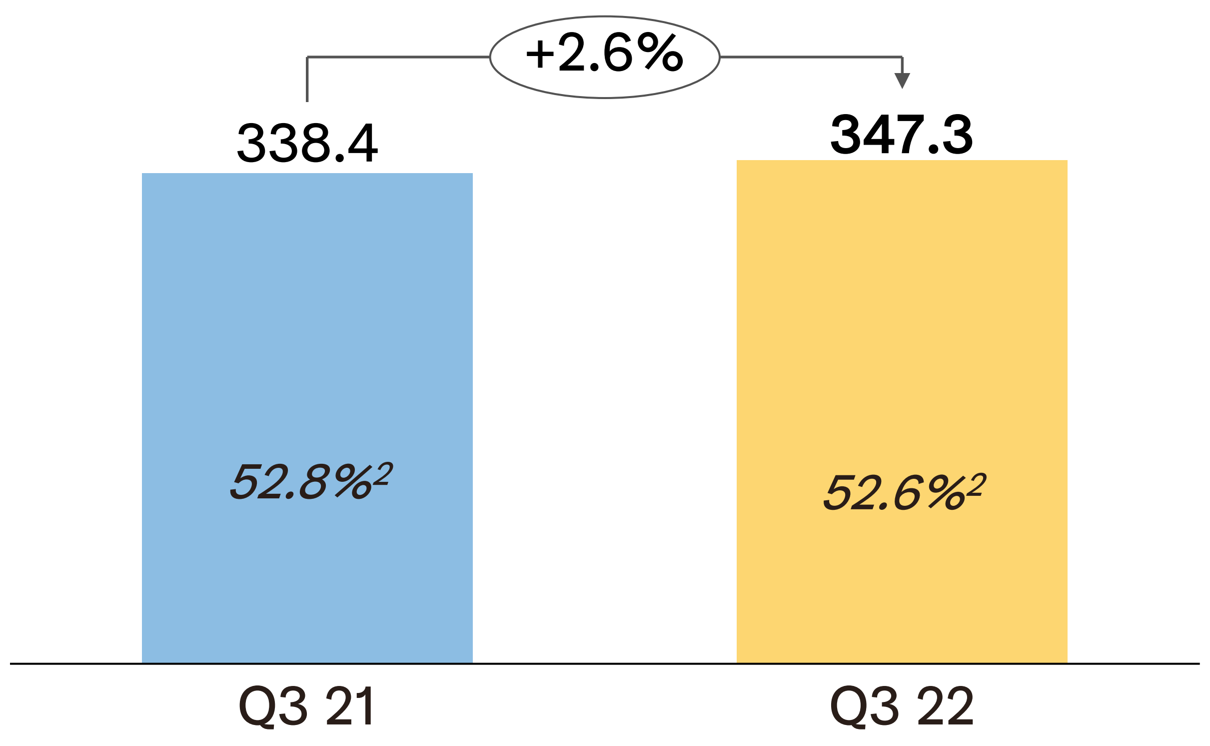
- €16.0m higher staff-related expenses impacted by the 3.6% mandatory wage indexation as of January 2022
- 5% higher network operating expenses, reflecting a €14.9m adverse impact of higher energy prices
- Increased spending on certain strategic projects and digital transformation drove a €5.6m cost increase in outsourced labor and professional services
- These impacts were only partially offset by lower direct costs, lower outsourced call center costs and broadly stable sales and marketing expenses

[1] See Definitions in the Appendix section

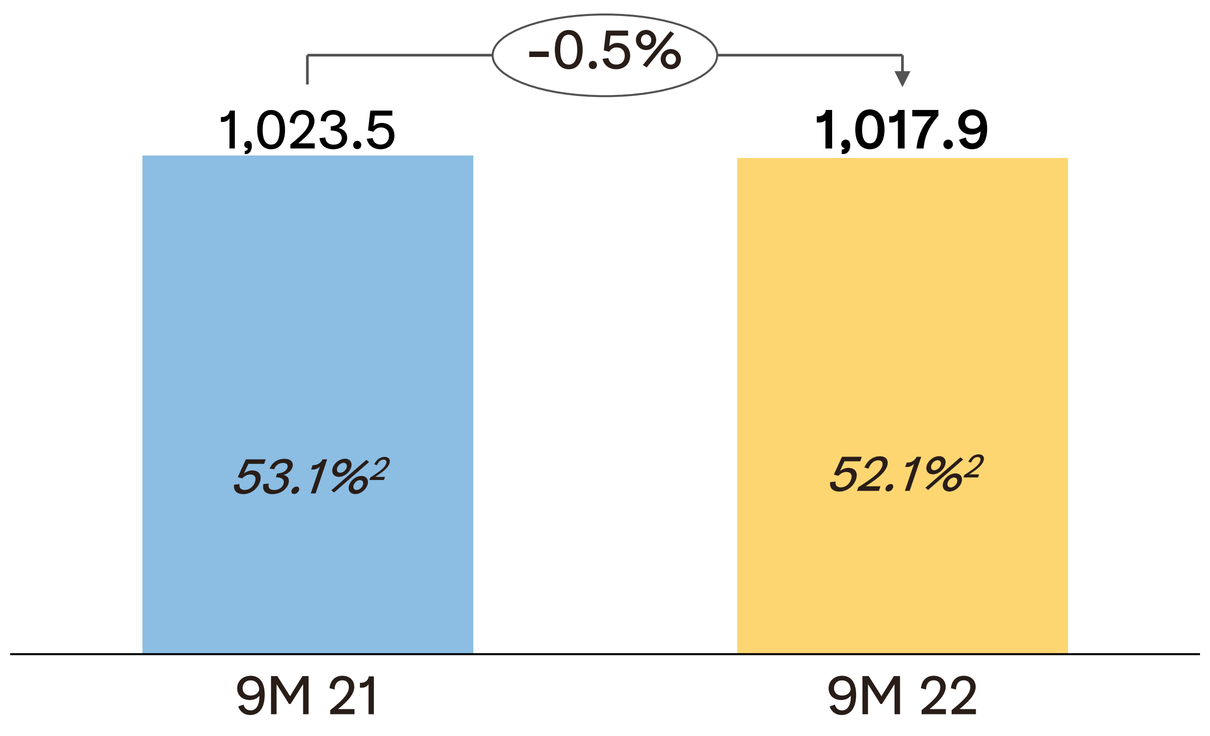
Broadly stable year-to-date Adjusted EBITDA of € 1,018 million with strong recovery in Q3 22

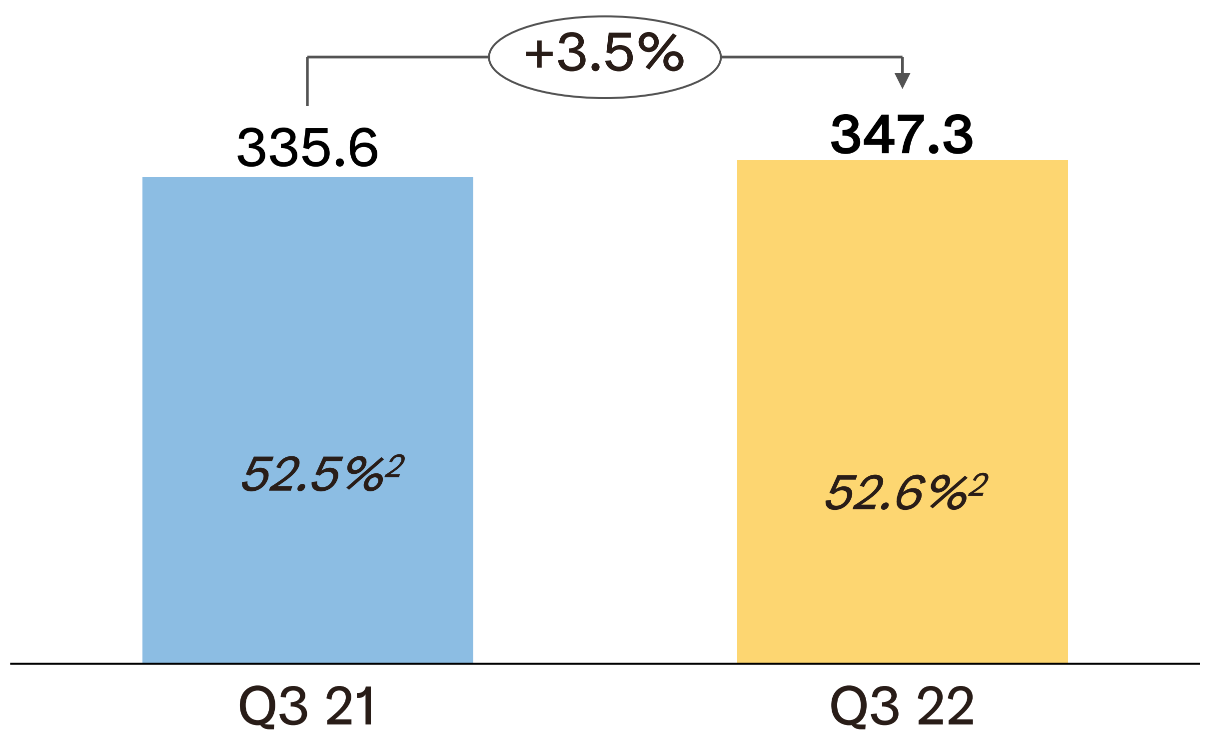
Reported Adjusted EBITDA[1] (€m)





Rebased Adjusted EBITDA[1] (€m)



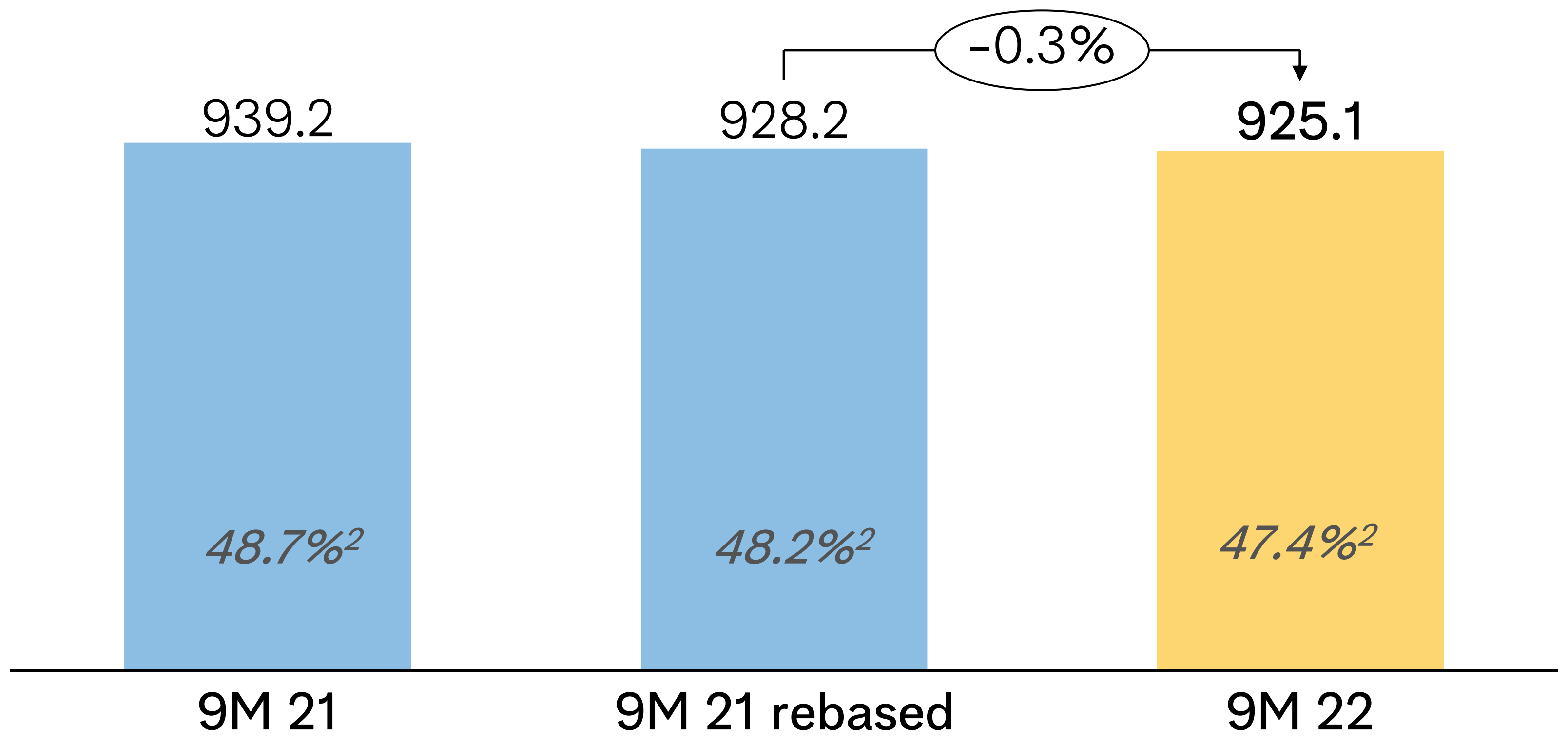


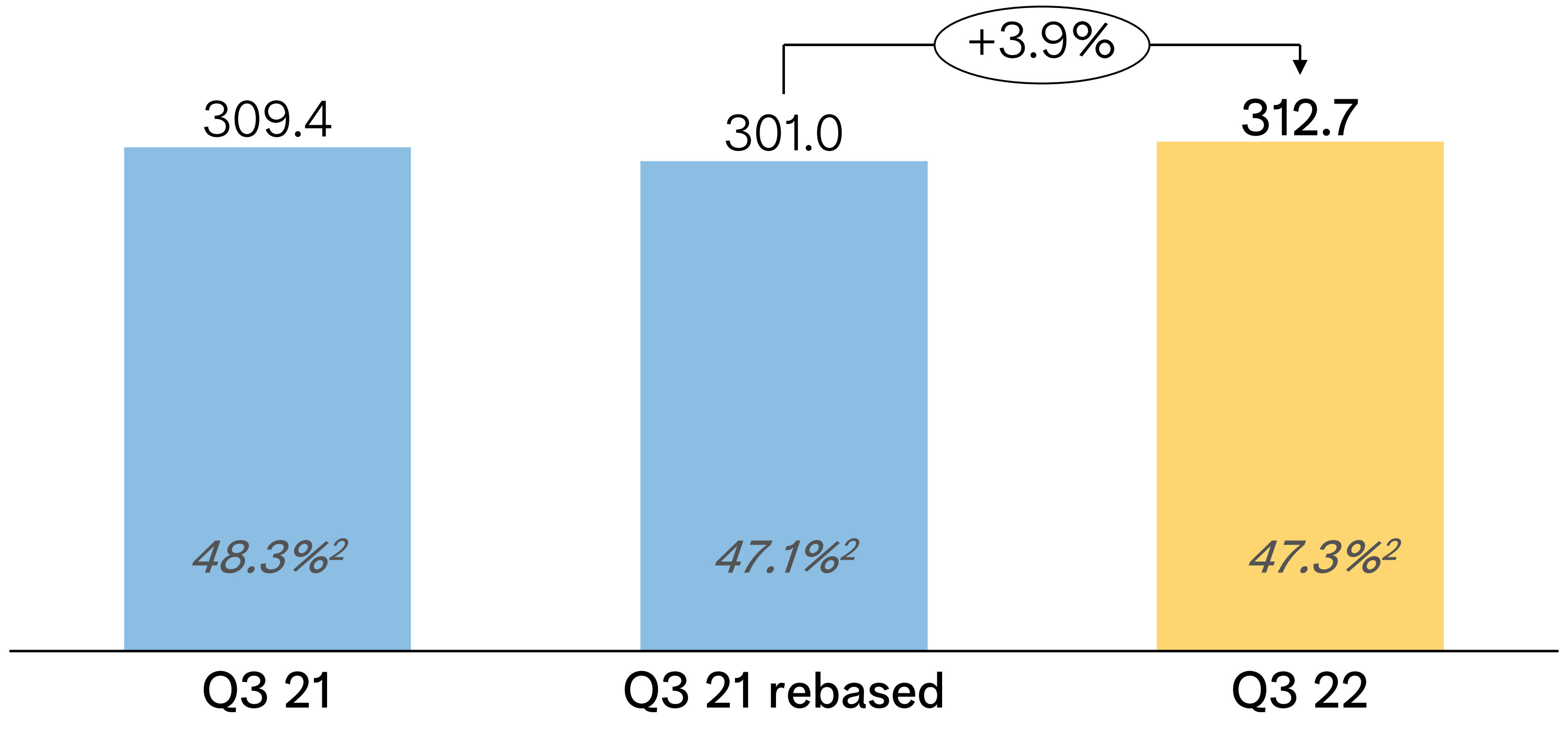
- Modest Adjusted EBITDA contraction as a result of (i) the impact of higher inflation on staff-related expenses and costs related to outsourced labor and professional services, (ii) higher energy prices and (iii) a tougher comparison base as a result of certain one-off impacts last year
- Our 9M 22 Adjusted EBITDA included €1.3 million of costs to capture to prepare the go-live of our NetCo partnership with Fluvius[3]. Excluding these costs, our rebased Adjusted EBITDA would have been broadly stable
- Inflection in our Adjusted EBITDA trend in Q3 22 (+3% yoy) as a result of the benefit from the mid-June price adjustment and continued focus on costs

[1] See Definitions in the Appendix section; [2] Adjusted EBITDA margin; [3] Pending approval from the relevant competition authorities

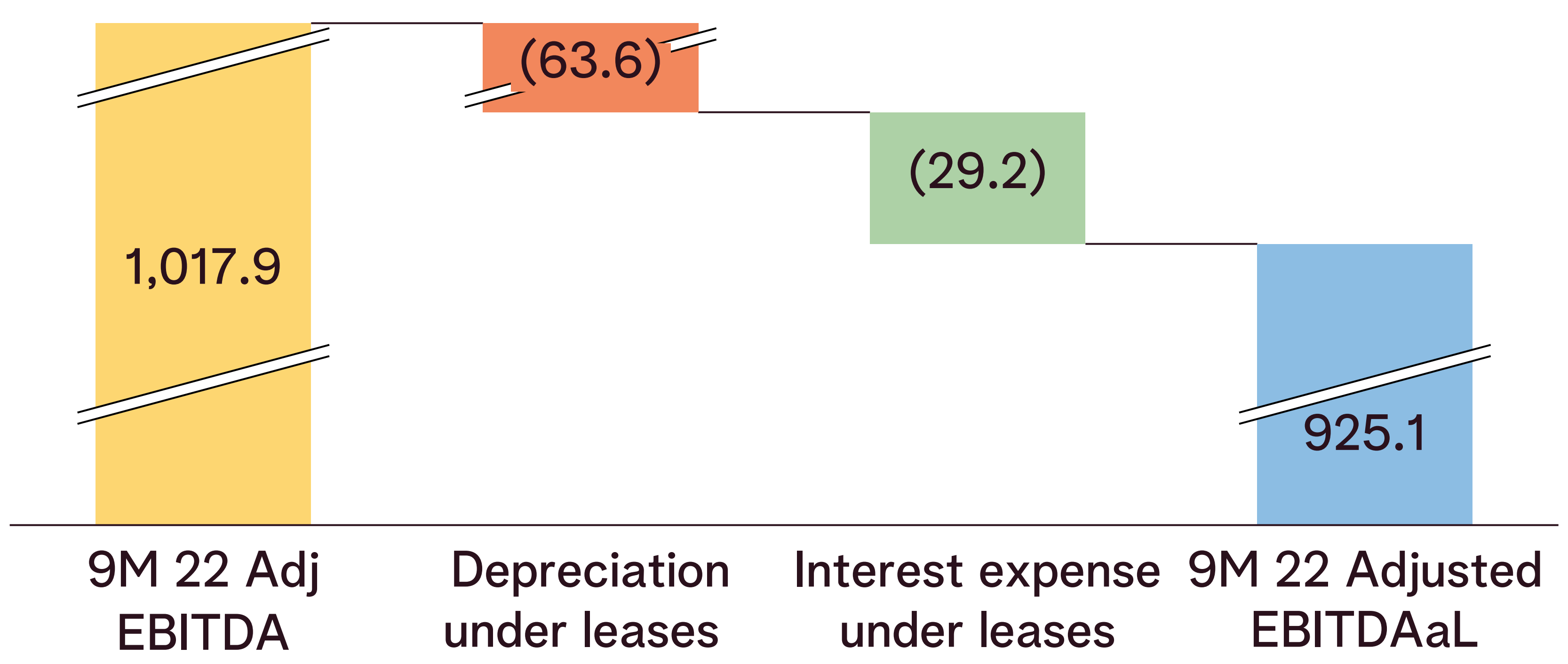
Rebased 9M 22 Adjusted EBITDAaL remained broadly stable following a significant inflection in Q3 22

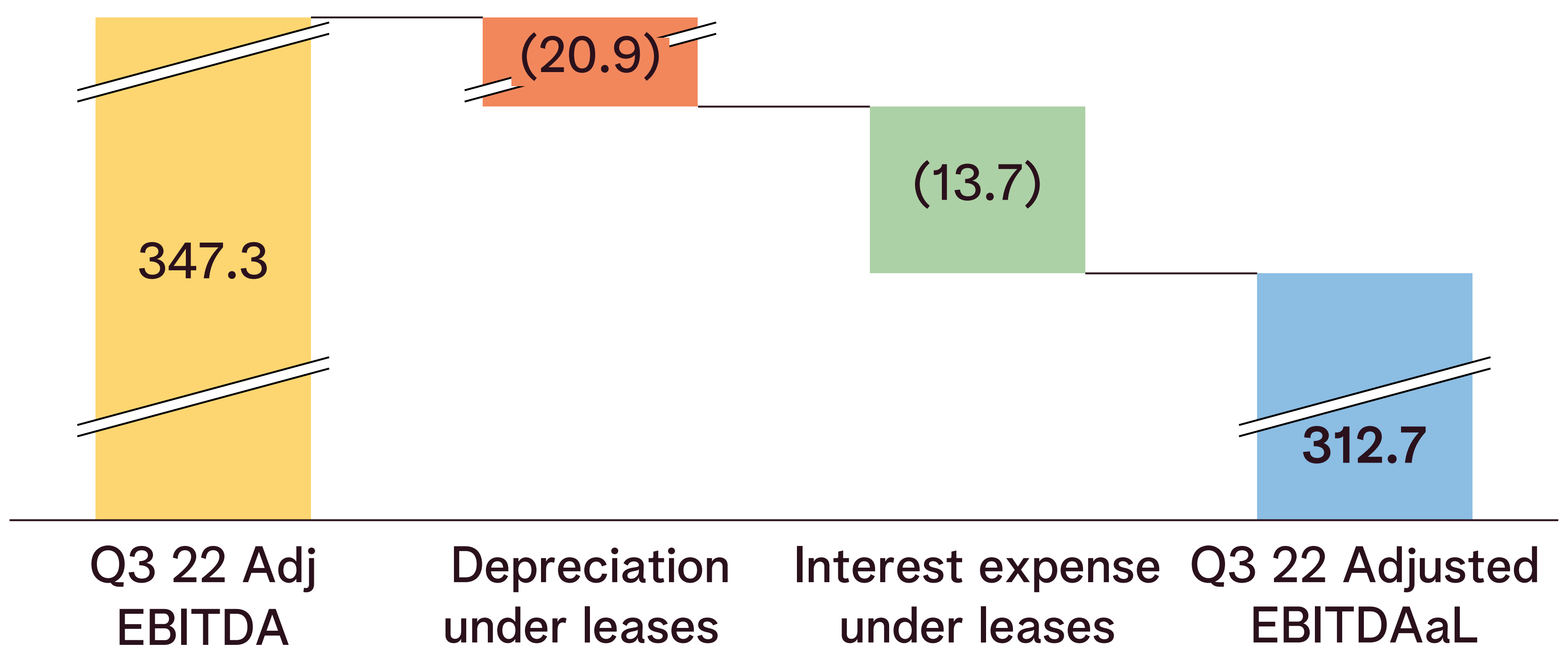
Adjusted EBITDAaL[1] (€m)





Reconciliation Adjusted EBITDAaL[1] (€m)

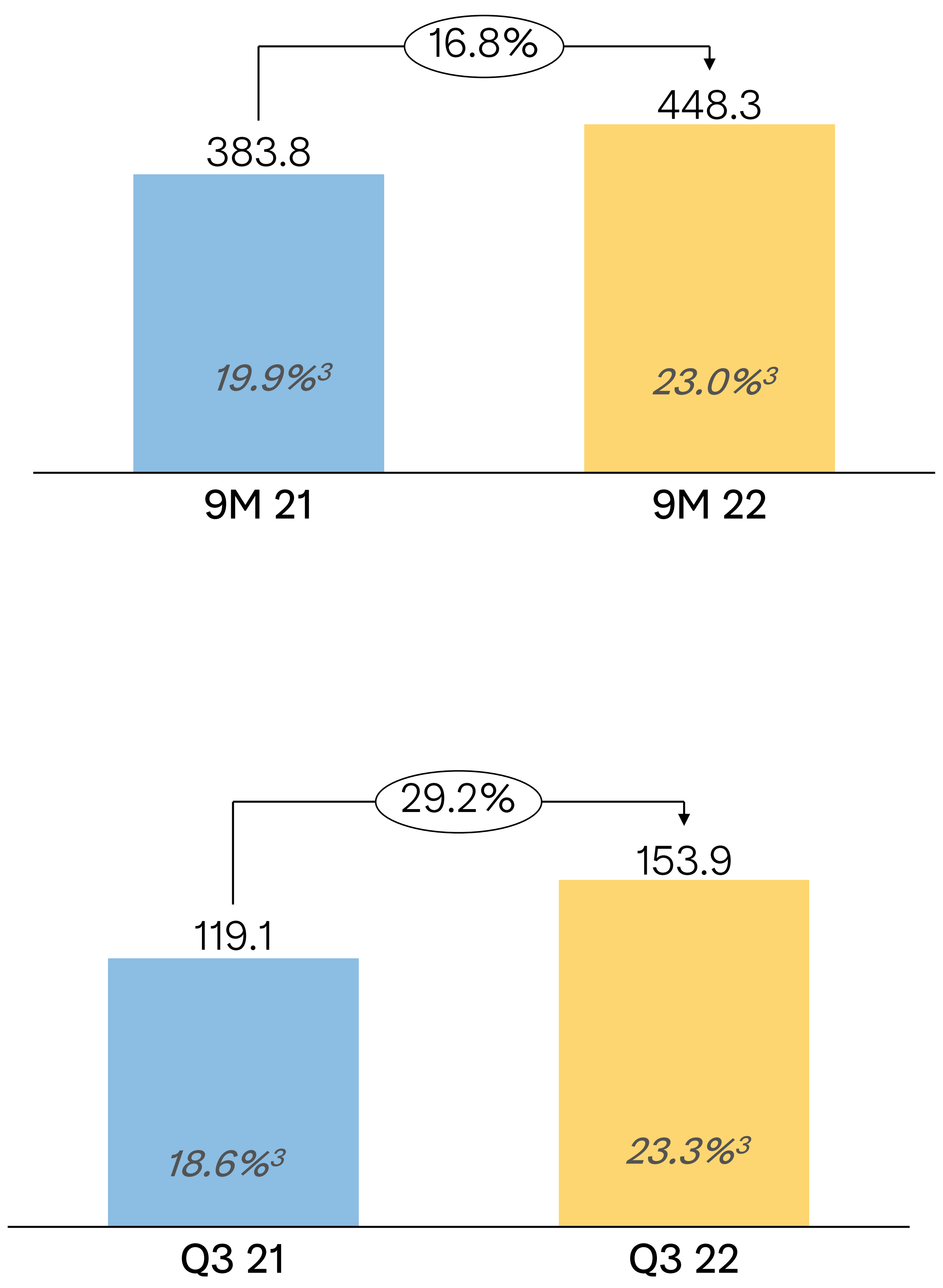




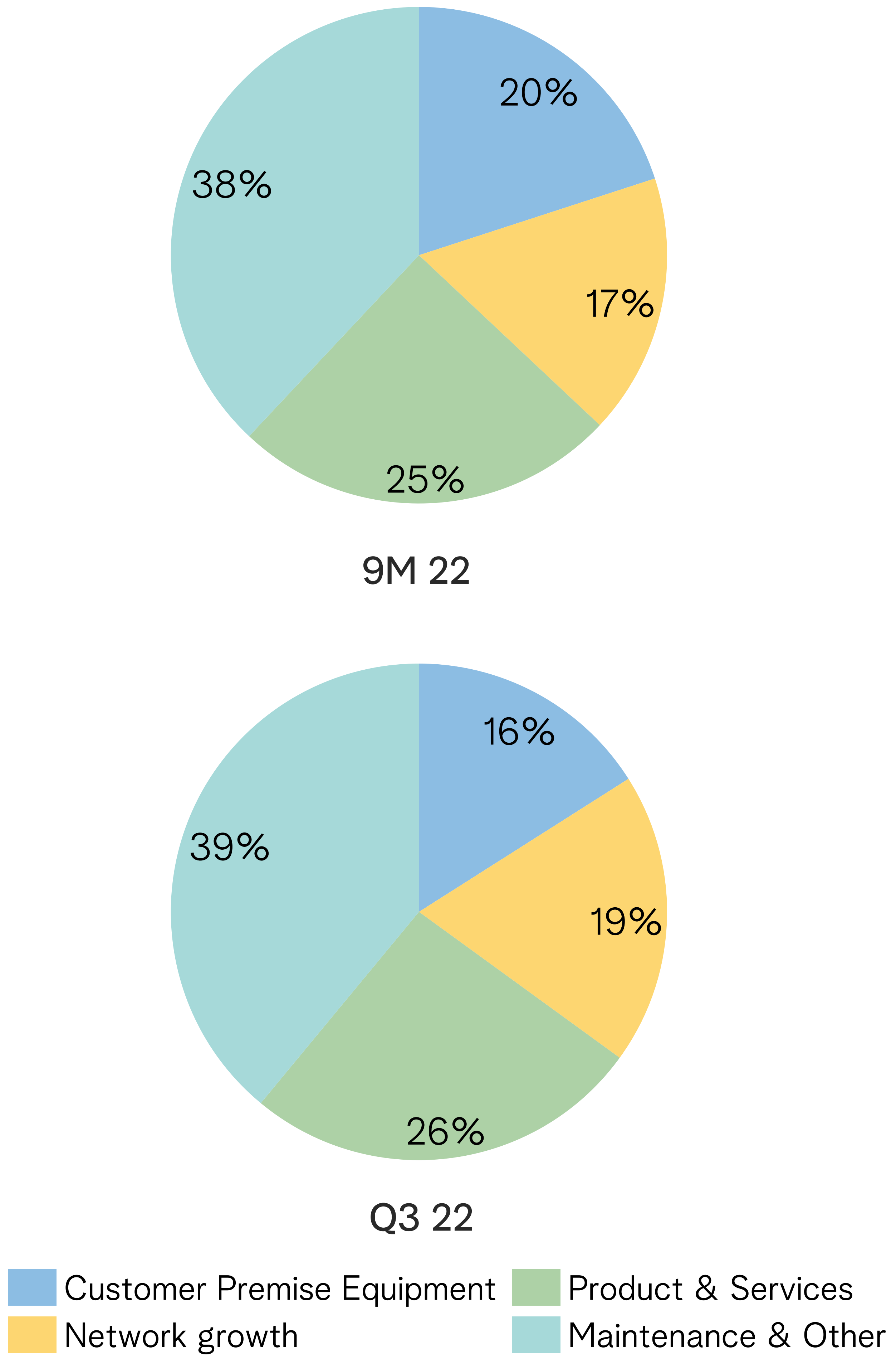
[1] See Definitions in the Appendix section; [2] Adjusted EBITDAaL margin

€448 million of accrued CAPEX in 9M 22, up 17% yoy, reflecting higher network-related investments in 5G and fiber

Accrued CAPEX[1,2] (€m)



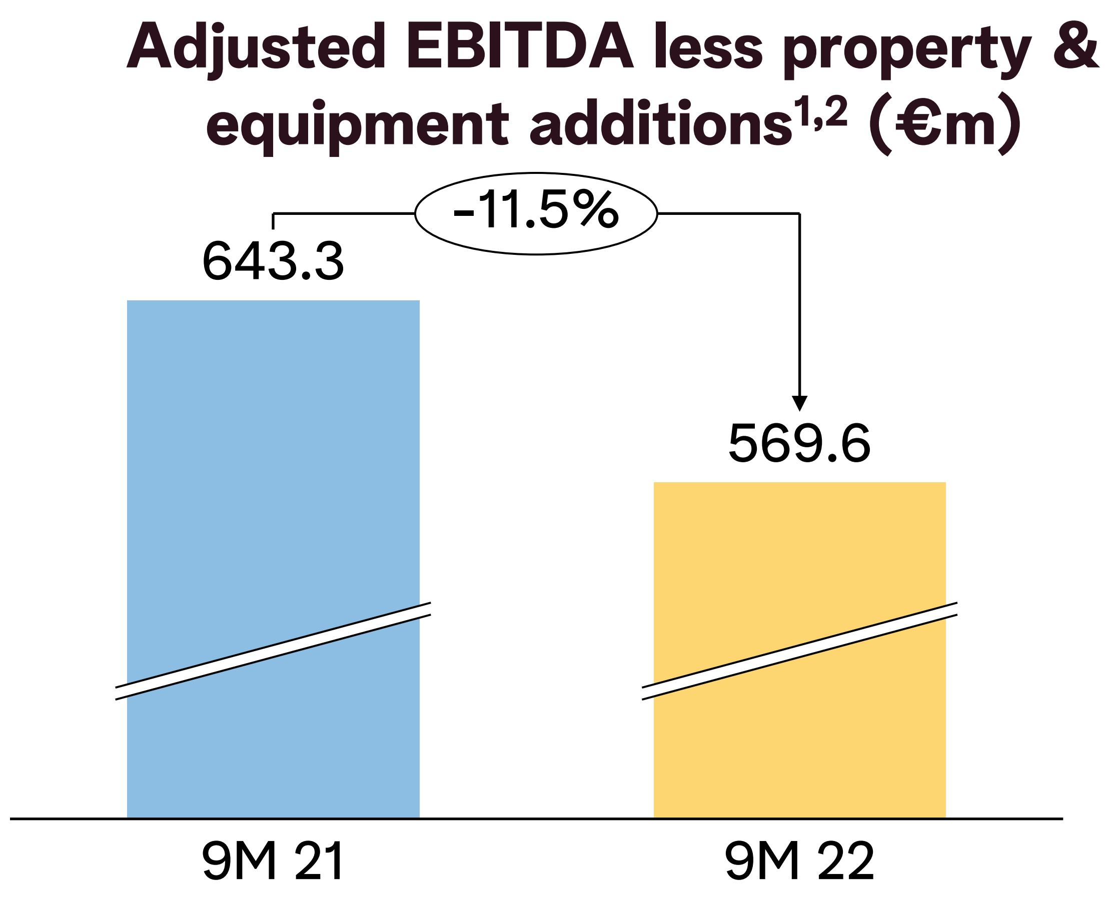
Accrued CAPEX mix[1,2]

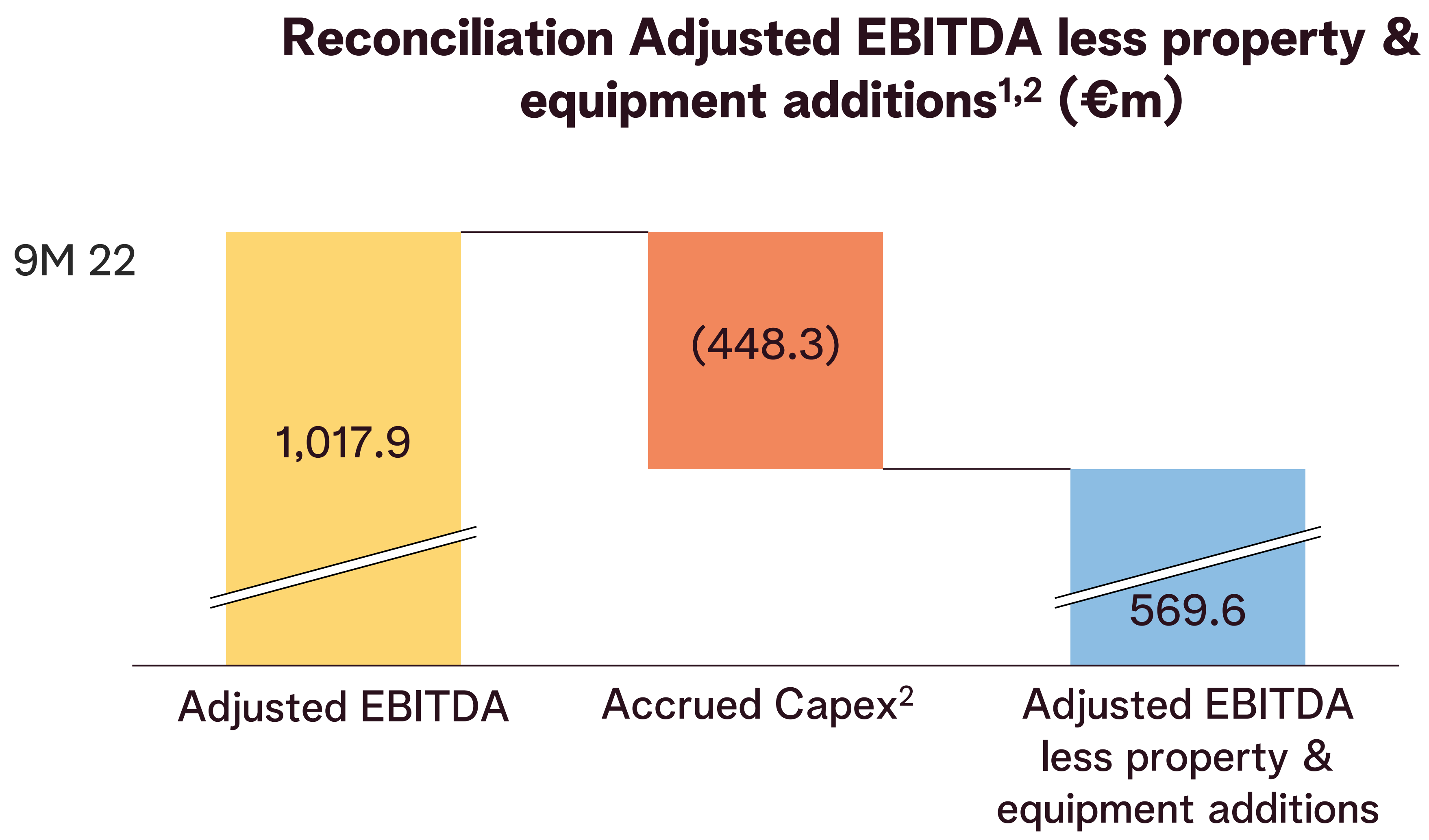


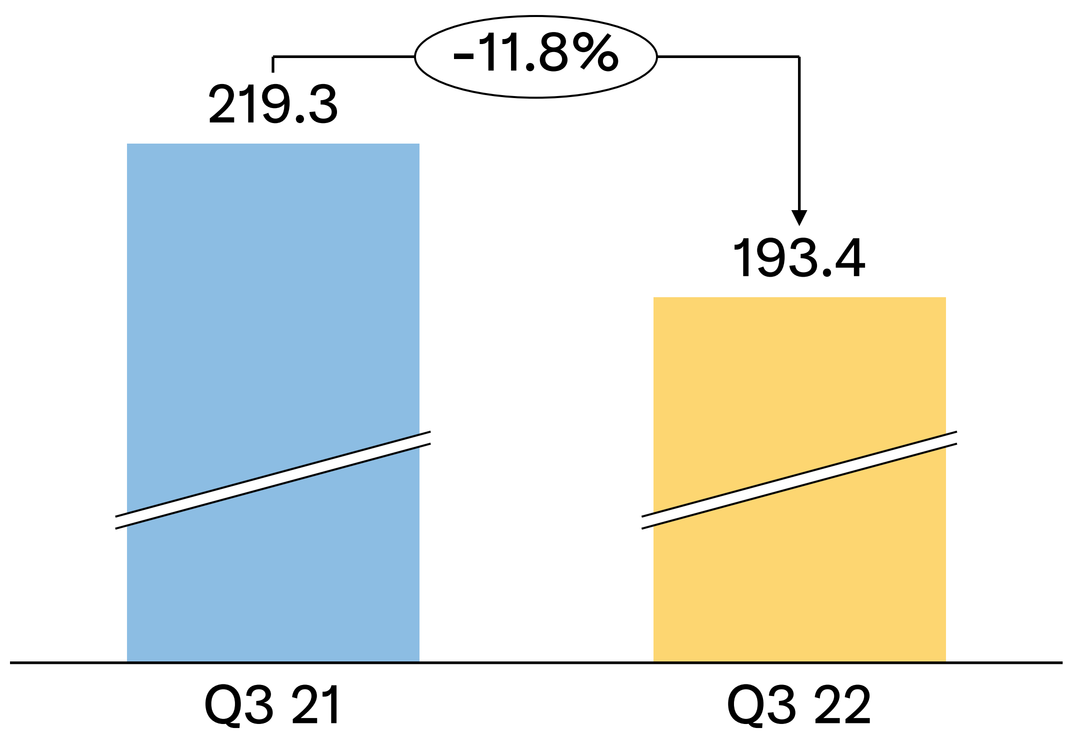
- Accrued capital expenditures[2] of €448.3m for the first nine months of 2022, equivalent to approximately 23% of our revenue over the period
- The 17% higher CAPEX reflected (i) higher network-related investments in 5G rand tactical fiber-related investments, as per our FY 2022 outlook, and (ii) set-top box and modem swap programs in addition to the continued roll-out of our in-home connectivity devices
- Approximately 62% of our year-to-date CAPEX was scalable and/or subscriber growth-related

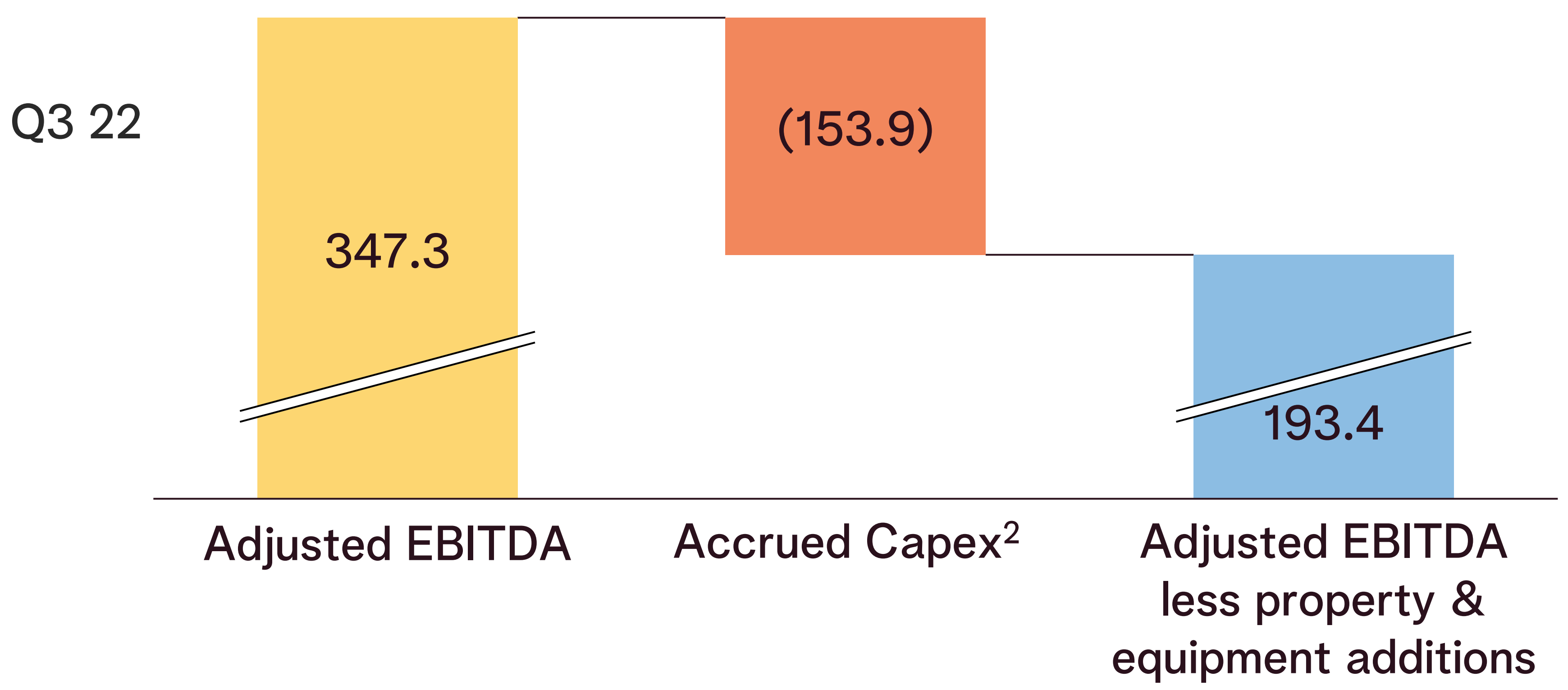
[1] See Definitions in the Appendix section; [2] Excluding the recognition of certain lease-related capital additions, the recognition of football broadcasting rights and the recognition of mobile spectrum licenses; [3] CAPEX/Revenue ratio

9M 22 Adjusted EBITDA less property & equipment additions of €570 million, -11% yoy, on higher capital intensity



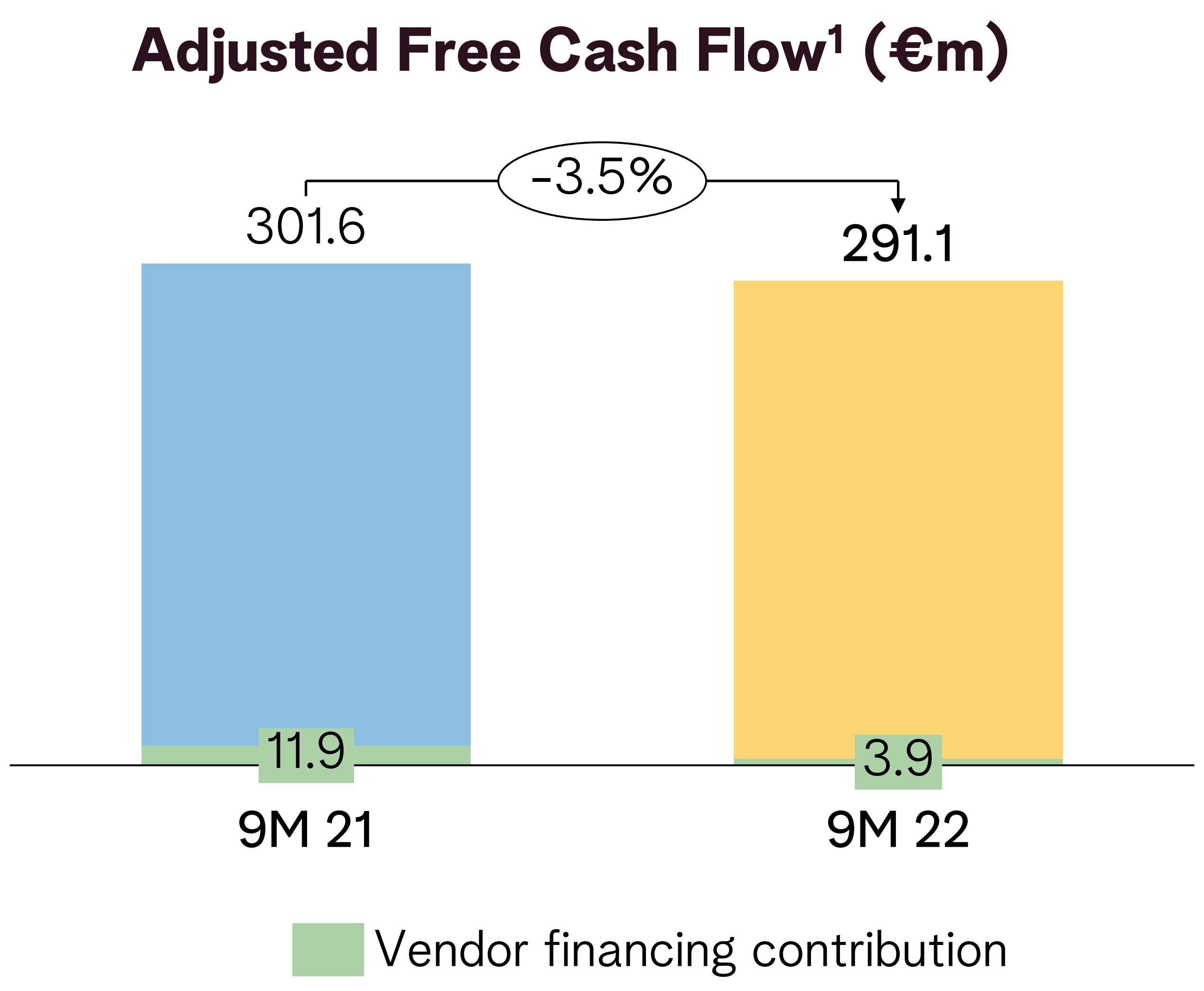


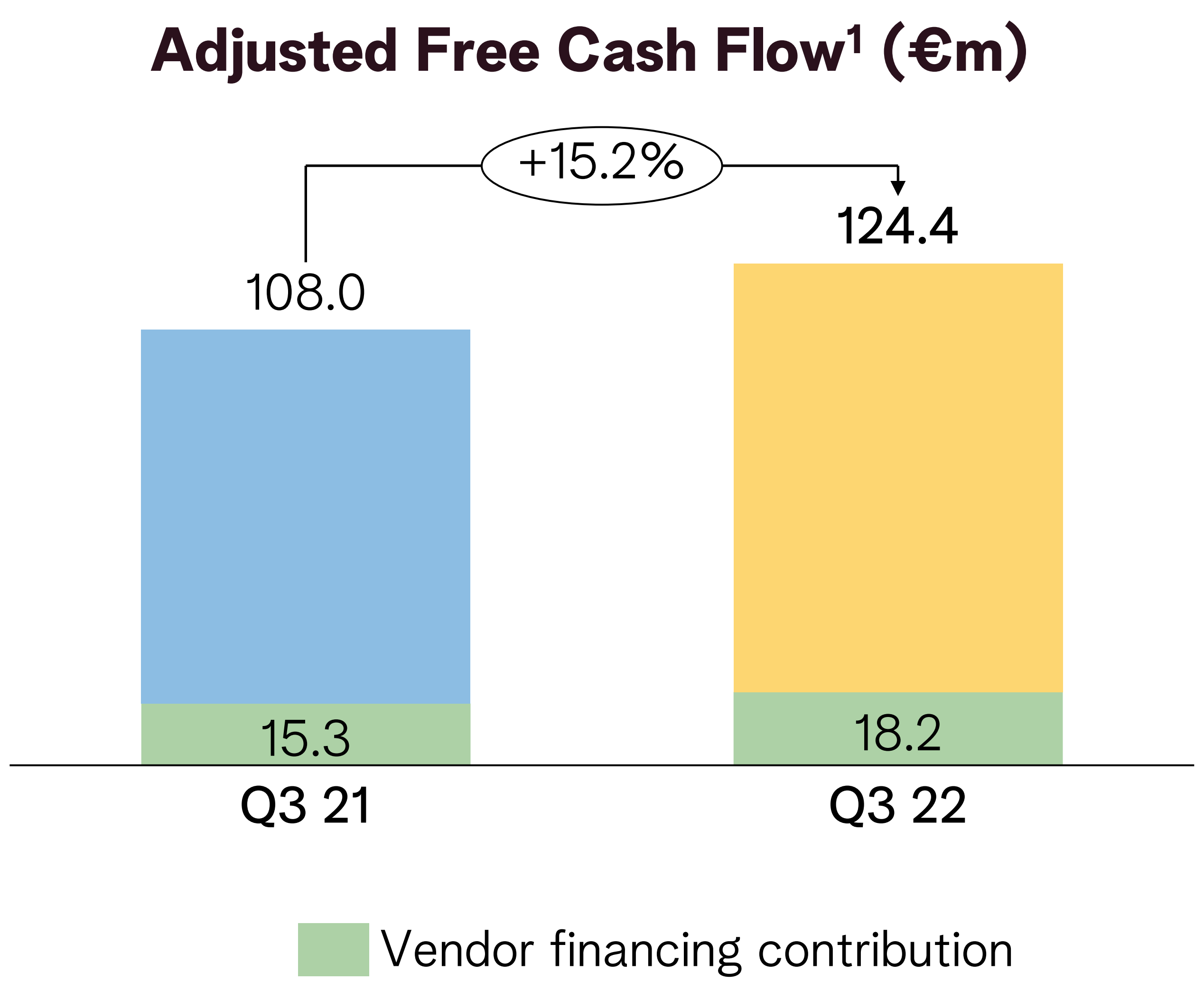


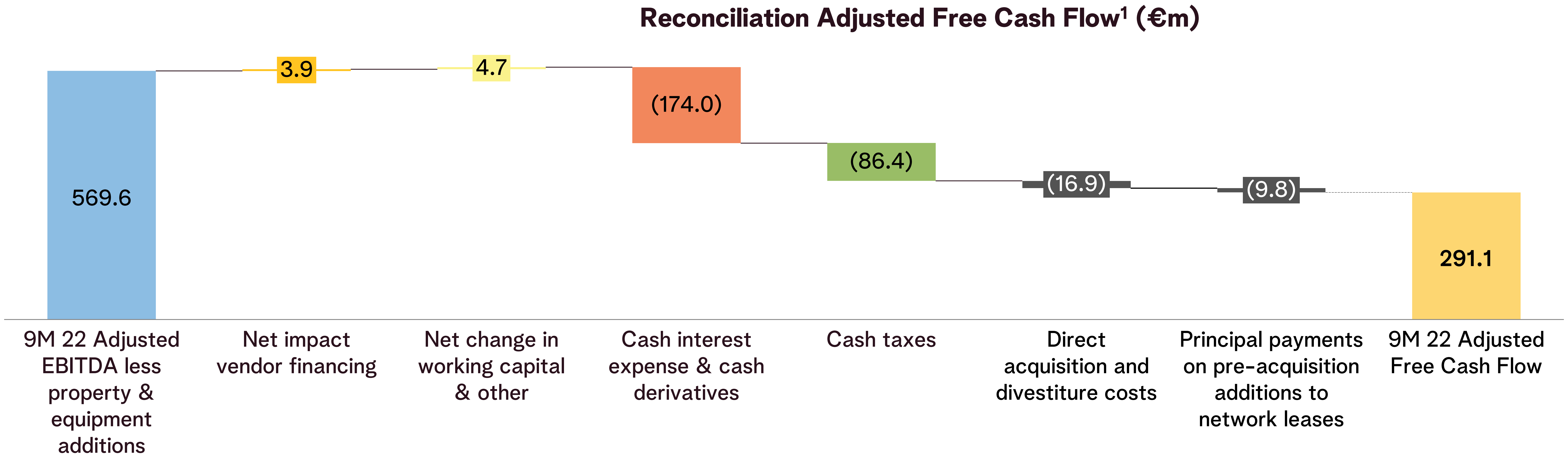


[1] See Definitions in the Appendix section. Effective with the release of our Q3 2021 earnings, we have stopped using the term Operating Free Cash Flow and now use the term "Adjusted EBITDA less property & equipment additions". As we define the term, Adjusted EBITDA less property & equipment additions has the same meaning as Operating Free Cash Flow had previously, and therefore does not impact any previously reported amounts; [2] Excluding certain lease-related capital additions, the recognition of football broadcasting rights and the recognition of mobile spectrum licenses

9M 22 Adjusted Free Cash Flow of €291 million, reflecting a different phasing in our vendor financing program



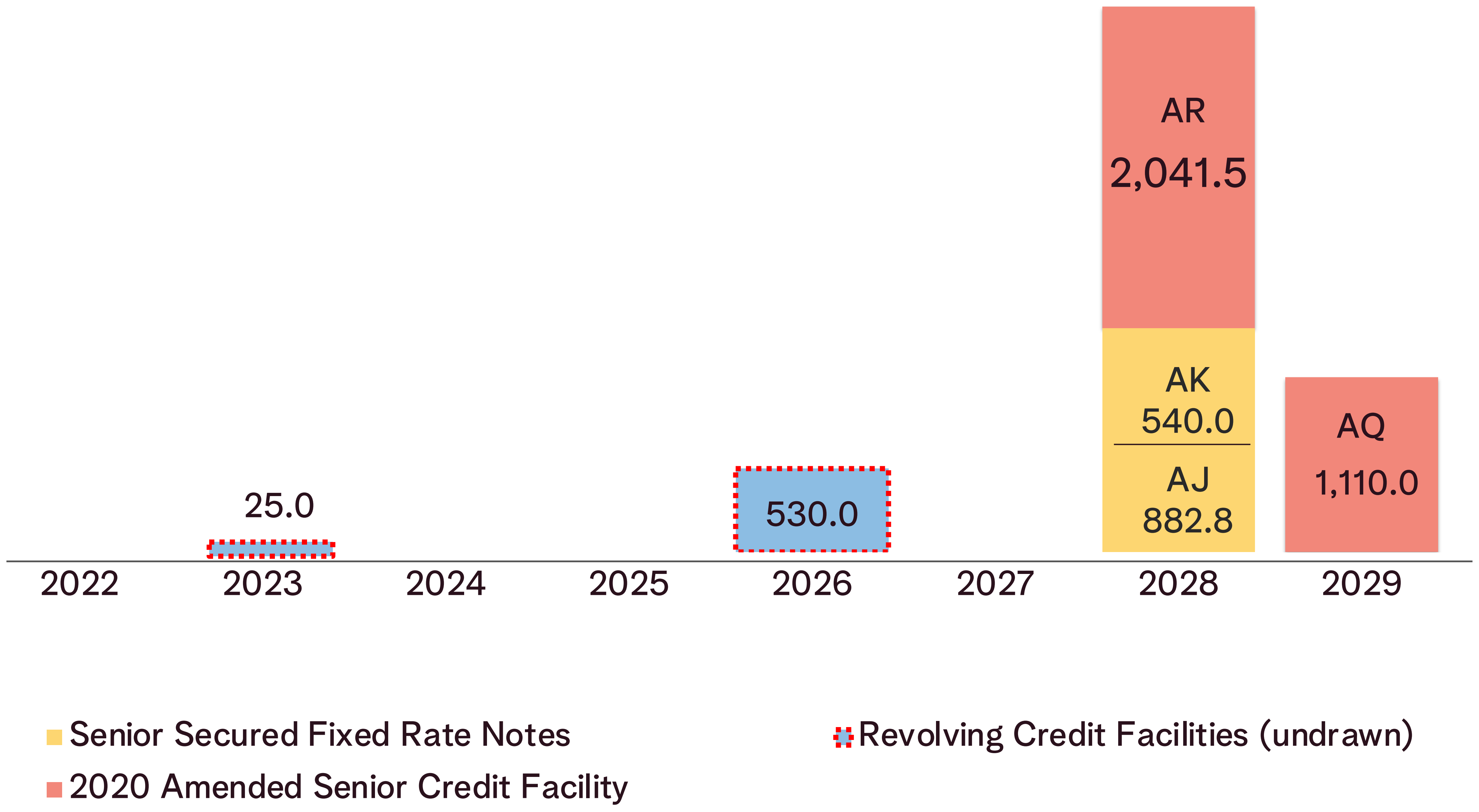




[1] See Definitions section in the Appendix section

Robust debt[1,2] maturity profile in terms of both cost and tenor

Debt maturity profile[1] (€m)



5.8 years weighted average maturity

3.2% weighted average cost of debt

€1.5 billion of untapped liquidity, including cash & cash equivalents

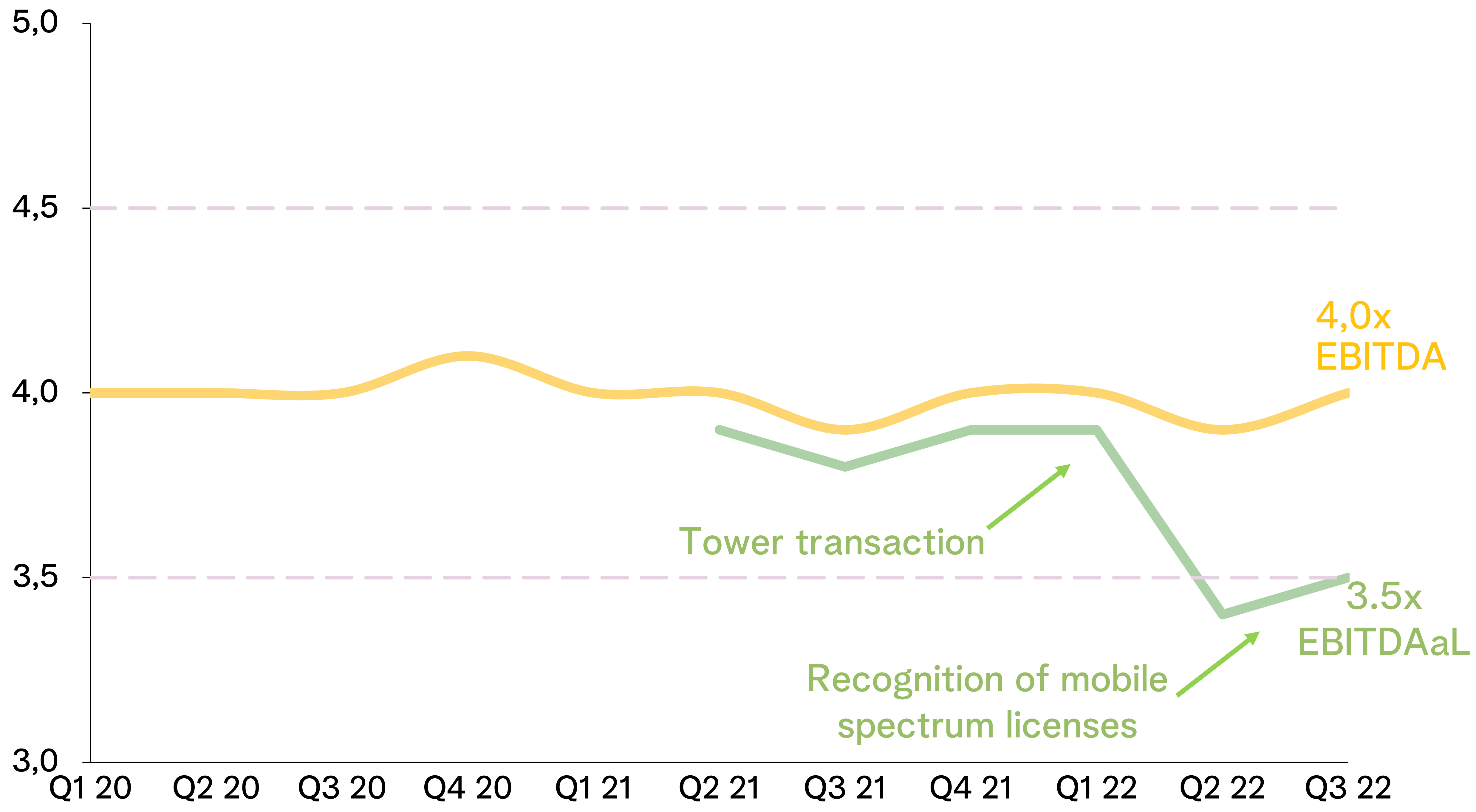
100% swapped into fixed EUR rates

[1] Hedged exposure reflecting the fact that Telenet has entered into several derivative transactions to hedge both the underlying floating interest rate and exchange risks; 2 Excluding leases, vendor financing commitments and amounts related to mobile spectrum licenses

Net total leverage of 3.5x end Q3 22, reflecting timing variances in our tower lease-related payments

- As of Q2 22, our net debt excludes lease-related liabilities, dividing by the last two quarters' annualized Adjusted EBITDAaL. Previously, it included lease-related liabilities, dividing by the last two quarters' annualized Adjusted EBITDA
- Under the old definition, net total leverage would have been 4.0x as the favorable impact from the tower sale was partially offset by the recognition of the 15-year lease liability under the Master Lease Agreement with Digital Bridge
- Under the new definition, our net total leverage reached 3.5x at the end of September, reflecting timing variances in our tower lease-related payments to DigitalBridge (only impacting for four months)
- Both metrics include €392.4m of liabilities related to the recently acquired mobile spectrum licenses

Net total leverage ratio[1]



[1] See Definitions section in the Appendix section

FY 22 guidance unchanged, Caviar consolidation as of Q4 22 will not materially impact the expected growth rates

	FY 2022 (As presented on Feb. 10, 2022)
Revenue growth	Around +1% (FY 2021 rebased: €2,593.9 million, **excl. Caviar Group**)
Adjusted EBITDA growth[a]	Around +1% (FY 2021 rebased: €1,361.4 million, **excl. Caviar Group**)
Accrued capital expenditures as a percentage of revenue[b]	Around 25%
Adjusted Free Cash Flow (incl. direct acquisition and divestiture costs & principal payments on pre-acquisition additions to network leases)[a,c]	Flat versus FY 2021 (FY 2021: €404.9 million, **excl. Caviar Group**)

(a) Quantitative reconciliations to net profit (including net profit growth rates) and cash flows from operating activities for our 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; (b) Excluding the recognition of the capitalized football broadcasting rights and mobile spectrum licenses and excluding the impact from certain lease-related capital additions on our accrued capital expenditures; (c) Including certain payments for the temporary prolongation of our current 2G and 3G mobile spectrum licenses but excludes payments on licenses acquired as part of the 2022 multiband spectrum auction, and assuming the tax payment on our 2021 tax return will not occur until early 2023.

Q&A Session

Appendix

Definitions

Important reporting changes

Discontinuation of basic video RGU reporting: Following the successful completion of our analog TV switch-off program across our entire footprint at the end of November 2021, we will no longer distinguish between basic and enhanced video subscribers and will only report the total number of video customers as of January 1, 2022.

Rebased information: On June 1, 2022, we successfully completed the sale of our mobile tower infrastructure business ("TowerCo") to DigitalBridge Investments, LLC, an affiliate of DigitalBridge Group, Inc. ("DigitalBridge"). For purposes of calculating rebased growth rates on a comparable basis, we have adjusted our historical revenue and Adjusted EBITDA to exclude the revenue and Adjusted EBITDA of TowerCo to the extent revenue and Adjusted EBITDA related to this transaction is no longer included in our current results. 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.

Inclusion of Adjusted EBITDA after leases ("Adjusted EBITDAaL"): Following the aforementioned sale of our mobile tower infrastructure business on June 1, 2022, we will now include Adjusted EBITDA after leases as a core financial metric in addition to Adjusted EBITDA. Adjusted EBITDAaL is defined as Adjusted EBITDA as further adjusted to include lease-related depreciation and interest expense. As a result of the tower disposal, Telenet has entered into a 15-year Master Lease Agreement ("MLA") with DigitalBridge with two renewal periods of 10 years each. As a result, Telenet will make substantial payments to DigitalBridge for the use of Telenet's former mobile tower infrastructure. As a result, we believe Adjusted EBITDAaL is a helpful financial metric to (i) demonstrate the Company's underlying performance after including all lease-related expenses necessary to run our business and (ii) provide comparability between Telenet's performance and the performance of other companies in the same or similar industries, although Telenet's measure may not be directly comparable to similar measures used by other public companies.

Operating Free Cash Flow renamed into Adjusted EBITDA less property & equipment additions: Effective with the release of our Q3 2021 earnings, we have stopped using the term Operating Free Cash Flow and now use the term "Adjusted EBITDA less property & equipment additions". As we define the term, Adjusted EBITDA less property & equipment additions has the same meaning as Operating Free Cash Flow had previously, and therefore does not impact any previously reported amounts.

Revised definition of Adjusted Free Cash Flow: Effective Q4 2021, we have changed the way we calculate Adjusted Free Cash Flow by deducting (i) cash payments for direct acquisition and divestiture costs and (ii) principal payments on pre-acquisition additions to network leases from our Adjusted Free Cash Flow. Prior to implementing this change, our Adjusted Free Cash Flow excluded both payments, in line with our historical guidance.

Definitions (1/4)

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

Adjusted EBITDA is defined as EBITDA before stock-based compensation, measurement period and post-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 (i) represents an additional measure used by management to demonstrate the Company's underlying performance both before and after including all lease-related expenses necessary to run the business and (ii) provides comparability between Telenet's performance and the performance of other companies in the same or similar industries, although Telenet's measure may not be directly comparable to similar measures used by other public companies. Adjusted EBITDA should not replace the measure 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.

Adjusted EBITDAaL (Adjusted EBITDA after leases) is defined as Adjusted EBITDA further adjusted to include lease-related depreciation and interest expense. Adjusted EBITDAaL is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G and (i) represents an additional measure used by management to demonstrate the Company's underlying performance both before and after including all lease-related expenses necessary to run the business and (ii) provides comparability between Telenet's performance and the performance of other companies in the same or similar industries, although Telenet's measure may not be directly comparable to similar measures used by other public companies. Adjusted EBITDAaL should not replace the measure 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.

Adjusted EBITDA less property & equipment additions (formerly referred to as 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, mobile spectrum licenses and certain lease related capital additions. Adjusted EBITDA less property & equipment additions is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G and is a meaningful measure because it provides (i) a transparent view of Adjusted EBITDA that remains after the Company's capital spend, which the Company believes is important to take into account when evaluating overall performance of the business and (ii) a comparable view of the Company's performance relative to other telecommunications companies. The Company's Adjusted EBITDA less property and equipment additions measure may differ from how other companies define and apply their definition of similar measures.

Definitions (2/4)

Adjusted Free Cash Flow is defined as net cash provided by the Company's operating activities, plus operating-related vendor financed expenses (which represents an increase in the period to the Company's actual cash available as a result of extending vendor payment terms beyond normal payment terms, which are typically 90 days or less, through non-cash financing activities), less (i) cash payments in the period for capital expenditures as reported in the Company's consolidated statement of cash flows, (ii) principal payments on operating- and capital-related amounts financed by vendors and intermediaries (which represents a decrease in the period to the Company's actual cash available as a result of paying amounts to vendors and intermediaries where we previously had extended vendor payments beyond the normal payment terms), and (iii) principal payments on finance leases (which represents a decrease in the period to our actual cash available) each as reported in the Company's consolidated statements of cash flows. The Company believes its presentation of Adjusted Free Cash Flow, which is a non-GAAP measure as contemplated by the U.S. Securities and Exchange Commission's Regulation G, provides useful information to its investors because this measure can be used to gauge the Company's ability to (i) service debt and (ii) fund new investment opportunities after consideration of all actual cash payments related to working capital activities and expenses that are capital in nature whether paid inside normal vendor payment terms or paid later outside normal vendor payment terms (in which case the Company typically pays in less than 365 days). Adjusted Free Cash Flow should not be understood to represent the Company's ability to fund discretionary amounts, as the Company has various mandatory and contractual obligations, including debt repayments, that are not deducted to arrive at these amounts. Investors should view Adjusted Free Cash Flow as a supplement to, and not a substitute for EU IFRS measures of liquidity included in the Company's consolidated statements of cash flows. Further, the Company's Adjusted Free Cash Flow may differ from how other companies define and apply their definition of Adjusted Free Cash Flow.

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.

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.

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.

Definitions (3/4)

EBITDA is defined as profit before net finance expense, the share of the result of equity accounted investees, income taxes, depreciation, amortization and impairment.

Fixed-line Telephony Subscriber is a home, residential multiple dwelling unit or commercial unit that receives Telenet's fixed-line voice services over the Telenet and Partner Networks (commonly referred to as the "Combined Network"). Fixed-line Telephony Subscribers exclude mobile telephony subscribers.

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.

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

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.

Net total leverage is defined as the sum of loans and borrowings under current and non-current liabilities (excluding lease-related 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 EBITDAaL In its statement of financial position, Telenet's USD-denominated debt has been converted into EUR using the September 30, 2022 EUR/USD exchange rate. As Telenet has entered into several derivative transactions to hedge both the underlying floating interest rate and exchange risks, the EUR-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 EUR-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.

Net covenant leverage is calculated as per the 2020 Amended Senior Credit Facility definition, using Net Total Debt (using the €-equivalent hedged amounts for its USD-denominated debt as highlighted above), excluding (i) subordinated shareholder loans, (ii) capitalized elements of indebtedness under the Clientele and Annuity Fees, (iii) any finance leases entered into on or prior to August 1, 2007, (iv) any indebtedness incurred under the network lease entered into with the pure intermunicipalities, (v) any vendor financing-related liabilities, and including (vi) the Credit Facility Excluded Amount (which is the greater of (a) €400.0 million and (b) 0.25x Consolidated Annualized Adjusted EBITDA), divided by last two quarters' Consolidated Annualized Adjusted EBITDA.

Definitions (4/4)

Rebased information: On June 1, 2022, we successfully completed the sale of our mobile tower infrastructure business (“TowerCo”) to DigitalBridge Investments, LLC, an affiliate of DigitalBridge Group, Inc. (“DigitalBridge”). For purposes of calculating rebased growth rates on a comparable basis, we have adjusted our historical revenue and Adjusted EBITDA to exclude the revenue and Adjusted EBITDA of TowerCo to the extent revenue and Adjusted EBITDA related to this transaction is no longer included in our current results. 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.

RGU is separately a 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 video service, fixed-line telephony service and broadband internet service, the customer would constitute three RGUs. Total RGUs is the sum of 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.

Video Subscriber is a home, residential multiple dwelling unit or commercial unit that receives Telenet's video service over the Combined Network.

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