



PLT VII FINANCE S.à r.l.

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

31 March 2024

Contents

KPIs.....	3
Condensed consolidated statement of profit or loss and comprehensive income	4
Condensed consolidated statement of financial position.....	5
Condensed consolidated statement of financial position (continued)	6
Condensed consolidated statement of changes in equity	7
Condensed consolidated statement of cash flows	8
Notes to condensed consolidated interim financial information.....	9

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

KPIs

Non-IFRS measures	31 March 2024	31 December 2023
RGUs*, end of period in thousands		
Mobile services Lithuania	1,188	1,212
Mobile services Latvia	554	554
Fixed broadband	335	336
PayTV	832	821
Total	2,909	2,923
ARPU**, per month in EUR	Three months ended 31 March 2024	Three months ended 31 March 2023***
Mobile services Lithuania	10.5	10.5
Mobile services Latvia	11.9	11.5
Fixed broadband	14.2	13.2
PayTV	8.4	7.8

* Revenue generating units ("RGUs"). The Group counts each subscriber as a separate RGU for each of the mobile, PayTV and fixed broadband service. Total RGUs are, therefore, not equal to the total number of subscribers. RGUs count do not include M2M and IOT RGUs. For example, one subscriber who receives handset mobile services and mobile data services over the network and subscribes to PayTV service is counted as two RGUs, and one subscriber who receives handset mobile services, mobile data services, PayTV and OTT services over the network is counted as three RGUs.

** Average revenue per user ("ARPU") is a measure we use to evaluate how effectively we are realizing potential revenues from subscribers of our various services. ARPU is calculated by adding together, for each month in a given period, the total subscription-related revenues for that particular month divided by the average number of RGUs for that period.

*** In the second quarter of 2023, after introducing the 5G Home Internet (Fixed Wireless Access – FWA) service to the customers, the Group is reporting the FWA (both 5G and 4G) revenues and RGUs in the Fixed Broadband segment. Previously 4G FWA services were reported under Mobile Services, therefore ARPU amounts for the three months ended 31 March 2023 were reclassified to be comparable with 2024 amounts.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

Condensed consolidated statement of profit or loss and other comprehensive income

Note	Three months ended 31 March 2024	Three months ended 31 March 2023 Reclassified*	
5,6	REVENUE	137,062	133,905
	Equipment costs	(21,345)	(25,895)
	Employee compensation and benefit expenses	(21,214)	(21,115)
11,12	Depreciation and amortisation expenses	(20,824)	(23,960)
	Content and programming costs	(15,310)	(13,511)
	Materials, consumables and maintenance costs	(5,451)	(5,883)
13	Amortization of capitalized contract costs	(4,148)	(3,492)
	Advertising and marketing costs	(4,024)	(3,514)
	Roaming and interconnect costs	(3,646)	(5,073)
15	Net impairment losses on trade receivable and contract assets	(1,369)	(866)
	Media distribution costs	(984)	(861)
	Rental costs	(316)	(443)
7	Other expenses	(10,517)	(9,485)
	OPERATING PROFIT	27,914	19,807
8	Finance income	54	134
8	Finance costs	(12,650)	(11,054)
	Total finance income and costs	(12,596)	(10,920)
	PROFIT BEFORE INCOME TAX	15,318	8,887
9	Income tax	(7,895)	(1,914)
	NET PROFIT	7,423	6,973
	Profit attributable to:		
	Equity holders of the parent	7,423	6,973
	Non-controlling interests	-	-
	Profit for the period	7,423	6,973
	Other comprehensive income	-	-
	Total comprehensive income for the period	7,423	6,973
	Total comprehensive income for the period attributable to:		
	Equity holders of the Company	7,423	6,973
	Non-controlling interests	-	-

* Information on the reclassification items is provided in note 3.

The accompanying notes on pages 9 to 25 form an integral part of this condensed consolidated interim financial information.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

Condensed consolidated statement of financial position

Note		31 March 2024	31 December 2023
	ASSETS		
	NON-CURRENT ASSETS		
11	Intangible assets:		
	Goodwill	154,771	154,771
	Software	21,961	17,724
	License costs	26,276	27,365
	Other intangible assets	74,667	77,987
	Software under development	3,494	4,670
	Total intangible assets	281,169	282,517
11	Property, plant and equipment:		
	Land and buildings	4,597	4,670
	Network equipment	94,775	89,515
	Other property, plant and equipment	17,032	15,588
	Construction in progress	9,765	11,446
	Total property, plant and equipment	126,169	121,219
12	Right of use assets	59,023	64,227
13	Capitalized contract costs	19,015	18,620
6	Contract assets	413	474
10	Other investments at fair value through other comprehensive income	5,790	5,790
	Interest in joint ventures	6	6
	Deferred tax asset	1,255	1,251
16	Other non-current assets and receivables at amortised cost	7,059	7,405
	TOTAL NON-CURRENT ASSETS	499,899	501,509
	CURRENT ASSETS		
14	Inventory	56,085	46,131
6	Contract assets	1,462	1,549
17	Financial assets at fair value through profit or loss	2,753	6,584
	Current portion of loans receivable at amortised cost	39	44
15	Trade accounts receivable	80,105	79,912
	Current income tax prepayment	419	36
18	Other current assets at amortised cost	8,468	7,472
	Cash and cash equivalents	32,095	23,450
	TOTAL CURRENT ASSETS	181,426	165,178
	TOTAL ASSETS	681,325	666,687

The accompanying notes on pages 9 to 25 form an integral part of this condensed consolidated interim financial information.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

Condensed consolidated statement of financial position (continued)

Note		<u>31 March 2024</u>	<u>31 December 2023</u>
	SHAREHOLDERS' EQUITY AND LIABILITIES		
	SHAREHOLDERS' EQUITY		
	Equity attributable to owners of the parent:		
19	Share capital	33,585	33,585
19	Share premium	6,720	6,720
19	Reorganization reserve	(336,653)	(336,653)
	Legal reserve	9,213	9,213
	Retained earnings	(17,912)	(25,369)
	TOTAL SHAREHOLDER'S EQUITY	(305,047)	(312,504)
	NON-CURRENT LIABILITIES		
20	Borrowings	719,686	718,985
21	Lease liabilities	39,519	42,447
24	Provisions	12,299	13,308
6	Contract liabilities	3,330	3,450
	Deferred tax liability	23,785	19,019
23	Other non-current liabilities	6,787	6,635
	TOTAL NON-CURRENT LIABILITIES	805,406	803,844
	CURRENT LIABILITIES		
20	Borrowings	9,246	14,835
21	Lease liabilities	18,330	19,129
22	Supplier financing arrangements	48,262	39,193
	Trade accounts payable	58,178	58,304
6	Contract liabilities	9,580	10,657
	Payables to related parties	90	-
	Deferred revenue	776	689
	Current income tax liabilities	2,646	1,483
23	Accrued expenses and other liabilities	33,858	31,057
	TOTAL CURRENT LIABILITIES	180,966	175,347
	TOTAL LIABILITIES	986,372	979,191
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	681,325	666,687

The accompanying notes on pages 9 to 25 form an integral part of this condensed consolidated interim financial information.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

Condensed consolidated statement of changes in equity

	Attributable to equity holders of the Company					Total	Total equity
	Share capital	Share premium	Legal reserve	Reorgani- zation reserve	Retained earnings/ (accumulated deficit)		
31 December 2022	33,585	7,190	9,213	(336,653)	3,696	(282,969)	(282,969)
Net profit for the year ended 31 March 2023	-	-	-	-	6,973	6,973	6,973
Total comprehensive income for the period	-	-	-	-	6,973	6,973	6,973
<i>Transactions with owners in their capacity as owners</i>							
19 Decrease in share premium	-	(470)	-	-	-	(470)	(470)
Employee share-based payment schemes expenses	-	-	-	-	21	21	21
31 March 2023	33,585	6,720	9,213	(336,653)	10,690	(276,445)	(276,445)
31 December 2023	33,585	6,720	9,213	(336,653)	(25,369)	(312,504)	(312,504)
Net profit for the period ended 31 March 2024	-	-	-	-	7,423	7,423	7,423
Total comprehensive income for the period	-	-	-	-	7,423	7,423	7,423
<i>Transactions with owners in their capacity as owners</i>							
Employee share-based payment scheme expenses	-	-	-	-	34	34	34
31 March 2024	33,585	6,720	9,213	(336,653)	(17,912)	(305,047)	(305,047)

The accompanying notes on pages 9 to 25 form an integral part of this condensed consolidated interim financial information.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

Condensed consolidated statement of cash flows

Note	Three months ended 31 March 2024	Three months ended 31 March 2023 Reclassified*
Cash flows from operating activities		
	15,318	8,887
	Net profit before tax	
	Adjustments to operating activities:	
11,12	20,824	23,960
	Depreciation and amortisation	
	(72)	(68)
	Loss on disposal of property, plant and equipment	
	34	21
	Employee share-based payment scheme expenses	
	(71)	-
	Interest income	
	12,596	10,256
	Finance costs	
	Changes in working capital (excluding effects of acquisition):	
	3,638	(869)
	Decrease/(increase) in trade receivables	
	(9,954)	(12,939)
	(Increase) in trading inventory	
	147	44
	Decrease in contract assets	
	(1,191)	682
	(Decrease)/increase in contract liabilities	
	3,009	(2,293)
	Increase/(decrease) in trade payables	
	2,221	1,582
	Change in other assets, provisions and other liabilities	
	(278)	(335)
	(Increase) in capitalised contract costs	
	90	-
	Change in outstanding balances with related parties	
22	2,818	4,483
	Increase in supplier financing arrangement	
	(18,159)	(15,884)
	Interest paid	
	(2,348)	(2,341)
	Income tax paid	
	28,622	15,186
	Net cash flows from operating activities	
Cash flows from investing activities:		
23	-	(250)
	Acquisition of subsidiary or business, net of cash acquired, and investment in joint ventures	
	(15,217)	(25,974)
	Acquisition of intangible assets and property, plant and equipment for cash	
	131	331
	Proceeds from sale of intangible assets and property, plant and equipment	
	90	16
	Interest received	
	-	70
	Loan repayments received	
	(14,996)	(25,807)
	Net cash flows used in investing activities	
Cash flows from financing activities:		
	-	(470)
	Repayment of share capital and premium	
	(4,981)	(4,517)
	Principal element of lease payments	
	(4,981)	(4,987)
	Net cash flows used in financing activities	
	8,645	(15,608)
	Net increase/(decrease) in cash and cash equivalents	
	23,450	42,606
	Cash and cash equivalents at the beginning of the period	
	32,095	26,998
	Cash and cash equivalents at the end of the period	

* Information on the reclassification items is provided in note 3.

The accompanying notes on pages 9 to 25 form an integral part of this condensed consolidated interim financial information.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

Notes to condensed consolidated interim financial information

1. General information

PLT VII Finance S.à r.l. (**'the Company'**) was incorporated on 3 March 2020 in Luxembourg as a private limited liability company (*société à responsabilité limitée*). The registered address of the Company is at 49, Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg. The Company is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des sociétés, Luxembourg*) under number B242945.

Text and terms in **bold** font are defined terms used consistently herein.

The sole shareholder of the Company is PLT VII Holding S.à r.l., registration number B242838, a private limited liability company with registered address at 18 rue Dicks, L-1417 Luxembourg, the Grand Duchy of Luxembourg.

The ultimate parent entity and controlling parties of the Company are Providence Equity Partners VII-A LP and Providence VII Global Holdings LP which are both registered in the Cayman Islands.

The Company is the sole shareholder of PLT VII International S.à r.l. incorporated on 3 March 2020 in Luxembourg as a limited liability company (*société à responsabilité limitée*), with registered address at 18 rue Dicks, L-1417 Luxembourg, the Grand Duchy of Luxembourg. PLT VII International S.à r.l. is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des sociétés, Luxembourg*) under number B243024.

The main activities of the Company are holding and finance activities. The Company manages and controls the group of entities in the Baltic States, which are engaged in providing Mobile, PayTV and Fixed Broadband, as well as Media and Content services. In addition to these primary businesses, it sells various equipment to support its above-mentioned services to customers. As at 31 March 2024, the Group consisted of the Company, the direct subsidiary PLT VII International S.à r.l. and its subsidiaries.

The Group provides various mobile services to private and business customers through own front-line sales and care channels and own infrastructure companies. The Group mobile business is focused on meeting growing demand in the region for high quality network experience by providing excellent customer service through retail companies that distribute products and services and through separate companies that are responsible for ownership, management, development and rental of towers and masts.

The Group's Fixed Broadband and PayTV business include fixed broadband internet services, ICT services and PayTV offering through Home3 satellite platform and Go3 OTT streaming solution.

The Group's Media and Content business includes TV, video on demand services, commercial radio, streaming radio, digital advertising, news and entertainment portals, advertising services across own portfolio of media assets as well as through third party channels and digital production and distribution services.

The Group implements strategic initiatives to converge the technologies and services offered by the Group of entities. This strategy results in higher effectiveness and revenue synergies, as well as cross-sell opportunities and additional values to the customer, all of which provide competitive advantages over traditional telecommunication operators.

There were no changes in the Group structure during the three months period ended 31 March 2024.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

2. Basis of preparation and material accounting policies

These condensed consolidated interim financial statements for the three months ended 31 March 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting.

This condensed consolidated interim financial information does not include all the notes of the type normally included in the annual financial statements. Accordingly, this report is to be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2023.

This condensed consolidated interim financial information has been prepared under the historical cost convention. The accounting policies and methods of computation applied are consistent with those of the annual consolidated financial statements of the Group for the year ended 31 December 2023, except for

- taxes on income, which are recognised in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. A separate estimated average annual effective income tax rate is determined for each taxing jurisdiction and applied individually to the interim period pre-tax income of each jurisdiction and
- the adoption of new and amended IFRS® ("IFRS") Accounting Standards as set out below.

New and amended standards adopted by the Group

The Group has applied the following amendments for the first time from 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants—Amendments to IAS 1.
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7.
- Leases: Lease Liability in a Sale and Leaseback- Amendments to IFRS 16.

As a result of the adoption of the amendments to IAS 1, the Group changed its accounting policy for the classification of borrowings: borrowings are classified as current liabilities unless at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the reporting period. This new policy did not result in a change in the classification of Group's borrowings. The Group did not make retrospective adjustments as a result of adopting the amendments to IAS 1.

As disclosed in the 2023 annual consolidated financial statements, the Group has supplier financing arrangements. The adoption of the amendments to IAS 7 and IFRS 7 will result in the Group providing more disclosures about these arrangements in the consolidated financial statements for the year ending 31 December 2024. The new disclosures are not required to be provided in the condensed consolidated interim financial information for the three months ended 31 March 2024.

Amendments to IFRS 16 Leases did not have any impact on the amounts recognised and disclosures made in the condensed consolidated interim financial information for the three months ended 31 March 2024.

Impact of standards issued but not yet applied by the Group.

As of the end of the reporting period there were no new standards, amendments to standards and interpretations that are endorsed by the EU and effective for the periods beginning after 1 January 2024.

This condensed consolidated interim financial information was approved for issue on 13 May 2024 by the board of managers.

This condensed consolidated interim financial information is denominated in Euros.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

3. Critical accounting estimates, judgements and reclassifications

The preparation of consolidated interim financial information in accordance with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements of the Group for the year ended 31 December 2023.

During 2023 the Group has changed the classification of the proceeds from sale of impaired trade receivables, previously included under other expenses. In addition, the Group has introduced more detailed disclosure of Changes in working capital in the consolidated statement of cash flows. As the result of these changes the Group has reclassified the affected financial statement line items for comparative amounts.

Reclassification in the consolidated statement of profit or loss and other comprehensive income for the three months period ended 31 March 2023:

	Amount reported three months ended 31 March 2023	Reclassification	Reclassified amounts
Net impairment losses on trade receivables and contract assets	(1,902)	1,036	(866)
Other expenses	(8,449)	(1,036)	(9,485)
OPERATING PROFIT	19,807	-	19,807

Reclassification in the consolidated statement of cash flows for the three months period ended 31 March 2023:

	Amount reported three months ended 31 March 2023	Reclassification	Reclassified amounts
Adjustments to reconcile profit before income tax to the net cash flows from operating activities:			
Amortisation of capitalised contract costs	3,492	(3,492)	-
Allowances and other provisions	1,852	(1,852)	-
Change in working capital (excluding effects of acquisition):			
(Increase) in receivables	(2,771)	1,902	(869)
(Increase) in trading inventory	(12,889)	(50)	(12,939)
Change in capitalised contract costs	-	(335)	(335)
(Decrease) in trade payables	-	(2,293)	(2,293)
Change in other assets, provisions, accounts payable and other liabilities	(4,538)	6,120	1,582
Net cash flows from operating activities	15,186	-	15,186

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

4. Financial risk management

The Group's activities expose it to a variety of financial risks, including foreign currency exchange risk, credit risk, interest rates risk and liquidity risk. The Group's management seeks to minimise potential adverse effects of financial risk on the financial performance of the Group.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Group annual financial statements as at 31 December 2023. There have been no changes in the Treasury policy and the risk management principles since the year end.

Capital risk management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders,
- maintain an optimal capital structure to reduce the cost of capital.

PLT VII Finance S.à r.l. has a Super Senior Facility Agreement with a consortium of banks to obtain revolving credit facility in amount of EUR 50 million with maturity on 16 April 2025. The revolving credit facility bears interest at an annual rate of three months EURIBOR plus applicable margin, which depends on the Group's Leverage Ratio and can be set in the range from 2% to 3%. As at the date of this condensed consolidated interim financial information the margin rate is 2.5%.

The Company has issued senior secured notes in amount of EUR 650,000 thousand and additional fixed rate senior secured notes with a principal amount of EUR 75,000 thousand, with maturity on 5 January 2026. The Senior secured notes are listed on the International Stock Exchange ('TISE').

Under the Super Senior Facility Agreement, the Group is obliged to comply with the Consolidated Secured Leverage Ratio ('**the Consolidated Leverage Ratio**'), calculated as a ratio of the consolidated total net debt and the consolidated earnings before interest, tax, depreciation and amortisation expenses ('**EBITDA**'). The Consolidated Leverage Ratio shall be calculated and tested on a rolling quarter basis if the test condition is met, i.e., if the outstanding principal amount of all loans exceeds 35% of total commitment.

The Consolidated Leverage Ratio should not exceed a flat ratio of 8.00:1. The Group has the right to 'cure' a breach of the Leverage Ratio covenant by receiving additional shareholder funding in cash ('**the Cure Amount**') within 20 business days after the last day of the relevant period in which the breach would occur without the Cure Amount. Covenants are reviewed by lenders on a regular basis during the term of the senior secured notes and facility. A breach of the Consolidated Leverage Ratio, if not cured by no later than the date falling twenty (20) Business Days after the date of the notice thereof, would enable the holders of the defaulted debt to terminate their commitments thereunder and cause all amounts outstanding with respect to such indebtedness to become due and payable immediately.

The Treasury monitors the compliance with covenants on a regular basis as a breach of these ratios would be a major risk for the Group. No balances were withdrawn under the above agreement as at 31 March 2024 and 31 December 2023, therefore the test condition is not met and no covenants were applied.

Liquidity risk

As at 31 December 2023 the current ratio of the Group was less than 1. This was mainly impacted by introduction of a new arrangement with one of the main suppliers to extend the payment terms for the Group since 2023. As at 31 March 2024 the current ration of the Group is more than 1.

Fair value estimation

During 2024 there were no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments and no reclassifications of financial assets.

The different levels of methods used to measure the fair value of the financial instruments (which are recognized and measured at fair value in the statement of financial position) have been defined as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

The Group has longstanding arrangements with customer financing entities to transfer them the receivables owed by customers at the time the equipment is sold to customer. The accounts receivables sold to customer financing entities are less than 1 month old at the time of sale and all credit risk on the sold receivables is transferred to the customer financing entities at that time. Fair value is determined as a cashflow received less fee paid to the financing entity. Since the significant inputs required to fair value an instrument is observable, the instrument is included in level 2.

The Group's receivables for equipment sales are discounted at market interest rate. The fair values of receivables are based on cash flows discounted using applicable statistical country's interest rates for loans with a maturity more than 1 year reported by state banks of Lithuania and Latvia. This is a level 3 fair value measurement.

The fair value of the senior secured notes was EUR 723,929 thousand as at 31 March 2024 (31 December 2023: EUR 721,983 thousand). The carrying value of the borrowings is disclosed in note 20. This is a level 1 fair value measurement.

On 28 February 2020, the Group has acquired 100% shares of Baltcom SIA together with its 32.12% investment in the shares of Balticom AS, which is classified as an Other investment in the consolidated statement of financial position with a gain or loss from the changes in fair value (through annual revaluations performed) recognized in other comprehensive income (note 10). The fair value is determined using the level 3 inputs as the entity is not listed. Valuation is based on a combination of 2 methods (income capitalisation method and market valuation) with 70% weight for income approach and 30% weight for market approach.

Due to the short-term nature of the trade and other current receivables, trade and other current liabilities, their carrying amount is considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

Climate-related risks

In 2023 the Group presented ESG progress in the third sustainable business report. It includes a comprehensive evaluation of how well the Group coped with the management, social and environmental challenges faced in 2022. The report provides a comprehensive review of the Group's actions and the impact the operations had on the environment, communities, customers and employees. The report also examines how the Group is coping with various challenges when responding to climate related risks. The Group outlines steps which are being taken to further strengthen approach to ESG and sustainability. It also lays down ambitious future plans, including a commitment to the Business Ambition for 1.5 °C and long-term Net-Zero target in order to mitigate the climate change and achievements pursuing this commitment.

There is no significant financial impact of climate change on the Group's operations.

Geopolitical risks

Recent years have been challenging for the world economy, due in part to political turmoil and/or upheaval in a number of regions and the occurrence of terrorist attacks and armed conflict, as well as sharp global economic downturn in 2020 resulting from the first waves of the COVID-19 pandemic. In particular, the Russia-Ukraine conflict has resulted in severe political, social and economic consequences in the countries directly involved in the conflicting as well as neighbouring countries to Russia, including all three Baltic counties.

While the Group does not have operations in Russia and Ukraine, it maintains certain limited business operations with partners located in those countries, including for example in relation to roaming agreements, from which the Group generates a de minimis percentage of revenue, and for acquiring Ukrainian originated content to substitute banned Russian originated content. In addition, the ongoing war in Ukraine was a driver to increase in energy prices since 2022.

To mitigate the risks, the Group has adopted the Group Sanctions Policy, reflecting the rules of applicable sanctions regime, steps and tools, such as risk & compliance database, to be used.

There was no significant impact from geopolitical risks on the Group's financial statements for the three months ended 31 March 2024.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

5. Segment reporting

The Group's performance is examined based on three reportable business segments:

- Telco Lithuania – the segment includes mobile and fixed telecommunication services and PayTV services provided to customers in Lithuania.
- Telco Latvia – the segment includes mobile and fixed telecommunication services provided to customers in Latvia and PayTV services provided to customers in Latvia and Estonia.
- Media and Content – the segment includes the media operations in Lithuania, Latvia and Estonia, i.e., TV, commercial radio, streaming radio, video on demand, news and entertainment portals advertising services, wholesale and open market OTT services, content production and distribution services.

Information on reportable segments for the three months period ended 31 March 2024:

Three months ended 31 March 2024	Telco Lithuania	Telco Latvia	Media and content	Eliminations and reconciling items	Total
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME					
Internal	13,889	703	6,742	(21,334)	-
External	66,480	46,093	24,347	4	136,924
Revenue	80,369	46,796	31,089	(21,330)	136,924
ADJUSTED EBITDA	29,695	16,030	3,510	(332)	48,903

Information on reportable segments for the three months period ended 31 March 2023:

Three months ended 31 March 2023	Telco Lithuania	Telco Latvia	Media and content	Eliminations and reconciling items	Total
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME					
Internal	13,509	484	5,751	(19,744)	-
External	65,980	45,494	22,372	3	133,849
Revenue	79,489	45,978	28,123	(19,741)	133,849
ADJUSTED EBITDA	25,027	15,139	4,154	(437)	43,883

The reconciling items to reported revenue are as follows:

	Three months ended 31 March 2024	Three months ended 31 March 2023
Total segment revenue	136,924	133,849
Reconciling items to reported segment revenue:		
Activation fee and other	138	56
Total revenue in the statement of profit or loss and other comprehensive income	137,062	133,905

The revenue from external parties and expenses included in Adjusted EBITDA as reported to the CODM are measured in a manner consistent with that in the consolidated statement of profit or loss and other comprehensive income, except for the activation fees that in internal reporting are classified as reduction of costs but are part of the revenues in the consolidated statement of profit or loss and other comprehensive income.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

A reconciliation of adjusted EBITDA to reported operating profit is as follows:

	Three months ended 31 March 2024	Three months ended 31 March 2023
Adjusted EBITDA	48,903	43,883
Reconciling items to reported operating profit:		
Depreciation and amortization	(20,824)	(23,960)
One-off reconciling items	(131)	(95)
Employee share-based payment scheme expenses	(34)	(21)
Operating profit	27,914	19,807

6. Revenue

Revenue based on products and services are set out below:

	Three months ended 31 March 2024	Three months ended 31 March 2023 Reclassified*
Mobile revenue	60,702	58,573
Equipment sale revenue	21,043	24,815
PayTV revenue	21,030	18,252
Media and content revenue	17,798	17,335
Fixed broadband revenue	13,774	12,510
Lease of towers revenue	678	649
Revenue from electricity sales	334	303
Other revenue	1,703	1,468
Total revenue	137,062	133,905

* In the second quarter of 2023, after introducing the 5G Home Internet (Fixed Wireless Access – FWA) service to the customers, the Group is reporting the FWA (both 5G and 4G) revenues in the Fixed Broadband segment. Previously 4G FWA services were reported under Mobile revenues therefore three months ended 31 March 2023 revenue amounts were reclassified as to be comparable with three months ended 31 March 2024 amounts.

Revenue from external customers by the location in which the sale or service originated:

	Three months ended 31 March 2024	Three months ended 31 March 2023
Lithuania	77,300	75,718
Latvia	51,156	49,647
Estonia	8,606	8,540
Total revenue	137,062	133,905

The details on the variances during the three months ended 31 March 2024 are presented in the note 27.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

Contract balances

The Group has recognized the assets and liabilities related to contracts with customers:

	31 March 2024	31 December 2023
Current contract assets	1,462	1,549
Non-current contract assets	413	474
Total contract assets	1,875	2,023
Current contract liabilities	9,580	10,657
Non-current contract liabilities	3,330	3,450
Total contract liabilities	12,910	14,107

7. Other expenses

	Three months ended 31 March 2024	Three months ended 31 March 2023 Reclassified
Frequency and other charges payable to regulatory authorities	(1,539)	(1,534)
TV technical and operations costs	(1,136)	(1,012)
Dealer commission costs	(968)	(697)
TV related costs	(950)	(987)
Corporate events expenses	(881)	(367)
Data and internet costs	(796)	(712)
Mobile number portability and other direct costs	(567)	(483)
Audit, tax and other consultancy fees	(545)	(481)
Lease lines costs	(529)	(675)
Training and travel costs	(396)	(357)
Representation expenses	(345)	(260)
Insurance costs	(329)	(294)
Billing costs	(317)	(353)
SIM cards and related costs	(161)	(299)
Other expenses	(1,058)	(974)
Total other expenses	(10,517)	(9,485)

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

8. Finance costs and income

	Three months ended 31 March 2024	Three months ended 31 March 2023
Finance costs:		
Senior secured notes interest expenses	(11,562)	(10,126)
Lease interest expenses	(693)	(664)
Bank and other interest expenses	(201)	(124)
Deferred payment liability for frequency charges – discounting costs	(63)	(60)
Amortization of revolving credit facility fee (note 16)	(57)	(54)
Assets' retirement obligation unwinding of the present value discount	(48)	(26)
Other finance costs	(26)	-
Total finance costs	(12,650)	(11,054)
Finance income:		
Interest from financial assets held for cash management	15	16
Other finance income	39	118
Total finance income	54	134
Total finance costs and income	(12,596)	(10,920)

9. Income tax

Income tax expense is recognized on management's estimate of weighted average effective annual income tax rate expected for the full financial year as well as dividend distribution plans (relevant for Latvia).

The estimated average annual tax rate used for three months ended 31 March 2024 is 18% (excluding EUR 5.1 million of deferred tax recognized for dividend distribution in Latvia), compared to 22% for three months ended 31 March 2023. The tax rate slightly fluctuates year over year depending on the proportions and amount available for tax incentives and/or non-deductible expenses of that year.

The Group's consolidation under PLT VII Finance S.à r.l. is the final level of consolidation as entities above the Group structure benefit from the consolidation exemption. The Group is not subject to regulations under Pillar II as EU Council Directive 2022/2523 of 14 December 2022 does only apply to groups that meet the annual threshold of at least EUR 750 million of consolidated revenue, which has not yet been reached by the Group.

10. Other investments

Company	Country of incorporation and place of business	Nature of relationship	Measurement method	Proportion of ordinary shares held by the Group (%)	Nature of business	Carrying amount as at 31 March 2024	Carrying amount as at 31 December 2023
Balticom AS	Latvia	Equity instrument	Fair value through other comprehensive income ('FVOCI')	32.12	Mobile telecommunication services provider	5,790	5,790

As at 31 March 2024 the fair value of the other investment amounted to EUR 5,790 thousand (31 December 2023: EUR 5,790 thousand).

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

There was no change in the fair value of investment as there were no major changes in the business results during the three months ended 31 March 2024.

11. Capital expenditures

	Property, plant and equipment	Intangible assets
As at 31 December 2023		
Cost value	250,468	490,275
Accumulated depreciation	(129,249)	(207,758)
Net book amount	121,219	282,517
Opening net book amount 31 December 2023	121,219	282,517
Additions	12,621	6,573
Disposals and write-offs	(71)	-
Depreciation and amortisation	(7,600)	(7,921)
Closing net book amount 31 March 2024	126,169	281,169
As at 31 March 2024		
Cost value	260,032	496,841
Accumulated depreciation	(133,863)	(215,672)
Net book amount	126,169	281,169

There were no indicators for impairment of any Group's cash-generating units, therefore the management has not updated any of the impairment calculations.

The details on the variances during the three months ended 31 March 2024 are presented in the note 27.

12. Right of use assets

	Right of use assets
COST:	
31 December 2023	161,193
Additions and remeasurements	185
Write-offs due to early termination	(185)
31 March 2024	161,193
ACCUMULATED DEPRECIATION:	
31 December 2023	(96,966)
Charge for the period	(5,303)
Write-offs due to early termination	99
31 March 2024	(102,170)
NET BOOK VALUE 31 March 2024	59,023

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

13. Capitalized contract costs

As at 31 March 2024, the capitalized contract costs amounted to EUR 19,015 thousand (31 December 2023: EUR 18,620 thousand) and consisted of EUR 9,164 thousand (31 December 2023: EUR 8,812 thousand) capitalized bonuses paid to employees for signing new or extending contracts, EUR 6,945 thousand (31 December 2023: EUR 6,860 thousand) capitalized commissions paid to external parties for signing MBB/voice rate plans for Bite and EUR 2,906 thousand (31 December 2023: EUR 2,948 thousand) capitalized costs to obtain the contract for PayTV, mainly associated with STB boxes, installation costs, etc.

Capitalized contract costs amortization expenses are classified separately from depreciation and amortisation expense in the consolidated statement of profit or loss and other comprehensive income and amounted EUR 4,148 thousand in the three months (in the three months ended 31 March 2023: EUR 3,492 thousand).

14. Inventory

	31 March 2024	31 December 2023
Programming rights	32,780	28,970
Equipment	14,436	9,273
IoT and related goods	4,256	3,970
Prepaid products and other inventories	4,788	4,046
	56,260	46,259
Less: loss allowance on slow moving inventory	(175)	(128)
Total inventory	56,085	46,131

The details on the variances during the three months ended 31 March 2024 are presented in the note 27.

15. Trade receivables

	31 March 2024	31 December 2023
Gross trade accounts receivable	99,533	98,702
Allowance for expected credit losses	(14,071)	(13,079)
Trade accounts receivable, net	85,462	85,623
Less: non-current portion	(5,357)	(5,711)
Current portion of trade accounts receivable, net	80,105	79,912

Movements on the allowance for impairment of trade receivables are as follows:

Beginning balance as at 1 January 2023	11,840
Loss allowance	4,299
Amounts written-off	(3,060)
Closing balance as at 31 December 2023	13,079
Loss allowance	1,369
Amounts written-off	(377)
Closing balance as at 31 March 2024	14,071

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade to measure the expected credit losses, trade receivables are grouped based on shared credit risk characteristics, i.e., receivables from

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

residential and business customers and separately for services provided and equipment sold. The non-recoverability analysis is conducted for the past 4 years to determine the general default ratio.

The fair values of trade accounts receivable approximate the carrying values as of 31 March 2024 and 31 December 2023.

16. Other non-current assets and receivables at amortised cost

Other non-current assets and receivables comprise of:

	31 March 2024	31 December 2023
Non-current part of trade receivables for equipment	5,357	5,711
Total financial assets	5,357	5,711
Revolving credit facility fee (note 8)	253	310
Non-current part of advance payments for lease of cable network	109	109
Other non-current prepayments and assets	1,340	1,275
Total non-financial assets	1,702	1,694
Total	7,059	7,405

The Group offers to customers instalment payments for equipment purchase over a period. As at 31 March 2024, outstanding trade receivables from such equipment sales totals EUR 12,788 thousand (31 December 2023: EUR 14,199 thousand). The non-current part of trade receivables for equipment amounts to EUR 5,357 thousand (31 December 2023: EUR 5,711 thousand). The current portion of receivables from the sales amounts to EUR 7,431 thousand (31 December 2023: EUR 8,488 thousand) and is included into a line item 'Trade accounts receivable' in the statement of financial position.

The fair value of trade receivables is disclosed in note 15.

17. Financial assets at fair value through profit or loss

There are longstanding arrangements between the Group and customer financing entities for the receivables owed by customers to be transferred to the customer financing entities at the time the equipment is sold to the customer. Consistent with this arrangement the Group has been selling the full portfolio of not-due accounts receivable from the residential customers for equipment bought in instalments to customer financing entities at regular intervals, rather than at the time of sale. The accounts receivables sold to customer financing entities are less than 1 month old at the time of sale and all credit risk on the sold receivables is transferred to the customer financing entities at that time. The Group is paying one-off fixed rate commission to the financing entity at the moment of every sale and carries no further cash flow risk, as commissions paid cannot be adjusted subsequently, depending on default rates or any other factors. The Group has classified these receivables as financial assets at fair value through profit or loss and the balance as at 31 March 2024 amounted to EUR 2,753 thousand (31 December 2023: EUR 6,584 thousand).

The details on the variances during the three months ended 31 March 2024 are presented in the note 27.

18. Other current assets at amortised cost

The current portion of the other assets and prepayments is specified below:

	31 March 2024	31 December 2023
Accrued income	355	306
Other current assets	1,344	1,440
Total financial assets	1,699	1,746
Current part of PayTV prepaid expenses	853	443
Other prepayments and deferred expenses	5,916	5,283
Total non-financial assets	6,769	5,726
Total	8,468	7,472

The fair values of financial assets approximate the carrying values as of 31 March 2024 and 31 December 2023.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

19. Equity

Share capital

PLT VII Finance S.à r.l. was incorporated on 3 March 2020 in Luxembourg as a private limited liability company (société à responsabilité limitée) with the issued share capital set at EUR 12 thousand, divided into 12,000 ordinary shares each with a nominal value of EUR 1. The share capital was subscribed and fully paid up by the sole shareholder PLT VII Holding S.à r.l. Pursuant to the Articles of the Company, the authorised share capital (including the authorised unissued share capital and the issued share capital) amounts to EUR 500,000 thousand.

On 24 February 2023 the Company carried a EUR 470 thousand repayment out of the freely distributable account of the Company to the sole shareholder PLT VII Holding S.à r.l.

As at 31 March 2024, the share capital of PLT VII Finance S.à r.l. amounts to EUR 33,585 thousand (31 December 2023: EUR 33,585 thousand) and consists of 33,585,110 fully paid ordinary shares (31 December 2023: 33,585,110 shares) at par value of EUR 1 each. The share premium of the Company amounts to EUR 6,720 thousand as at 31 March 2024 (31 December 2023: EUR 6,720 thousand).

Reorganization reserve

In the course of the Group's restructuring, on 30 April 2020 the Company became an ultimate parent of PLT VII Finance B.V. and the Group. The transaction was accounted for as a legal reorganization of the Company by PLT VII Finance B.V., therefore this condensed consolidated interim financial information is presented using the values from the consolidated financial statements of the previous holding company. The reorganization reserve was formed due to the elimination of the share capital of PLT VII Finance B.V. (EUR 14,825 thousand) and Company's investment in the Group. Since the shareholders of PLT VII Finance S.à r.l. became the ultimate shareholders of PLT VII Finance B.V. and the Group through contribution in kind as described above, the combination is accounted for as though there is a continuation of the legal subsidiary's financial information.

20. Borrowings

	31 March 2024	31 December 2023
Senior secured notes ⁽¹⁾	728,857	733,768
Revolving credit facilities ⁽²⁾	75	52
Outstanding balance at the end of period	728,932	733,820

(1) As at 31 March 2024, the carrying amount of senior secured notes includes accrued interest of EUR 9,171 thousand and an unamortised arrangement fee of EUR 5,314 thousand (EUR 14,783 thousand interest and EUR 6,015 thousand arrangement fee as at 31 December 2023).

(2) As at 31 March 2024, the carrying amount of revolving credit facilities included accrued fees of EUR 75 thousand (EUR 52 thousand as at 31 December 2023).

The contractual maturity of the borrowings was as follows:

	31 March 2024	31 December 2023
Not later than 1 year	9,246	14,835
Later than 1 year but not later than 5 years	719,686	718,985
Later than 5 years	-	-
Outstanding balance at the end of period	728,932	733,820
Less: current portion	(9,246)	(14,835)
Total non-current borrowings	719,686	718,985

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

Collaterals

At the date of the issuance of the condensed consolidated financial statements, the obligations of the Group were secured with the following first-ranking collaterals:

- Pledge over the shares of PLT VII International S.à r.l., Bitė Lietuva UAB, TeleTower UAB, All Media Lithuania UAB, Bite Latvija SIA, All Media Latvia SIA, TeleTower SIA, TV Play Baltics AS, Bitė group UAB, All Media Group UAB, Baltcom SIA.
- Pledge over the existing and future funds in material bank accounts of PLT VII Finance S.à r.l., PLT VII International S.à r.l., Bitė Lietuva UAB, TeleTower UAB, All Media Lithuania UAB, TV Play Baltics AS, Bitė group UAB, All Media Group UAB.
- Pledge over the existing and future claims in respect of material receivables, i.e. rights and claims arising under the material intragroup loans held by PLT VII Finance S.à r.l., PLT VII International S.à r.l., Bitė Lietuva UAB, TeleTower UAB, All Media Lithuania UAB, Bite Latvija SIA, TeleTower SIA, All Media Latvia SIA, TV Play Baltics AS, Bitė group UAB, All Media Group UAB, Baltcom SIA.

21. Lease liabilities

The contractual maturity of lease liabilities are as follows:

	31 March 2024	31 December 2023
Not later than 1 year	18,330	19,129
Later than 1 year but not later than 5 years	35,406	38,430
Later than 5 years	4,113	4,017
Outstanding balance at the end of period	57,849	61,576
Less: current portion	(18,330)	(19,129)
Total non-current lease liabilities	39,519	42,447

22. Supplier financing arrangement

The Group is using a supplier financing arrangements which offers to a supplier of the Group an option to receive earlier payment of the Group's accounts payable. The Group does not provide any additional collateral or guarantee to the financial institution.

Since 2023 The Group also has an arrangement on extended payment terms with no limit assigned with one of the main suppliers. The extended payment terms are supported by a financing arrangement between the supplier and financial institution.

As at 31 March 2024, the payable under the supplier financing arrangement amounted to EUR 48,262 thousand (31 December 2023: EUR 39,193 thousand).

23. Non-current and current liabilities and accrued expenses

Other non-current liabilities comprise of:

	31 March 2024	31 December 2023
Deferred payment liabilities for frequency charges	5,264	5,355
Total financial liabilities	5,264	5,355
Other non-current liabilities	1,523	1,280
Total non-current liabilities	1,523	1,280
Total	6,787	6,635

The deferred payment liabilities for frequency charges comprises deferred payments (15-20 years since acquisition) for the right to use 900-1800 MHz bands until year 2032, acquired in 2016, the right to use 3600-3700 MHz bands until year 2042 and right to use 723-728 MHz and 778-783 MHz bands until year 2042, both acquired in 2022.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

As payment of the consideration is deferred beyond normal credit terms (i.e., was not initially paid in full), the asset has been recognised at the equivalent of cash paid, and the difference between this amount and the amount to be paid overtime will be recognised as interest expense during the period of the credit.

Deferred payment liabilities related to frequency charges as described above are as follows:

	31 March 2024	31 December 2023
Not later than 1 year	472	466
Later than 1 year but not later than 5 years	2,093	2,067
Later than 5 years	3,171	3,288
Outstanding balance at the end of year	5,736	5,821
Less: current portion	(472)	(466)
Total non-current liability	5,264	5,355

The current accrued expenses and other liabilities comprise of the following:

	31 March 2024	31 December 2023
Current liabilities	140	145
Other accrued expenses	8,191	7,518
Total financial liabilities	8,331	7,663
Contingent consideration for business combinations	506	506
Total financial liabilities at fair value through profit or loss	506	506
Salaries, bonuses and related social security tax payable	10,407	9,725
Vacation reserve	6,065	5,469
Other taxes payable	8,549	7,694
Total current accrued expenses and other liabilities	25,021	22,888
Total	33,858	31,057

There was no remaining non-current part of contingent consideration and the current part of contingent consideration related to All Media Digital UAB amounts to EUR 506 thousand as at 31 March 2024.

The fair values of financial liabilities approximate the carrying values as of 31 March 2024 and 31 December 2023.

24. Provisions

	31 March 2024	31 December 2023
Asset retirement obligation	11,839	12,875
Provisions for legal claims	310	310
Other provisions	150	123
Total	12,299	13,308

The provisions for legal claims comprise of the amount provided for channel distribution in TV Play Baltics AS, and a couple of disputes in relation to reports showed in the news program in All Media Latvia SIA.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

25. Transactions with related parties

There were no material transactions with related parties for the three months ended 31 March 2024.

On 24 February 2023 the Company carried a EUR 470 thousand repayment out of the freely distributable account of the Company to the sole shareholder PLT VII Holding S.à r.l.

26. Key management compensation

The key management of the Group are:

- PLT VII Finance Sarl Board of Directors,
- The Supervisory Council members,
- The Group Chief Executive Officer, the Group Chief Financial Officer, the Group Chief Technology Officer, the Group Sales Director and the Group Chief Procurement Officer,
- The CEO in Bitė Lietuva UAB, the CEO in Bite Latvija and TV3 Group CEO.

Remuneration (salaries, bonuses and other compensations) to respective management in respect of their work performed for the Group is shown below:

	Three months ended 31 March 2024	Three months ended 31 March 2023
Remuneration	506	466
Bonuses	323	389
Social security contributions	27	36
Short-term employee benefits, total	856	891
Termination expenses	-	-
Total	856	891

The outstanding payable balances to respective management in respect of their work performed to the Group were EUR 694 thousand as at 31 March 2024 (31 March 2023: EUR 643 thousand).

Transactions with key management other than compensation

The Group key management is minority shareholder of PLT VII Baltic Topco S.à r.l., holding 9% of total share capital of this entity.

27. Seasonality of business and significant transactions

The Group's mobile business is not highly seasonal; however, the summer months and December are considered as the peak trading periods. The increase in trade during the summer months relates to the higher level of travelling and people on the move, which is reflected in higher usage of mobile technology and in particular – roaming. The traffic volume similarly increases in December due to the festive period.

FreeTV advertising business is significantly influenced by seasonality. In January/ February and during the summer months (July/ August), advertising sales are the lowest within the year, mainly due to lower domestic consumption. In spring (March to May, or around Easter) and fall season up until Christmas (September to December), advertising sales are the highest, peaking in November/ December. This relates to increased demand for TV advertising due to high PUT (people using TV) level, strong TV program schedule and increased domestic consumption, especially in the periods before Easter and Christmas.

Seasonality impact on PayTV is minor.

The financial position and performance of the group was particularly affected by the following events and transactions during the three months to 31 March 2024:

- The Group's Mobile revenue is increasing due to the growth in subscriber base, especially in the Voice and OTT as well as ARPU increase.

PLT VII FINANCE S.à r.l.

Condensed consolidated interim financial information for the three months ended 31 March 2024
(unaudited, all amounts in thousands EUR unless otherwise stated)

- The uplift in mobile plan prices as well as growth in revenue and uncleared amounts has influenced the increase in Net impairment loss for the three months ended 31 March 2024 compared to the same period in 2023.
- The Group has introduced the rent of equipment service in the end of 2023, which partially influenced the reduction in Equipment sales and costs. The rented equipment is included under Property, plant and equipment and explains the increase of additions during the three months ended 31 March 2024 compared to the same period of 2023.
- The Group is further expanding the roll-out of 5G, investing into Network equipment even more than in the same period during 2023. Due to the same reason the depreciation terms for the old equipment were shortened in previous years resulting in decreased depreciation expenses for the three months ended 31 March 2024.
- Roaming and interconnect costs changed due to lower official interconnect rates.
- The Content and programming costs increase was driven by the increase in channel variable fees directly related to OTT segment subscriber base growth as well as investment into HBO partnership and sports content, which was taken over from Viaplay.
- The take-over of sports rights from Viaplay also impacted the balance of Inventory, specifically programming rights, balance as at 31 March 2024.
- The reduction in the balance of financial assets at fair value through profit or loss was driven by seasonal sales of handsets and equipment, lower equipment sales due to seasonality and lower share of customers opting for deferred payment on handsets.

28. Events occurring after the reporting period

There were no other significant events occurring after the reporting period that would influence the economic decisions of the users of these condensed interim financial statements.