

Press release

Renens, 25.08.2022

Salt – 2022 Q2 Financial Results

Sustained revenue growth in all three strategic pillars - Continued positive trend in mobile and broadband subscribers

- Overall positive momentum across all three strategic business pillars (Mobile B-to-C, B-to-B and ultrafast broadband) in H1; market outperformed in terms of revenue and EBITDA growth
- Continued positive trend and highest number of mobile net adds in the past 10 years with +24,700 B-to-C and B-to-B postpaid net adds in Q2
- Number one in subscriber growth in Switzerland in 2022 and continued growth in ultrafast broadband in Q2
- Strong financial performance in Q2 with Operating Revenue up 4.4% YoY to CHF 238.8 million, and EBITDA down 1.9% YoY to CHF 110.8 million due to the increase in commercial expenses supporting growth
- Enhanced mobile experience with launch of new Salt Max portfolio for B-to-C customers and 5G roaming service agreements rolled out in 44 countries
- Recognition for product excellence in Mobile B-to-B; Salt Business product top rated by Swiss Institute for Quality Tests
- Salt Mobile board of directors' team strengthened with appointment of two proven telecommunications experts; Alexandra Reich and Libor Voncina

Q2'22 Key Financials

CHF m	H1'22	H1'21	YoY	Q2 2022	Q2 2021	YoY
Operating Revenue	472.4	456.7	+3.5%	238.8	228.8	+4.4%
Equipment Revenue	47.3	47.9	-1.3%	22.7	24.7	-8.1%
Total Revenue	519.7	504.6	+3.0%	261.5	253.4	+3.2%
Adjusted EBITDA	217.0	214.7	+1.1%	112.0	114.2	-2.0%
<i>as % of Revenue</i>	41.8%	42.6%		42.8%	45.1%	
EBITDA	214.7	212.1	+1.2%	110.8	112.9	-1.9%
<i>as % of Revenue</i>	41.3%	42.0%		42.4%	44.6%	
Cash Capex	(113.6)	(105.9)		(51.0)	(45.5)	
Free Cash Flow	56.6	70.3		36.4	60.3	

Note: Figures are presented at Salt level, excl. IFRS 15 and IFRS 16

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Sustained growth momentum and strong financial results

In the first half of the year, Salt experienced a positive momentum in its three strategic business pillars, namely Mobile B-to-C, B-to-B and ultrafast broadband. Salt was able to grow faster than its competitors during the first half year in terms of revenue and EBITDA.

In Q2, Salt continued to successfully deliver on its growth strategy. In Q2, the company added 24,700 mobile postpaid subscribers, the highest number in the past 10 years, resulting in a customer base of 1,419,000 subscribers by end of June. Salt also continued its strong growth in the ultrafast broadband segment leading the market in terms of subscriber growth in 2022. Furthermore, Salt continues to accelerate growth in B-to-B, reporting positive net adds in this segment for the 12th consecutive quarter in a row.

Based on this positive subscriber momentum, Operating Revenue was up 4.4% YoY to CHF 238.8 million, supported by continued growth in ultrafast broadband and mobile service revenue. The increase in commercial expenses supporting growth, including a nationwide quality campaign, resulted in an EBITDA decrease of 1.9% YoY to CHF 110.8 million. The EBITDA margin amounted to 42.4% and Free Cash Flow for the quarter stood at CHF 36.4 million.

Enhanced mobile portfolio - Salt Mobile Max

In line with its strategy to provide Swiss consumers with excellent quality at the most attractive price on a world-class network, Salt launched a further enhanced and simplified mobile portfolio for its residential customers in July. The Salt Mobile Max portfolio consists of four flagship price plans, which best reflect customer needs. All users benefit from maximum available speeds, including access to 5G technology, whenever available. Data usage is blocked whenever customers reach the limit of what is included in their subscription or of their data package. Surfing can only be resumed by purchasing a package. Therewith, surprise bills in roaming are a thing of the past.

Outstanding roaming experience - 90% of Salt roamers benefit from 5G speeds

In July, Salt reached a major milestone by finalizing its 5G roaming contracts and is now able to provide its customers with an outstanding 5G speed experience not only within the country but also beyond; 90% of Salt roamers could benefit from 5G in their holiday destination over the summer. Salt now provides its mobile B-to-C and B-to-B base with 5G services in 44 countries around the globe and is keen to further extend its 5G footprint to any other destination where the technology is available.

Service excellence - Salt Business top rated by Swiss Institute for Quality Tests

While Salt collected several awards over the years for its residential product, the Salt Business product has now also been top rated for its unique combination of a superior quality and an attractive price: in July, the Swiss Institute for Quality Tests (SIQT), a consumer advice and testing body, released the test results of its 2022 B-to-B mobile provider study and Salt Business was number 1 among Swiss carriers.

Board of directors - two proven telecom experts join the team

At the General Assembly in June 2022, Alexandra Reich and Libor Voncina were elected as new members to the board of directors. Both have a strong track record in the international telecommunications industry. Alexandra Reich served as CEO of Telenor Thailand and Hungary and held executive roles at Deutsche Telekom, Sunrise and Swisscom among others, and today is on the board of DELTA Fiber in the Netherlands, Cellnex and Speed Connect Austria. Libor Voncina's roles include CEO of Sunrise Communications, CEO of KPN Group Belgium and CEO of Telekom Slovenija.

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About Salt: Salt stands for innovation and the best price for premium products in the Swiss telecommunications market. An excellent mobile network, the country's best performing Internet connection (Nperf,2021 Barometer of fixed internet connections in Switzerland), attractive prices and customer-focused service ensure an outstanding customer experience. Based in Renens (VD), Salt has two additional offices in Biel and Zurich and serves its private and business customers, online and in over 100 Salt Stores throughout Switzerland. The company employs around 1,000 employees across Switzerland.

Salt in figures: 1'419'000 postpaid customers (as of 30.06.2022), 103 Salt Stores and 4G coverage of 99.8% of Switzerland's population.