

Press release

Renens, 27.08.2021

Salt – 2021 Q2 Financial Results

Continued positive trend in subscriber growth in mobile and broadband – Strong financial performance

- Continued positive trend in mobile subscribers with +15'200 B-to-C and B-to-B postpaid net adds in Q2 and strong momentum in ultrafast broadband
- Strong financial performance with Operating Revenue up 4.9% YoY to 228.8m, and EBITDA up 11.8% to 112.9m; supported by roaming recovery
- After several excellent ratings for its performance and service, Salt also ranked number one for private customers among universal providers in the telecom survey of the Swiss business magazine BILANZ

Q2'21 Key Financials

CHF m	H1'21	H1'20	YoY	Q2 2021	Q2 2020	YoY
Operating Revenue	456.7	442.5	+3.2%	228.8	218.1	+4.9%
Equipment Revenue	47.9	47.5	+1.0%	24.7	26.7	-7.7%
Total Revenue	504.6	490.0	+3.0%	253.4	244.8	+3.5%
Adjusted EBITDA	214.7	205.6	+4.4%	114.2	102.4	+11.5%
<i>as % of Revenue</i>	42.6%	42.0%		45.1%	41.8%	
EBITDA	212.1	203.3	+4.3%	112.9	101.0	+11.8%
<i>as % of Revenue</i>	42.0%	41.5%		44.6%	41.3%	
Cash Capex	(106.2)	(77.7)		(45.5)	(34.1)	
Free Cash Flow	70.3	135.3		60.3	85.0	

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

Press release

Continued significant subscriber growth and strong financial results

Salt is continuing to successfully deliver on its growth strategy with 15,200 mobile postpaid net adds in Q2 resulting in the highest net add number over a 12 months period since 2013 and a customer base of 1,340,400 by end of June. The company also continued its strong growth in Salt Home, its ultrafast broadband product, leading the market in terms of subscriber growth over the last 12 months. Furthermore, Salt accelerated its growth in the B-to-B segment. After having exceeded the 100'000 subscribers mark in April 2021, in Q2, the company reported its highest net add performance in B-to-B over a 12 months period since 2010.

Based on this positive momentum in its customer base, Salt reported an increase in Operating Revenue of 4.9% YoY to 228.8m supported by continued growth in broadband and mobile service revenue growth and roaming recovery. This resulted in an EBITDA increase of 11.8% YoY to 112.9m, and an EBITDA margin of 44.6%. Operating Revenue and EBITDA for the quarter have increased above pre-Covid levels and show a healthy growth trend. Free cash flow for the quarter stood at CHF 60.3m.

FTTH partnership as growth driver

In Q2, Salt announced a long-term partnership with Swisscom on Fiber-to-the-home (FTTH). This partnership, in combination with existing agreements with utilities across Switzerland, will allow Salt to address more than 3 million households by 2025 via FTTH and to establish itself as a fully convergent national telecom provider positioned for continued strong growth.

Number one universal provider for private customers

On August 26, 2021, the Swiss business magazine BILANZ published the 22nd edition of its telecom ranking and, among all Swiss carriers, Salt was ranked number one for private customers among providers offering both mobile and home products. Furthermore, the company could improve its results in the SME category, reaching the second position in this year's ranking. These results are further testimony of the company's performance and service quality resulting from continuous investments.

Pascal Grieder, CEO, commented: *"This great result with continued strong customer gains in all segments further proves that we are heading in the right direction and sets us in a stronger position than ever. We are delighted to see our efforts rewarded with excellent customer feedback, captured in the BILANZ telecom rating, where Salt was ranked best universal provider for private customers".*

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About Salt: Salt is a Swiss telecommunications provider which owns and operates an extensive, high-quality mobile telecommunications network. With Start, Basic, Swiss, Europe, World, Young and Surf, Salt offers a comprehensive portfolio of personal, straightforward and efficient mobile flat rate subscriptions. At up to 1 Gbps and no extra costs, Salt customers can surf on the fastest available internet connection (4G+) – without any speed limitation. Salt's ultra-fast 4G+ network covers over 55% of the Swiss population and its 4G network covers even 99%.

Thanks to its ultrafast broadband solution called Salt Home, Salt provides a unique triple play service, which for the first time in Switzerland takes full advantage of the optical fiber technology by means of symmetrical data transmission rates of up to 10 Gbit/s. Salt Home can be combined in a gainful way with Salt's powerful mobile flat rate subscriptions.

Salt in figures: 1,340,400 postpaid customers (as of 30.06.2021), 103 Salt Stores and 4G coverage of 99% of Switzerland's population.