

Altice France Lux 3 S.A.



**Consolidated financial statements
and
report of the *réviseur d'entreprises agréé*
as of and for the year ended
December 31, 2025**

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management Discussion and Analysis (MD&A) serves as the consolidated management report within the meaning of article 1720-1 of the amended law of August 10, 1915 on commercial companies, as well as the report referred to in article 12.3 of the articles of association of Altice France Lux 3.

Basis of Presentation

Altice France Lux 3 (formerly Altice Holdings 1) (hereinafter the "Company") is a limited liability company (*société anonyme*) incorporated on October 16, 2023 in the Grand Duchy of Luxembourg with headquarters in Luxembourg. The Company is the parent company of a consolidated group (the "Group"). The Group is one of the largest group of companies operating in the telecommunications space in France and is part of a larger group with a common activity (the "Altice Group"). Hence, the Group has major positions in all segments of the French B2C, B2B, local authorities and wholesale telecommunication market.

As of December 31, 2025, Altice France Holding S.A. ("Altice France Holding") holds 55% of the capital of the Company. The ultimate controlling shareholder of the Company is Next Alt S.à r.l. ("Next Alt"), which is itself controlled by Mr. Patrick Drahi.

As of December 31, 2025, the Company holds indirectly all shares of Altice France S.A.S. ("Altice France") minus one preferred share.

The Group's activities cover the French telecommunication market including technical and customers services (Altice Technical Services France ("ATSF") and Altice Customer Services ("ACS")) (Refer to the "Significant Events – *Exclusivity agreement to sell Intelcia*" section). It also covered the French audiovisual market until the disposal of the Media division on July 2, 2024.

Following the closing of the Transaction, described in Note 4.1 – *Agreement with creditors* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025, the Company became the parent company of a subgroup including Altice France S.A.S. as from September 29, 2025.

The consolidated financial statements of the Group as of December 31, 2025 and for the year then ended (the "consolidated financial statements") were approved by the Board of Directors and authorized for issue on April 28, 2026.

Disclaimers

The following discussion and analysis is intended to assist in providing an understanding of the Group's financial condition, changes in financial condition and results of operations and should be read together with the consolidated financial statements of the Company as of and for the year ended December 31, 2025, including the accompanying notes. Some of the information in this discussion and analysis includes forward-looking statements that involve risks and uncertainties.

Unless the context otherwise requires, when used in this section, the terms "we", "our", the "Company", the "Group" and "us" refer to the business constituting the Group as of December 31, 2025, even though we may not have owned such business for the entire duration of the periods presented.

The Group applies International Financial Reporting Standards (IFRS) as endorsed in the European Union. Adjusted EBITDA and Capex are not defined in IFRS, they are "non-GAAP measures". Management believes that these measures are useful to readers of the Company's financial statements as they provide a measure of operating results excluding certain items that we believe are either outside of our recurring operating activities, or items that are non-cash. Excluding such items enables trends in our operating results and cash flow generation to be more easily observable. We use the non-GAAP measures internally to manage and assess the results of our operations, make decisions with respect to investments and allocation of resources, and assess the performance of management personnel. Such performance measures are also the de facto metrics used by investors and other members of the financial community to value other companies operating in our industry and thus are a basis for comparability between us and our peers. Moreover, our debt covenants are based on Adjusted EBITDA and other associated metrics.

Operational Activities

From time to time, we review the presentation of revenues generated by our operational activities to most closely align to the day-to-day operational and strategic divisions in which our business is managed.

Altice France is a key player in the telecom industry in France

Telecom networks have become an essential utility in the daily life of our users, be it for work, education, or entertainment. Therefore, we continue to invest heavily in our telecom infrastructure in order to propose the best of high speed fixed and mobile internet services to our customers with a high quality of service. We were amongst the first telecom operators to launch 3G then 4G and finally 5G services in France and were one of the first telecom companies to deploy fibre-to-the-home (FTTH) infrastructure. Backed by the strength of this infrastructure, we can service the most demanding customers such as large and small B2B clients and government agencies.

Key Factors Affecting Our Results of Operations

Our operations and the operating metrics discussed below have been, and may continue to be, affected by certain key factors as well as certain historical events and actions. The key factors affecting the ordinary course of our business and our results of operations include, among others, acquisitions and integration of acquired businesses, disposals, introduction of new products and services, including multi-play services, our pricing and cost structure, network upgrades, competition, macro-economic and political risks in the areas where we operate, debt service obligations including exposure to fluctuations in currency exchange rates and interest rates.

Acquisitions and Integration of Businesses, Disposals and Strategic Initiatives

We have from time to time made significant direct and indirect equity investments in, and divestments of, several cable and telecommunication businesses and ancillary service providers in various jurisdictions. Due to the significant nature of certain of these acquisitions, the comparability of our results of operations based on the historical consolidated financial information may be affected.

In general, our results of operations in historical periods have been impacted by actions taken and expenditures incurred to integrate these businesses. We have aimed to integrate and improve the businesses by focusing on several key areas including by (i) investing in our fibre network, migrating existing DSL subscribers to our own network and reducing the need for third party network services, (ii) improving and simplifying operational processes and reduce IT costs by investing in new platforms, (iii) integrating sales organizations, optimizing our sales channels and simplifying our brand portfolio, (iv) implementing procurement efficiencies by leveraging our bargaining power and (v) reducing overhead costs.

At the core of our long-term strategy is revenue generation, profitability, cash flow growth and deleveraging. We benefit from a unique asset base which is fully converged, fibre rich, active across consumers and businesses and holds the number two position in its market with nationwide fixed and mobile coverage. The continued operational focus offers value creation potential. In parallel, we are advancing preparations for potential asset disposals to capitalize on favorable market opportunities. Key elements of our strategy include:

- Operational and financial turnaround under the leadership of our management team;
- Optimizing commercial performance with a particular focus on customer services;
- Continuing to invest in best-in-class infrastructure commensurate with our market position; and
- Execution of opportunistic asset disposals aligned with value creation objectives.

For the year ended December 31, 2025, we incurred net restructuring and other non-recurring costs of €553 million against net restructuring and other non-recurring income of €2,777 million for the year ended December 31, 2024. Incomes and costs are included with respect to renegotiations or termination of contractual arrangements, employee redundancies, litigation, fees paid to external counsel, capital gain or loss on investing activities and other administrative expenses related to reorganization of existing or newly acquired businesses. As of December 31, 2025, the goodwill recorded on our balance sheet amounted to €9,313 million (€9,612 million as of December 31, 2024). Goodwill is subject to impairment reviews in accordance with IFRS and any impairment charge on goodwill would have a negative impact on operating profit. For the year ended December 31, 2024 and for the year ended December 31, 2025, we did not incur any impairment losses.

Pricing

We focus our product offerings on multi-play offers. In France, we offer multiple play (4P) offers at various price points based on the targeted clientele (low cost, no engagement period offers through our RED brand and more premium offers with the SFR brand). The French market remains highly competitive and hence extremely sensitive to pricing strategy. The cost of a multi-play subscription package generally depends on market conditions, our competitors' pricing of similar offerings and the content and add-ons available on each platform. In general, the greater the optionality, content and usage time included in the offering, the higher the price of the multi-play package. The prices of B2B contracts are negotiated individually with each customer. The B2B market for voice

services is extremely price-sensitive and entails very low margins as voice services are highly commoditized, involving sophisticated customers and relatively short-term contracts. Price competition is strongest in the large corporate and public-sector segments, whereas customer-adapted solutions are an important competitive focus in the medium and small business segments. We have tailored our targeted pricing strategy to account for these dynamics in France.

Cost Structure

We generally work towards achieving satisfactory operating margins in our business and focus on revenue-enhancing measures once we have achieved such margins. We continuously work towards optimizing our cost base by streamlining processes and service offerings, improving productivity by centralizing our business functions, reorganizing our procurement process, eliminating duplicative management functions and overhead, terminating lower-return projects and non-essential consulting and third-party service agreements, and investing in our employee relations and our culture. We are implementing common technological platforms across our networks to gain economies of scale, notably with respect to billing systems, network improvements and customer premises equipment and are investing in sales, marketing and innovation, including brand-building, enhancing our sales channels and automating provisioning and installation processes. We aim to achieve substantial reductions in our operating expenses as we implement uniform best practice operational processes across our organization.

Network Upgrades

Our ability to provide new or enhanced fixed-based services, including HDTV and VoD television services, broadband internet network access at increasing speeds and fixed-line telephony services as well as 3G, 4G and 5G mobile services to additional subscribers depends in part on our ability to upgrade our (i) cable and DSL networks by extending the fibre portion of our network, reducing the number of nodes per home passed and upgrading technical components of our network and (ii) mobile networks by investing in LTE as well as maintaining agreements with third parties to share mobile networks. Since 2015, we have increased our fibre deployment and upgraded a substantial part of our cable networks. For example, our cable networks are largely DOCSIS 3.0 enabled, which allows us to offer our customers high broadband internet access speeds and better HDTV services across our footprint. The Group also aims to continue the expansion of its fibre network in France and intends to capitalize on its past investments in improved fibre infrastructure. Furthermore, following the completion of the 5G spectrum allocation by the French government, we have obtained a total of 80 MHz of frequencies in the 3.4-3.8 GHz band. The Group accelerated the build-out of its 4G network since 2015 to have a 4G/4G+ population coverage of 99.9% as of December 31, 2025. The Group became the first player in the market to offer 5G technology to its customers on November 20, 2020 and continues to deploy 5G on the 3.5GHz band and also on the 2,100MHz band for additional coverage. As of December 31, 2025, more than 12,850 municipalities were covered in 5G (more than 16,000 radio sites) in all of France, with a 5G coverage of 86% of the population.

Based on the ARCEP 2024 mobile quality survey, SFR is the second-best mobile network (ARCEP 2024 measurement campaign on the quality of mobile services in mainland France, published on June 26, 2025).

In each of the past three years, we have incurred significant capital expenditure (around 17%-20% of total consolidated revenues), a significant portion of which was spent to improve our mobile network and to connect new fibre homes. We are among the market leaders in very high-speed internet in terms of number of fibre homes passed. Our capital expenditure (accrued) amounted to €1,560 million for the year ended December 31, 2025, and €2,095 million for the year ended December 31, 2024.

Competition

We face significant competition and competitive pressures in the French market. Moreover, our products and services are subject to increasing competition from alternative new technologies or improvements in existing technologies.

With respect to our B2C activities, we face competition from telephone companies and other providers of DSL, VDSL2 and fibre network connections. With respect to pay-TV services, we are faced with growing competition from alternative methods for broadcasting television services other than through traditional cable networks. For example, online content aggregators which broadcast over-the-top (“OTT”) programs on a broadband network, such as Internet competitors Amazon, Apple, Google, Disney+ and Netflix, are expected to grow stronger in the future. Connected or ‘smart’ TVs facilitate the use of these services. With respect to the fixed line and mobile telephony markets, the industry has experienced a shift in usage from fixed line telephony to mobile telephony and we face intensive competition from established telephone companies, MVNOs and providers of new technologies such as VoIP.

In the competitive B2B data services market, price pressure has been strong. Conversely, the use of data transmission services has significantly increased. The Group is currently facing competition from software providers and other IT providers of data and network solutions, and the line between them and the suppliers of data infrastructure and solutions like the Group has become increasingly blurred. Partnerships between IT providers and infrastructure providers are becoming more and more common and are an additional source of competition but also an opportunity. Being able to face the competition efficiently depends in part on the density of the network, and certain competitors of the Group have a broader and denser network. In recent years, the B2B market has experienced a structural change marked by a move from traditional switched voice services to VoIP services.

In the French pay-TV market, we compete mostly with 3P and/or 4P operators such as Orange, Free and Bouygues Telecom, which provide Internet Protocol TV (“IPTV”), and providers of pay digital terrestrial television (“DTT”). In the broadband market, we compete primarily with fibre providers such as Orange (the leading DSL provider in France), Free and Bouygues Telecom. Our competitors continue to invest in fibre network technology which has resulted in additional competition to its fibre-based services. In the French mobile telephony market, we compete with well-established mobile network operators such as Orange, Bouygues Telecom and Free.

The acceleration of our fibre deployment in France, notably expanding FTTH coverage in low-density and rural areas, should support better fibre subscriber trends as the addressable market for very high-speed broadband services expands. In the wholesale market, we compete with established players (the incumbent Orange mainly), and with local operators (including Altitude Telecom, among others).

Macroeconomic and Political Developments

Our operations are subject to macroeconomic and political risks that are outside of our control. For example, high levels of sovereign debt in certain European countries, high inflation, weak growth, factors such as geopolitical tension and political unrest in international markets, interruptions in transportation systems, interruptions in production and supply chain systems, high unemployment, and continued uncertainty caused by the pandemic, could lead to low consumer demand, fiscal reforms (including austerity measures), sovereign debt restructurings, currency instability, increased counterparty credit risk, high levels of volatility and, potentially, disruptions in the credit and equity markets, as well as other outcomes that might adversely impact our financial condition.

The current macroeconomic environment is volatile, and continuing instability in global markets, including instability related to geopolitical conflicts (Russia/Ukraine, Middle East) and related sanctions, international trade, tariffs, sovereign debt issues, Brexit, the risk of inflation, the stability of the euro and natural disasters, have contributed to a challenging global economic environment.

The evolution of the situation in Ukraine is uncertain and is closely followed by the Group with respect to potential indirect consequences on the financial markets that could impact refinancing conditions in the future. The Group has no direct interests in Ukraine and the areas of conflict and as a result, the Group estimates that the situation in Ukraine will have limited effects on its operations and financial performance for future periods.

Fluctuations in Currency Exchange Rates and Interest Rates

Our reporting currency is euros and most of our operations are conducted in euros. We are exposed to the US Dollar and variable interest rates as part of our debt obligations. However, we have entered into hedging operations to mitigate risk related to variations in the US Dollar and a majority of our debt is fixed rate debt, thus reducing the risk of an increase in benchmark interest rates having a material impact on our interest obligations.

Key Performance Indicators

We use certain key performance indicators specified below to track the financial and operating performance of our business. None of these terms are measures of financial performance under IFRS, nor have these measures been audited or reviewed by an auditor, consultant or expert. All of these measures are derived from our internal operating and financial systems. As defined by our management, these terms may not be directly comparable to similar terms used by competitors or other companies.

The table below details the Group’s key operating data as of December 31, 2025 and December 31, 2024:

	As of December 31, 2025	As of December 31, 2024
	(in thousand)	
Fibre homes passed ⁽¹⁾	41,826	40,124
Total fibre customers ⁽²⁾	5,380	5,082
Total fixed customers	6,025	6,133
Total mobile subscribers ⁽³⁾	19,422	19,403

- (1) Includes fibre homes passed by XpFibre.
- (2) Total fibre customers represent the number of end users who have subscribed for one or more of our fibre /cable-based services (including pay television, broadband or telephony), without regard to how many services to which the end user subscribed. Fibre customer base for France includes FTTH, FTTB and 4G Box customers and excludes white-label wholesale customers.
- (3) Total mobile subscribers are equal to the net number of lines or SIM cards that have been activated on the Group’s mobile network, includes 4G dongle subscribers as of December 31, 2025, and excludes M2M SIM cards.

Discussion and Analysis of Results of Operations of the Company

The below table sets forth our consolidated statement of income for the years ended December 31, 2025 and December 31, 2024, with the variation between the periods:

Consolidated statement of income (€m)	December 31, 2025	December 31, 2024	Change
Revenues	9,382.4	10,368.4	(9.5)%
Purchasing and subcontracting costs	(2,264.8)	(2,642.1)	(14.3)%
Other operating expenses	(1,673.0)	(1,892.1)	(11.6)%
Staff costs and employee benefits	(1,096.5)	(1,174.1)	(6.6)%
Depreciation, amortisation and impairment	(2,975.2)	(3,069.3)	(3.1)%
Other expenses and income	(553.3)	2,777.4	nm
Operating profit	819.6	4,368.1	nm
Interest relative to gross financial debt	(1,269.7)	(1,237.4)	2.6%
Realised and unrealised gain/(loss) on derivative instruments linked to financial debt	(334.7)	(18.3)	nm
Finance income	505.5	160.8	nm
Other financial expenses	(1,219.9)	(764.6)	nm
Net result on extinguishment and remeasurement of financial liabilities	(110.0)	3.8	nm
Finance costs, net	(2,428.8)	(1,855.7)	30.9%
Share in earnings/(losses) of associates and joint ventures	(123.7)	(54.1)	nm
Income tax benefit/(expenses)	(89.8)	(483.8)	nm
Profit/(loss)	(1,822.7)	1,974.5	nm
<i>Attributable to equity holders of the parent</i>	<i>(1,852.1)</i>	<i>1,942.4</i>	<i>nm</i>
<i>Attributable to non-controlling interests</i>	<i>29.4</i>	<i>32.2</i>	<i>nm</i>

Significant Events

Agreement with creditors

On February 26, 2025, Altice France announced that it had reached an agreement with a group of holders of its senior secured notes (the “Altice France Senior Notes”) and term loans (the “Altice France Term Loans” and together with the Altice France Senior Notes, the “Altice France Secured Debt”) (the “Transaction”). The Transaction also includes an agreement on debt of Altice France’s parent, Altice France Holding, with certain holders of the senior notes at that entity (the “Altice France Holding Senior Debt”).

The terms of the Transaction were documented in framework agreements between, notably, Altice France, Altice France Holding and certain holders of Altice France Secured Debt and of Altice France Holding Senior Debt (each a “Framework Agreement” and, respectively, the “OpCo Framework Agreement” and the “HoldCo Framework Agreement”).

Altice France launched a solicitation for creditors to accede to the relevant Framework Agreement and provide binding consents to support the Transaction.

In addition, Altice France agreed with the ad hoc group of its creditors and the consenting Altice France Holding’s creditors on key terms of governance, shareholder rights and terms of the new debt to be issued by Altice France

and the Company. Altice France also agreed to recontribute previously unrestricted assets to the Altice France's restricted perimeter as part of the Transaction. In this context, on March 21, 2025, Altice XPM (owning the shares in XpFibre and cash and cash equivalents) was transferred back to Altice France's scope.

On March 17, 2025, Altice France and Altice France Holding announced that the achieved levels of creditor support for the Transaction enable Altice France to implement the Transaction by way of restructuring proceedings in France with the benefit of overwhelming stakeholder support and for Altice France Holding to implement the Transaction on an out-of-court basis without a judicial proceeding, with the following levels of support provided:

- creditors representing at least 90% of the Altice France Senior Notes and creditors holding at least 90% of the Altice France Term Loans have submitted accessions to the OpCo Framework Agreement;
- creditors representing at least 90% of Altice France Holding Senior Debt have submitted accessions to the HoldCo Framework Agreement; and
- accessions have been received for at least 90% of each tranche of Altice France Senior Notes and Altice France Holding Senior Debt.

On March 28, 2025, Altice France and some of its subsidiaries (Altice B2B France SAS, Completel SAS, Numericable US LLC, SFR Fibre SAS, SFR Presse SAS, SFR Presse Distribution SAS, Ypso France SAS and Société Française du Radiotéléphone – SFR SA, together with Altice France, the “Companies”) announced the opening of conciliation proceedings by the President of the Paris Economic Court (*Tribunal des Activités Économiques de Paris*) to implement the Transaction.

On May 27, 2025, Altice France announced that it has reached an agreement with a group of holders of its RCF on the Transaction. Following such agreement and as a further step of the implementation of the Transaction, Altice France announced that it has, together with the other Companies, requested from the Paris Economic Court (*Tribunal des Activités Économiques de Paris*) the opening of accelerated safeguard proceedings.

On June 10, 2025, the Companies announced the opening of accelerated safeguard proceedings by the Paris Economic Court (*Tribunal des Activités Économiques de Paris*) (the “Accelerated Safeguard Proceedings”) for an initial period of two months.

On June 19, 2025, the Companies announced the commencement of chapter 15 cases (the “Chapter 15 Cases”) in the Bankruptcy Court for the Southern District of New York to seek recognition of the Accelerated Safeguard Proceedings.

On July 9, 2025, Altice France announced that, as part of the Accelerated Safeguard Proceedings, the vote of the classes of affected parties on the draft accelerated safeguard plans of the Companies ended on July 8, 2025, and the court-appointed judicial administrators of the Companies confirmed the unanimous votes cast in favour of such accelerated safeguard plans across all classes.

On July 29, 2025, the Companies announced the entry by the Bankruptcy Court for the Southern District of New York of an order recognising the Accelerated Safeguard Proceedings as foreign main proceedings.

On August 4, 2025, Altice France announced that the Paris Economic Court issued nine rulings approving the accelerated safeguard plans of the Companies.

On August 19, 2025, Altice France and Altice France Holding announced that they have launched their respective implementation phase of the Transaction. As part of the pre-closing steps preceding the Transaction, certain intercompany balances with the Altice Group were extinguished. In addition, Altice France transferred an amount of €2,448.9 million to an escrow account which was settled on October 1, 2025.

On October 1, 2025, Altice France completed its financial restructuring, fully implementing the accelerated safeguard plans for itself and the other Companies, along with Altice France Holding.

Under the terms of the Transaction, creditors of Altice France and Altice France Holding that have acceded to the Framework Agreements prior to March 19, 2025 received a premium paid in cash of 2.5 percent of the principal amount of Altice France Secured Debt and Altice France Holding Senior Debt (for a total amount for €438.1 million, due to below 100% early participation) at closing. Absent full early participation, the cash amounts which were not allocated via the premium were distributed pro rata to all Altice France's and Altice France Holding's creditors, respectively, as additional cash consideration in the restructuring proceedings.

In exchange for their existing Altice France Secured Debt, creditors received the following consideration:

- a cash payment of approximately €1.3 billion (or 7.6 cents per €1 equivalent of Altice France Secured Debt plus an additional amount due to below 100% early participation), as well as accrued interest through implementation of the Transaction;
- an additional premium paid in cash at closing of 2.5 percent of the principal amount of Altice France Secured Debt for creditors that signed onto the Transaction prior to March 19, 2025;
- approximately 77.0 cents of new secured debt instruments issued by Altice France (the “New Secured Debt”) with a 2.75-year maturity extension vs. the existing Altice France Secured Debt tranches and an approximately 137.5 basis point increase in rate (which implies approximately €14.8 billion of New Secured Debt); and

- an aggregate equity stake of 31% of the Company in common equity.

Altice France Holding's creditors received the following consideration:

- a cash payment of approximately €0.1 billion (or 2.5 cents per €1 of Altice France Holding Senior Debt plus an additional amount due to below 100% early participation), as well as accrued interest through March 31, 2025;
- an additional premium paid in cash at closing of 2.5 percent of the principal amount of Altice France Holding Senior Debt for creditors that signed onto the Transaction prior to March 19, 2025;
- 20.0 cents of new debt due January 2033 issued by the Company (the "New AFL 3 Debt") with the USD-equivalent of a 9.125% EUR coupon (which implies approximately €0.9 billion of New AFL 3 Debt);
- an aggregate equity stake of 14% of the Company in common equity; and
- contingent value rights issued by Altice France Holding.

As part of the Transaction, Altice France has agreed to significantly tighter financial covenants, including more restrictive incurrence covenants that limit the ability to raise additional liquidity and incur new indebtedness (Refer to Note 33.1 – *Commitments to related to bonds and term loans* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025).

On October 1, 2025, the following operations, inter alia, occurred:

- With respect to the Altice France Secured Debt, including the RCF:
 - a cash payment was made by Altice France to the creditors for a total amount of €2,453.5 million corresponding to (i) a portion of the principal amount of the Altice France Secured Debt for €1,347.2 million, (ii) the related accrued interest for an amount of €668.9 million; and (iii) an additional premium for an amount of €438.1 million;
 - the issuance of the New Secured Debt for a total nominal amount of €14,813.4 million;
 - the refinancing of the RCF for a nominal amount of €1,201 million;
 - the capitalisation of a portion of the Altice France Secured Debt through the issuance of new shares of Altice France; and
- The settlement of the intercompany balances with Altice France Holding through a share premium distribution amounting to €2,717 million.

The main accounting impacts of the Transaction recorded during the fourth quarter of 2025 are the following:

- With respect to the Altice France Secured Debt:
 - the portion of the principal and interest repaid in cash was considered as an extinguishment of the financial debt. The unamortised deferred transaction costs related to these financial liabilities were recognised in the statement of income for an amount of €(120.0) million (Refer to the *Finance costs, net* section);
 - the remaining amount was derecognised in counterpart of (i) the recognition at fair value of the new shares issued (as of the closing date) based on the provisions of IFRIC 19 – *Extinguishing Financial Liabilities with Equity Instruments*, and (ii) the recognition at fair value of the New Secured Debt (at the closing date) as the transaction was considered as a substantial modification of the contractual terms of the Altice France Secured Debt based on the provisions of IFRS 9;
 - the difference between the nominal value and the fair value of the New Secured Debt and the New AFL 3 Debt as of October 1, 2025, was a gain of €597.2 million recognised in the statement of income;
 - the Group applied significant judgment in assessing the fair value of the New Secured Debt and the New AFL 3 Debt at initial recognition and the fair value of the equity instruments issued as there are no quoted prices for these instruments (shares issued and term loans) at the date of the Transaction or there were no available quoted prices at this date for the notes. With this respect, at the initial recognition (as of October 1, 2025), the fair value for these new instruments was based on a "level 2" fair value for the bonds and a "level 3" fair value for the term loans and unquoted shares.
- With respect to the equity instruments issued, Altice France relies on a multiple criteria valuation.
- Finally, the transaction costs for an amount of €565.9 million (including the €438.1 million of additional premium paid to the creditors) were recognised in the statement of income (Refer to the *Finance costs, net* section).

Following the implementation of the Transaction, the accounting treatment is as follows:

- the New Secured Debt arising from the Transaction initially recognised at fair value for an amount of €14,301.2 million is subsequently measured at amortised costs using the effective interest method. The New Secured Debt's characteristics are presented in Note 24 – *Financial liabilities* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025;

- the New AFL 3 Debt arising from the Transaction initially recognised at fair value for an amount of €693.8 million is subsequently measured at amortised costs using the effective interest method. The New AFL 3 Debt's characteristics are presented in Note 24 – *Financial liabilities* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025; and
- the equity instruments issued in the context of the Transaction are not subsequently remeasured at fair value.

Participation in XpFibre Holding

In the context of the Transaction (Refer to the “Significant Events – *Agreement with creditors*” section), on March 21, 2025, Altice XPM (which holds a participation of 50.01% in XpFibre Holding) was transferred back by Altice Luxembourg to the Group as repayment of the vendor loan (Refer to Note 4.5 – *Participation in XpFibre Holding*, Note 17 – *Non-current financial assets and other assets* and Note 32.3 – (Related parties' transactions) – *Shareholders* in the Altice France's 2024 consolidated financial statements).

Disposal of Infracos

On July 29, 2025, SFR and Bouygues Telecom announced they had entered into exclusive negotiations with Phoenix Tower International with a view to selling 100% of the share capital and voting rights of Infracos (SFR and Bouygues Telecom each held a 50% stake in the company).

Infracos is a joint venture created in 2014 by SFR and Bouygues Telecom as part of the implementation of the "Crozon" agreements, which enable the deployment and operation of shared radio sites in less dense areas in France.

On November 4, 2025, the “*Autorité de la concurrence: ADLC*” (French Competition Authority) authorized the takeover of Infracos by Phoenix Tower International.

On November 18, 2025, SFR and Bouygues Telecom signed a sale and purchase agreement with Phoenix Tower International.

The transaction closed on December 22, 2025 (Refer to the “*Adjusted EBITDA*” section).

Exclusivity agreement to sell Intelcia

On November 24, 2025, Altice France signed an agreement with Intelcia Holding (a company wholly owned by the current Intelcia's management), with a view to selling its 65% stake in Intelcia.

Intelcia is engaged in the provision of outsourced customer experience management, consulting and digital transformation services. Altice France will continue to be a key customer of Intelcia.

During the fourth quarter of 2025, the assets and associated liabilities were classified as held for sale based on IFRS 5 (Refer to Note 22 – *Assets and associated liabilities held for sale* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025). As a consequence of the classification as held for sale, an impairment was recognised for an amount of €56.9 million (Refer to the “*Other expenses and income*” section).

The transaction closed on April 28, 2026.

Revenue

The table below sets forth the Group's revenue by lines of activity which the Group operated for the years ended December 31, 2025 and December 31, 2024, respectively:

Revenue	December 31,	December 31,	Change
(€m)	2025	2024	
Residential – Fixed	2,536.4	2,699.9	(6.1)%
Residential – Mobile	3,200.2	3,603.1	(11.2)%
Business services	2,778.0	2,976.1	(6.7)%
Total Telecom excluding equipment sales	8,514.6	9,279.0	(8.2)%
Equipment sales	862.4	904.0	(4.6)%
Media	5.3	185.4	nm
Total	9,382.4	10,368.4	(9.5)%

For the year ended December 31, 2025, the Group generated total revenues of €9,382 million, a 9.5% decrease compared to €10,368 million for the year ended December 31, 2024. The decrease in total revenues was partly driven by the reduction of the residential customers base over the past twelve months and by the sale of the Media division.

The Group's residential fixed segment revenues decreased by 6.1% from €2,700 million for the year ended December 31, 2024, to €2,536 million for the year ended December 31, 2025. This decrease was mainly due to the reduction of the residential fixed customers base over the past twelve months and the decline in revenue from end-customer cabling.

Revenues for the Group's residential mobile services decreased by 11.2% from €3,603 million for the year ended December 31, 2024, to €3,200 million for the year ended December 31, 2025. This trend was partly driven by the reduction of the residential mobile customers base over the past twelve months, in addition to a competitive pricing environment, especially at the low-end of the mobile market.

Revenues from the business services segment decreased by 6.7% from €2,976 million for the year ended December 31, 2024, to €2,778 million for the year ended December 31, 2025. This decrease was mainly driven by the impact of a decrease in revenues from the construction activity.

Equipment sales revenues amounted to €862 million for the year ended December 31, 2025, compared to €904 million for the year ended December 31, 2024. This decrease was related to the reduction of the residential mobile revenue.

Adjusted EBITDA

The following table presents the reconciliation of the operating profit in the consolidated financial statements to Adjusted EBITDA:

Operating profit (€m)	December 31, 2025	December 31, 2024	Change
Revenue	9,382.4	10,368.4	(9.5)%
Purchasing and subcontracting costs	(2,264.8)	(2,642.1)	(14.3)%
Other operating expenses	(1,673.0)	(1,892.1)	(11.6)%
Staff costs and employee benefits	(1,096.5)	(1,174.1)	(6.6)%
Total	4,348.1	4,660.1	(6.7)%
Rental expense operating lease	(1,277.2)	(1,231.1)	3.7%
Adjusted EBITDA	3,070.9	3,429.0	(10.4)%
Depreciation, amortisation and impairment	(2,975.2)	(3,069.3)	(3.1)%
Other expenses and income	(553.3)	2,777.4	nm
Rental expense operating lease	1,277.2	1,231.1	3.7%
Operating profit	819.6	4,368.1	nm

For the year ended December 31, 2025, Adjusted EBITDA amounted to €3,071 million, a decrease of 10.4% compared to €3,429 million for the year ended December 31, 2024. This decrease was driven by (i) a decrease in revenue partially offset by (ii) a decrease in purchasing and subcontracting costs and in other operating expenses.

Purchasing and subcontracting

Purchasing and subcontracting costs decreased by 14.3%, from €2,642 million in the year ended December 31, 2024 to €2,265 million in the year ended December 31, 2025. This decrease was related to lower residential mobile, business services revenues and construction costs.

Other operating expenses

Other operating expenses decreased by 11.6%, from €1,892 million in the year ended December 31, 2024 to €1,673 million in the year ended December 31, 2025. This decrease is mainly driven by the decrease of customer services and sales expenses.

Staff costs and employee benefit expenses

Staff costs and employee benefit expenses decreased by 6.6%, from €1,174 million in the year ended December 31, 2024 to €1,096 million in the year ended December 31, 2025. The number of FTEs is 33,369 as of December 31, 2025 and 37,306. as of December 31, 2024.

Depreciation, amortisation and impairment

For the year ended December 31, 2025, depreciation and amortisation totalled €2,975 million, a decrease of 3.1% compared to €3,069 million for the year ended December 31, 2024.

Other expenses and income

The following table presents the breakdown of other expenses and income:

Other expenses and income (€m)	December 31, 2025	December 31, 2024	Change
Net restructuring costs	(1.9)	2.4	<i>nm</i>
Litigation	(17.2)	(64.4)	<i>nm</i>
Gain and loss on disposal of property, plant, equipment and intangible assets	44.9	(1.7)	<i>nm</i>
Other	(579.0)	2,841.1	<i>nm</i>
Other expenses and income	(553.3)	2,777.4	<i>nm</i>

For the year ended December 31, 2025, other expenses and income include (i) an expense of €96.5 million following the signing of a settlement agreement with XpFibre Holding, (ii) a net loss on the disposal of Infracos to Phoenix Tower International of €284.6 million of which a capital gain of €267.4 million on the disposal decreased by an amount of €552.0 million due to the subsequent lease back of its sites in application of IFRS 16 – *Leases* (sale and lease back transaction) and (iii) a depreciation of the goodwill related to Intelcia for an amount of €56.9 million (Refer to Note 11.1 – *Goodwill* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025).

For the year ended December 31, 2024, other expenses and income include capital gains related to the disposals of UltraEdge, XpFibre Holding, the Media division and La Poste Telecom for an aggregate amount of €3.0 billion.

Finance costs, net

Net finance costs amounted to €2,429 million for the year ended December 31, 2025, compared to €1,856 million for the year ended December 31, 2024.

The following table presents the breakdown of the finance costs:

Finance costs, net (€m)	December 31, 2025	December 31, 2024	Change
Interest relative to gross financial debt	(1,269.7)	(1,237.4)	2.6%
Realised and unrealised gains/(loss) on derivative instruments (a)	(334.7)	(18.3)	<i>nm</i>
Finance income (b)	505.5	160.8	<i>nm</i>
Provisions, unwinding of discount and impairment	(19.8)	(21.3)	<i>nm</i>
Interest related to lease liabilities	(660.7)	(590.6)	11.9%
Other (c)	(539.5)	(152.7)	<i>nm</i>
Other financial expenses	(1,219.9)	(764.6)	<i>nm</i>
Net result on extinguishment and remeasurement of financial liabilities (d)	(110.0)	3.8	<i>nm</i>
Finance costs, net	(2,428.8)	(1,855.7)	30.9%

(a) Includes the impact from the restructuring of swaps related to the restructuring of the Altice France Secured Debt.

(b) Of which €303.1 million related to the exchange rate impact of the extinguishment of the Altice France Secured Debt prior to the restructuring. The remaining amount corresponds to interest on cash equivalents and on loans and current accounts with the companies of the Altice Group.

(c) Includes the warrants issued by the Company for an amount of €320 million (Refer to Note 24.9 – *Warrants* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025).

(d) Includes (i) fees related to the Transaction for an amount of €(127.8) million, (ii) an additional premium for an amount of €(438.1) million, (iii) the impact of the recognition of the New Secured Debt and the New AFL 3 Debt at fair value net of amortised cost and the impact of the extinguishment of the debt prior to the restructuring through the issuance of new shares for an amount of €575.9 million, and (iv) an unamortised deferred transaction costs related to the financial liabilities recognised in the statement of income for an amount of €(120.0) million (Refer to the “Significant Events – *Agreement with creditors*” section).

Share in earnings/(losses) of associates and joint ventures

For the year ended December 31, 2025, share in loss of associates and joint ventures amounted to €124 million (€54 million for the year ended December 31, 2024) and mainly included the share in loss of XpFibre Holding.

Income tax benefit/(expenses)

Income tax expenses amounted to €90 million for the year ended December 31, 2025 (€484 million for the year ended December 31, 2024). Based on the five-year business plan, the deferred tax assets as of December 31, 2025 was fully depreciated.

Liquidity and Capital Resources

Cash and Debt Profile of the Group

As of December 31, 2025, consolidated cash and cash equivalents amounted to €879 million on an actual basis.

The following table sets forth details of the Group's financial liabilities:

Financial liabilities breakdown (€m)	Current		Non-current		Total	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Bonds (a) (b)	299.4	896.4	8,411.2	11,587.3	8,710.6	12,483.7
Loans from financial institutions (b)	250.1	733.4	6,345.0	7,850.7	6,595.1	8,584.1
Derivative financial instruments	62.4	111.0	1,185.7	191.0	1,248.1	302.0
Borrowings, financial liabilities and related derivative instruments (*)	611.9	1,740.8	15,941.9	19,629.0	16,553.8	21,369.8
Finance lease liabilities	1.2	5.5	1.1	13.1	2.3	18.5
Operating lease liabilities	795.2	583.8	6,935.0	5,343.9	7,730.2	5,927.8
Lease liabilities	796.4	589.3	6,936.2	5,357.0	7,732.6	5,946.3
Deposits received from customers	9.2	11.2	43.4	50.6	52.7	61.7
Bank overdrafts	0.4	3.1	-	-	0.4	3.1
Securitisation	771.6	796.2	-	-	771.6	796.2
Warrants	-	-	320.0	-	320.0	-
Debt Altice Group and other (c)	141.3	156.2	2.2	15.5	143.5	171.7
Other financial liabilities	922.4	966.8	365.6	66.1	1,288.0	1,032.9
Total financial liabilities	2,330.7	3,296.9	23,243.7	25,052.0	25,574.4	28,348.9

(*) Including accrued interest.

(a) EUR Notes at maturity 2025 have been reimbursed for a total amount of €709.3 million in the first quarter of 2025 (Refer to Note 24.2 – *Bonds* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025).

(b) Notes and Loans from financial institutions were successfully restructured on October 1, 2025, reducing the Group's financial indebtedness. Current maturities arise partly from the commitments related with assets disposals proceeds in 2025 (Refer to Note 24.5 – *Senior secured debt liquidity risk* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025). As of December 31, 2025, the amounts correspond to the fair value of the New Secured Debt and the New AFL 3 Debt as at October 1, 2025, and the amortised cost from that date (Refer to the "Significant Events – *Agreement with creditors*" section).

(c) Of which ACS put option: €133.1 million (€136.2 million as of December 31, 2024).

Total third-party debt on an amortised cost basis as of December 31, 2025, was €8,711 million relating to bonds and €6,595 million relating to loans from financial institutions.

The fair value of the warrants in the Group's consolidated financial statements as of December 31, 2025, amounts to €320 million and has been determined using a binomial valuation model prepared by an external valuer.

As of December 31, 2025, we recorded liabilities related to the capitalization of our operating leases, resulting from the application of IFRS 16. As of December 31, 2025, the total amount of lease liabilities amounted to €7,733 million.

The terms of our debt instruments contain certain restrictions, including covenants that restrict our ability to incur additional debt. As a result, additional debt financing is only a potential source of liquidity if the incurrence of any new debt is permitted by the terms of our existing debt instruments.

Sources of Liquidity

The Group's principal source of liquidity is expected to be the operating cash flows of its operating subsidiaries and, if required, borrowings under the existing revolving credit facility. As of December 31, 2025, the existing revolving credit facility, which provided for commitments in an aggregate amount of €1,201 million, was fully drawn. The Group can also generate additional liquidity through its securitisation arrangements.

We expect to use these sources of liquidity to fund operating expenses, working capital requirements, capital expenditures, debt service requirements and other liquidity requirements that may arise from time to time. The availability of borrowings under the existing revolving credit facility was conditioned upon compliance with specified leverage ratios. Our ability to generate cash from our operations will depend on our future operating performance, which is in turn dependent, to some extent, on general economic, financial, competitive, market, regulatory and other factors, many of which are beyond our control.

We believe that our cash and cash equivalents, the cash provided from the operations of our operating subsidiaries and any available borrowings under the existing revolving credit facility will be sufficient to fund our currently anticipated working capital needs, capital expenditures, and debt service requirements during the next 12 months, although no assurance can be given that this will be the case.

Any refinancing or additional capital raise may increase our borrowing costs and/or make it more difficult for us to obtain financing for our operations or for us to refinance existing indebtedness on favourable terms. This may further increase our cost of capital and may require us to devote a higher percentage of our cash flow to interest payments, which could have a material adverse effect on our financial results. Any such refinancing, restructuring or additional capital raise could have a material adverse effect on our business, results of operations and/or financial condition. In addition, our borrowing costs can be affected by short and long-term debt ratings assigned by independent rating agencies, which are based, in significant part, on, among other factors, our performance as measured by their credit metrics. The recent decrease in these ratings by both Moody's and S&P would likely increase our cost of borrowing and/or make it more difficult for us to obtain financing.

Issuance of debt by the Company and its subsidiaries is subject to incurrence based covenants, which do not require ongoing compliance with financial ratios (other than under the existing revolving credit facility), but place certain limitations on the relevant group's ability to, among other things, incur or guarantee additional debt (including to finance new acquisitions), create liens, pay dividends and other distributions to shareholders or prepay subordinated indebtedness, make investments, sell assets, engage in affiliate transactions or engage in mergers or consolidations. These covenants are subject to several important exceptions and qualifications.

Subject to limited exceptions contained in the debt instruments governing the New Secured Debt and the New AFL 3 Debt, to be able to incur additional debt under an applicable debt instrument, the relevant restricted group must meet the ratio test described below (on a *pro forma* basis for any contemplated transaction giving rise to the debt incurrence):

- Incurrence of indebtedness by Altice France and its subsidiaries under the debt instruments governing the New Secured Debt is subject to a consolidated net leverage incurrence test of 2.0:1.0 (Adjusted EBITDA to net debt). Altice France and its subsidiaries are allowed to fully consolidate the Adjusted EBITDA from (i) any subsidiaries in which they have a controlling interest (up to the aggregate amount of cash or cash equivalents actually distributed or that could have been distributed by such entity) and (ii) the subsidiaries that are in the restricted group as defined in the relevant debt instruments;
- Incurrence of additional indebtedness under the debt instruments governing the New AFL 3 Debt is subject to a consolidated net leverage ratio incurrence test of 2.25:1.0., in the case of unsecured debt incurred by the Company or its subsidiaries and, with respect to senior secured debt incurred by Altice France or its subsidiaries that are in the restricted group under the debt instruments governing the New Secured Debt, subject to a consolidated net senior secured leverage ratio incurrence test of 2.0:1.0.

Working Capital

As of December 31, 2025, the Group had a negative working capital of €1,956 million (comprising inventories, trade and other receivables and contract assets, minus trade and other payables, contract liabilities and other current liabilities). The negative working capital position is structural and follows industry norms. Customers generally pay subscription revenues early or mid-month, with short days of sales outstanding, and suppliers are paid in the beginning of the following month, thus generating a negative working capital. Payables due the following month are generally covered by operating cash flow. The Group expects that operating cash flows and, if required, available borrowings under the existing revolving credit facility will be sufficient to meet its working capital requirements during the next twelve months.

Selected Cash Flow Data

Consolidated statement of cash flows	December 31,	December 31,
(€m)	2025	2024
Net cash flow provided (used) by operating activities	4,083.6	4,786.0
Net cash flow provided (used) by investing activities	(629.6)	39.4
Net cash flow provided (used) by financing activities	(5,388.4)	(2,411.7)
Net increase (decrease) in cash and cash equivalents	(1,934.3)	2,413.7
Classification of cash as held for sale at end of period	(52.9)	-
Effects of exchange rate changes on the balance of cash held in foreign currencies	(1.1)	2.3
Cash and cash equivalents at beginning of period	2,867.1	451.1
Cash and cash equivalents at end of period	878.7	2,867.1

Net cash provided by/(used in) operating activities

Net cash provided by operating activities amounted to €4,084 million for the year ended December 31, 2025 compared to €4,786 million for the year ended December 31, 2024. This trend was mainly the result of (i) less

favourable working capital variation in the year ended December 31, 2025 compared to the year ended December 31, 2024 (€42 million compared to €368 million) and (ii) lower Adjusted EBITDA for the year ended December 31, 2025 compared to the year ended December 31, 2024 (€3,071 million compared to €3,429 million).

Net cash provided by/ (used in) investing activities

For the year ended December 31, 2025, the Group recorded a net cash outflow for investing activities for an amount of €630 million, compared to a net cash inflow of €39 million for the year ended December 31, 2024. The difference was attributed to (i) proceeds from disposal of consolidated entities, net of cash disposed (€392 million for the year ended December 31, 2025 compared to €2,495 million the year ended December 31, 2024), (ii) shareholder loan repaid by XpFibre Holding (€530 million for the year ended December 31, 2024) partially offset by (iii) inflow and outflow related to Altice XPM cash and cash equivalents (€838 million for the year ended December 31, 2025 compared to €(828) million for the year ended December 31, 2024) and (iv) lower payments to acquire tangible and intangible assets (€1,825 million for the year ended December 31, 2025 compared to €2,086 million for the year ended December 31, 2024).

Net cash flow provided by/ (used in) financing activities

For the year ended December 31, 2025, the Group used more cash for financing activities (€5,388 million) compared to the year ended December 31, 2024 (€2,412 million). The difference was mainly due to (i) the variation of senior debt issuance net of repayment (€(1,823) million for the year ended December 31, 2025 compared to €160 million for the year ended December 31, 2024), (ii) lower dividends received (€92 million for the year ended December 31, 2025 compared to €549 million for the year ended December 31, 2024), (iii) an additional premium and fees related to the Transaction with creditors (Refer to the significant events - “*Agreement with creditors*” section) for an amount of €530 million for the year ended December 31, 2025.

Other disclosures

Unrecognised Contractual Commitments

The Group has other contractual obligations incurred in the ordinary course of business, including commitments relating to building or upgrading network infrastructure, purchase of set-top boxes, modems, mobile handsets and other end-user equipment and various maintenance and support contracts primarily relating to the maintenance and support of network infrastructure and equipment, purchase commitments for content, royalty payments to regulatory authorities and authors’ rights to societies and commitments under interconnection contracts. Refer to Note 33.1 – *Commitments to related to bonds and term loans* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025.

Defined Benefit and Defined Contribution Pension Plans

In addition, the Group has obligations under defined benefit and defined contribution pension plans. Its cash outflow relating to these obligations will vary depending on many factors. In the case of defined benefit plans, the Group has recognised a liability regarding employee benefits in the statement of financial position of the Group which represents the present value of the defined benefits liability less the fair value of the plan assets, and the past service costs. The liability in respect of defined benefit plans is determined using actuarial valuations. The actuarial valuation involves making assumptions with regards to, among others, discount rates, expected rates of return on assets, future salary increases and mortality rates. Due to the long-term nature of these plans, such estimates are subject to uncertainty. Actuarial gains and losses are reflected in the statement of income and statement of other comprehensive income in the period in which they arise, as part of the salary costs. Deposits in a defined contribution plan in respect of severance pay or in respect of emoluments are recognised as an expense at the time of the deposit in the plan, in parallel to the receipt of the labour services from the employee and no additional provision is recognised in the consolidated financial statements. As of December 31, 2025, our total defined benefit plans liabilities were €118 million.

Related Party Transactions

For more information, refer to Note 32 – *Related parties’ transactions* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025.

Off Balance Sheet Arrangements

The Group is not party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on its financial condition, changes in financial condition, revenue or expenses, results of operations, liquidity, capital expenditure or capital resources, other than the handset receivables securitisation facility for a net amount of €41 million, the contractual commitments disclosed herein or as otherwise discussed in the consolidated financial statements (Refer to Note 33 – *Commitments and contractual obligations* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025).

The commitments taken as part of the agreement with creditors in February 2025 are described in the “Significant Events – *Agreement with creditors*” section.

Subsequent Events

For more information, refer to Note 37 – *Subsequent events* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025.

Quantitative and Qualitative Disclosures about Market Risk

The Group is exposed to market risks relating to fluctuations in interest rates and foreign exchange rates, primarily as between the US Dollar and Euro, and uses financial instruments to manage its exposure to interest rate and foreign exchange rate fluctuations.

Credit Risk

The Group does not have significant concentrations of credit risk. Credit risk may arise from the exposures of commitments under a number of financial instruments with one counterparty or as the result of commitments with a number of groups of debtors with similar economic characteristics, whose ability to meet their commitments could be similarly affected by economic or other changes.

The Group’s income mainly derives from customers in France. The majority of its B2C clients are on direct debit, thus reducing credit and recovery risk from its biggest operating segment. The Group regularly monitors its customers’ debts and provisions for doubtful debts are recorded in the consolidated financial statements, which provide a fair value of the loss that is inherent to debts whose collection lies in doubt.

Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecasted and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The Group has a strong track record of driving operating free cash flow generation and specializes in turning around struggling businesses and improving the cash generation of existing businesses. As all external debt is issued and managed centrally, the executive directors of the Group have a significant amount of control and visibility over the payments required to satisfy obligations under the different external debts.

Interest Rate and Related Risk

For fixed rate debt, changes in interest rates generally affect the fair value of the debt instrument, but not our earnings or cash flows. Accordingly, interest rate risk and changes in fair market value should not have a significant effect on the fixed rate debt until we would be required to refinance such debt at maturity. As of December 31, 2025, on a consolidated basis, considering the Group’s swap portfolio, the Group’s primary fixed rate debt obligations were an amount equivalent to €9,069 million, while primary floating rate bank loans were equivalent to €6,550 million.

Foreign Currency Risk

As part of its financial risk management strategy, the Group has entered into certain hedging operations. These are split mainly into either fixed to fixed or floating to floating cross-currency that cover against foreign currency, FX forwards that cover against foreign exchange risk only. For details regarding the Group’s outstanding derivative instruments to secure foreign currency liabilities and to reduce foreign currency exposure, refer to Note 27.3 – *Currency risk* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025.

Critical Accounting Policies, Judgments and Estimates

For details regarding the Group’s critical accounting policies, judgments and estimates, refer to Note 3 – *Use of estimates and judgments* in the consolidated financial statements of the Group as of and for the year ended December 31, 2025.

Research and development activities

The Group has no research and development activities in France.

Acquisition by the Company of its own shares

In the year ended December 31, 2025, the Company has not acquired any of its own shares.

Branches

The Company has no branches at the end of the year ended December 31, 2025.

Allocation of the profit of the financial year

The Board of Directors proposes to carry forward the loss of the Company for the year ended December 31, 2025 amounting to €19,368,416.79.

Key Income Statement Items

Revenue

Revenue consists of income generated from the delivery of fixed-based services to our B2C and B2B customers, mobile services to our B2C and B2B customers, wholesale and other services. Revenue is recognised at the fair value of the consideration received or receivable net of value added tax, returns, rebates and discounts and after eliminating intercompany sales within the Group.

Fixed-based residential services: Revenue from fixed-based services consists of revenue from pay television services, including related services such as VoD, broadband internet services, fixed-line telephony services and ISP (Internet Service Provider) services to our customers. This primarily includes (i) recurring subscription revenue for pay television services, broadband internet and fixed-line telephony (which are recognised in revenue on a straight-line basis over the subscription period), (ii) variable usage fees from VoD and fixed-line telephone calls (which are recognised in revenue when the service is rendered), (iii) installation fees (which are recognised in revenue when the service is rendered if consideration received is lower than the direct costs to acquire the contractual relationship) and (iv) interconnection revenue received for calls that terminate on our cable network.

Mobile residential services: Revenue from mobile telephony services primarily consists of (i) recurring subscription revenue for our post-paid mobile services (which are recognised in revenue on a straight-line basis over the subscription period), (ii) revenue from purchases of our pre-paid mobile services (which are recognised in revenue when the service is rendered), (iii) variable usage fees for mobile telephony calls (which are recognised in revenue when the service is rendered), (iv) revenue from the sale of handsets (which are recognised on the date of transfer of ownership), and (v) interconnection revenue received for calls that terminate on our mobile network.

Business services: Revenue from wholesale services primarily consists of revenues derived from renting our network infrastructure services, including IRUs and bandwidth capacity on its network, to other telecommunications operators, including MVNOs as well as related maintenance services. Revenue from B2B services is the same as the above fixed and mobile services, but for the business sector. This segment also includes revenues from our other services which primarily consists of revenue from businesses such as (i) datacenter activities, (ii) content production and distribution, (iii) customer services, (iv) technical services, (v) FTTH network construction activity and (vi) other activities that are not related to our core fixed or mobile businesses.

Intersegment Eliminations: Intersegment revenue, which primarily relate to services rendered by certain centralized Group functions (such content production and customer service) to the operational segments of the Group, are eliminated in consolidation.

Purchasing and subcontracting services

Purchasing and subcontracting services consist of direct costs associated with the delivery of fixed-based services to our B2C and B2B customers, mobile services to our B2C and B2B customers, wholesale and other services. The Group presents purchasing and subcontracting services paid for the procurement of the following services:

Fixed-based residential services: Purchasing and subcontracting services associated with fixed-based services consist of all direct costs related to the (i) procurement of non-exclusive television content, royalties and licenses to broadcast, (ii) transmission of data services and (iii) interconnection costs related to fixed-line telephony. In addition, it includes costs incurred in providing VoD or other interactive services to subscribers and accounting variations arising from changes in inventories of customer premises equipment (such as modems, set-top boxes and decoders).

Mobile residential services: Purchasing and subcontracting services associated with mobile services consist primarily of mobile interconnection fees, including roaming charges and accounting variations arising from the changes in inventories of mobile handsets.

Business services: Purchasing and subcontracting services associated with wholesale primarily consist of costs associated with delivering wholesale services to other operators. Other purchasing and subcontracting services consist of the (i) cost of renting space for datacenters (subject to certain exceptions), (ii) utility costs related to the operation of datacenters (such as power and water supply costs), (iii) in our technical services business, the cost

of raw materials used in the technical activities related to the construction and maintenance of the network, cables for customer connections, etc., and sub-contractor fees associated with the performance of basic field work and the supervision of such sub-contractors, and (iv) direct costs related to our call centers operations, such as service expenses, telecom consumption subscriptions and energy costs, in our customer services functions.

Intersegment Eliminations: Intersegment costs, which primarily relate to services rendered by certain centralized Group functions (such as content production and customer service) to the operational segments of the Group, are eliminated in consolidation.

Other operating expenses

Other operating expenses consist of the following subcategories:

Customer service costs: Customer service costs include all costs related to billing systems, bank commissions, external costs associated with operating call centers, allowances for bad customer debts and recovery costs associated therewith.

Technical and maintenance: Technical and maintenance costs include all costs related to infrastructure rental, equipment, equipment repair, costs of external subcontractors, maintenance of backbone equipment and datacenter equipment, maintenance and upkeep of the fixed-based and mobile networks, costs of utilities to run network equipment and those costs related to customer installations that are not capitalized (such as service visits, disconnection and reconnection costs).

Business taxes: Business taxes include all costs related to payroll and professional taxes or fees.

General and administrative expenses: General and administrative expenses consist of office rent and maintenance, professional and legal advice, recruitment and placement, welfare and other administrative expenses.

Other sales and marketing expenses: Other sales and marketing expenses consist of advertising and sales promotion expenses, office rent and maintenance, commissions for marketers, external sales and storage and other expenses related to sales and marketing efforts.

Staff costs and employee benefits

Staff costs and employee benefits are comprised of all costs related to wages and salaries, bonuses, social security, pension contributions and other outlays paid to Group employees.

Depreciation, amortisation and impairment

Depreciation and amortisation concern the tangible assets related to production, sales and administrative functions and the intangible assets. Impairment losses include the write-off of any goodwill or tangible and intangible assets that have been recognised on the acquisition of assets based upon a re-evaluation of the cash generating capacity of such assets compared to the initial valuation thereof.

Non-recurring expenses and income

Non-recurring expenses and income include any one-off or non-recurring income or expenses incurred during the on-going financial year. This includes deal fees paid to external consultants for merger and acquisition activities, restructuring and other non-recurring costs related to those acquisitions or the business in general, any non-cash operating gains or losses realized on the disposal of tangible and intangible assets and management fees paid to related parties.

Interest relative to gross financial debt

Interest relative to gross financial debt includes interest expenses recognised on third party debt (excluding other long-term liabilities, short-term liabilities and other finance leases) incurred by the Group.

Other financial expenses

Other financial expenses include other financial expenses not related to the third-party debt (excluding other long-term liabilities and short-term liabilities, other than finance leases) incurred by the Group. Such expenses mainly include interest costs of finance leases, variations in the fair value of non-hedged derivative instruments and the inefficient portion of hedged derivative instruments.

Financial income

Financial income consists of changes in the net fair value of the financial derivatives, gains from the disposal of financial assets, net exchange rate differences, and other financial income.

Share in net income/(loss) of associates and joint ventures

Share in net income/(loss) of associates and joint ventures consists of the net result arising from activities that are accounted for using the equity method in the combination scope of the Group.

Income tax benefit/(expenses)

Income tax expenses are comprised of current tax and deferred tax. Taxes on income are recognised in the income statement except when the underlying transaction is recognised in other comprehensive income, at which point the associated tax effect is also recognised under other comprehensive income or in equity.

Adjusted EBITDA

Adjusted EBITDA is defined as operating income before depreciation, amortisation and impairment, other expenses and income (capital gains, non-recurring litigation, restructuring costs and management fees), share-based expenses and after operating lease expenses (i.e., straight-line recognition of the rent expense over the lease term as performed under IAS 17 – *Leases for operating lease*). This may not be comparable to similarly titled measures used by other entities. Further, this measure should not be considered as an alternative for operating income as the effects of depreciation, amortisation, and impairment, excluded from Adjusted EBITDA, do ultimately affect the operating results. Operating results presented in the consolidated financial statements are in accordance with IAS 1.

To the Board of Directors of
Altice France Lux 3 S.A. (formerly Altice Holding 1 S.à r.l.)
16, rue Eugène Ruppert
L - 2453 Luxembourg

REPORT OF THE *REVISEUR D'ENTREPRISES AGREE*

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Altice France Lux 3 S.A. (formerly Altice Holding 1 S.à r.l.) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of income, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Law of July 23, 2016 on the audit profession (Law of July 23, 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier* (CSSF). Our responsibilities under the Law of July 23, 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the *réviseur d’entreprises agréé* for the Audit of the consolidated financial statements” section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the consolidated annual report including the Management Discussion and Analysis (MD&A) but does not include the consolidated financial statements and our report of the *réviseur d'entreprises agréé* thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the réviseur d'entreprises agréé for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *réviseur d'entreprises agréé* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *réviseur d'entreprises agréé* to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *réviseur d'entreprises agréé*. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The Management Discussion and Analysis (MD&A) is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

For Deloitte Audit, *Cabinet de révision agréé*

David Osville, *Réviseur d'entreprises agréé*
Partner

April 28, 2026

Altice France Lux 3 S.A. – Consolidated financial statements – December 31, 2025.

Consolidated statement of income (€m)	Note	December 31, 2025	December 31, 2024
Revenues	6.1	9,382.4	10,368.4
Purchasing and subcontracting costs		(2,264.8)	(2,642.1)
Other operating expenses		(1,673.0)	(1,892.1)
Staff costs and employee benefits		(1,096.5)	(1,174.1)
Depreciation, amortisation and impairment		(2,975.2)	(3,069.3)
Other expenses and income		(553.3)	2,777.4
Operating profit	6.2	819.6	4,368.1
Interest relative to gross financial debt		(1,269.7)	(1,237.4)
Realised and unrealised gain/(loss) on derivative instruments linked to financial debt		(334.7)	(18.3)
Finance income		505.5	160.8
Other financial expenses		(1,219.9)	(764.6)
Net result on extinguishment and remeasurement of financial liabilities		(110.0)	3.8
Finance costs, net	9	(2,428.8)	(1,855.7)
Share in earnings/(losses) of associates and joint ventures	16.1	(123.7)	(54.1)
Income tax benefit/(expense)	10.3	(89.8)	(483.8)
Profit/(loss)		(1,822.7)	1,974.5
<i>Attributable to equity holders of the parent</i>		<i>(1,852.1)</i>	<i>1,942.4</i>
<i>Attributable to non-controlling interests</i>		<i>29.4</i>	<i>32.2</i>

Consolidated statement of other comprehensive income (€m)	Note	December 31, 2025	December 31, 2024
Profit/(loss)		(1,822.7)	1,974.5
Items that may be subsequently reclassified to profit or loss:			
Foreign currency translation adjustments		(4.7)	3.4
Cash flow hedges		4.4	2.7
Related taxes	10.3	-	(1.8)
Items that will not be subsequently reclassified to profit or loss:			
Actuarial gain/(loss)	29	1.8	(14.5)
Related taxes	10.3	(0.2)	5.9
Total comprehensive profit/(loss)		(1,821.4)	1,970.2
<i>Of which:</i>			
<i>Attributable to equity holders of the parent</i>		<i>(1,849.9)</i>	<i>1,937.1</i>
<i>Attributable to non-controlling interests</i>		<i>28.5</i>	<i>33.1</i>

The accompanying notes form an integral part of these consolidated financial statements.

Altice France Lux 3 S.A. – Consolidated financial statements – December 31, 2025.

Consolidated statement of financial position		December 31,	December 31,
(€m)	Note	2025	2024
Assets			
Goodwill	11	9,312.8	9,612.1
Intangible assets	12	4,656.1	4,954.7
Contract costs	13	156.7	172.0
Property, plant and equipment	14	5,578.7	6,015.4
Right-of-use assets	15	4,447.7	3,293.8
Investments in associates and joint ventures	16	1,531.2	217.7
Financial assets	17	128.1	3,284.3
Deferred tax assets	10	0.4	4.3
Other assets	17	465.6	266.8
Total non-current assets		26,277.3	27,821.3
Inventories	18	301.5	335.3
Trade and other receivables	19	3,049.1	3,285.5
Contract assets	13	142.7	152.7
Tax assets	10	17.1	3.1
Other financial assets	20	16.3	2,009.6
Cash and cash equivalents	21	878.7	2,867.1
Assets classified as held for sale	22	357.3	-
Total current assets		4,762.7	8,653.2
Total assets		31,040.0	36,474.4

Consolidated statement of financial position		December 31,	December 31,
(€m)	Note	2025	2024
Equity and liabilities			
Invested equity		-	746.9
Issued capital	23	3.0	-
Additional paid in capital		8,846.5	-
Reserves		(10,755.4)	-
Equity attributable to owners of the company		(1,905.9)	746.9
Non-controlling interests		64.8	63.0
Total equity		(1,841.1)	809.9
Borrowings, financial liabilities and related derivative instruments	24	15,941.9	19,629.0
Lease liabilities	24	6,936.2	5,357.0
Other financial liabilities	24	365.6	66.1
Provisions	28	165.4	202.3
Contract liabilities	13	764.4	509.7
Deferred tax liabilities	10	74.6	31.7
Other liabilities	30	448.1	613.8
Total non-current liabilities		24,696.3	26,409.5
Borrowings, financial liabilities and related derivative instruments	24	611.9	1,740.8
Lease liabilities	24	796.4	589.3
Other financial liabilities	24	922.4	966.8
Trade and other payables	31	4,956.7	5,250.2
Contract liabilities	13	426.7	494.6
Tax liabilities	10	28.6	9.0
Provisions	28	147.7	162.5
Other liabilities	31	65.8	41.7
Liabilities directly associated with assets classified as held for sale	22	228.6	-
Total current liabilities		8,184.8	9,255.0
Total equity & liabilities		31,040.0	36,474.4

The accompanying notes form an integral part of these consolidated financial statements.

Altice France Lux 3 S.A. – Consolidated financial statements – December 31, 2025.

Equity attributable to owners of the company								
Consolidated Statement of Changes in Equity	Capital	Invested equity	Additional paid-in capital	Reserves	Other Comprehensive Income	Total	Non-controlling interests	Consolidated equity
(€m)								
Position as of December 31, 2023	-	(1,179.2)	-	-	-	(1,179.2)	53.0	(1,126.2)
Dividends	-	-	-	-	-	-	(27.6)	(27.6)
Comprehensive income (loss)	-	1,937.1	-	-	-	1,937.1	33.1	1,970.2
Transactions with non-controlling interests	-	(12.6)	-	-	-	(12.6)	4.6	(8.0)
Other movements	-	1.6	-	-	-	1.6	-	1.6
Position as of December 31, 2024	-	746.9	-	-	-	746.9	63.0	809.9
Opening balance as of January 1, 2025	-	-	-	-	-	-	-	-
Share capital increases	2.0	-	9,621.0	-	-	9,623.0	-	9,623.0
Implementation of the Transaction (a) (b)	1.0	(746.9)	2,761.9	(8,888.7)	11.7	(6,861.0)	-	(6,861.0)
Share premium distribution (b)	-	-	(3,536.4)	-	-	(3,536.4)	(29.4)	(3,565.8)
Comprehensive income (loss)	-	-	-	(1,852.1)	2.2	(1,849.9)	28.5	(1,821.4)
Transactions with non-controlling interests	-	-	-	(72.7)	-	(72.7)	3.5	(69.2)
Other movements	-	-	-	49.5	(5.2)	44.3	(0.8)	43.5
Position as of December 31, 2025	3.0	-	8,846.5	(10,764.1)	8.7	(1,905.9)	64.8	(1,841.1)

(a) Refer to Note 4.1 – *Agreement with creditors*.

(b) Refer to Note 23 – *Equity*.

Breakdown of changes in equity related to OCI (€m)	December 31,	December 31,	December 31,	<i>Change</i>	
	2023	2024	2025	2024 vs 2023	2025 vs 2024
Hedging instruments	(7.1)	(4.4)	-	2.7	4.4
Related taxes	1.8	-	-	(1.8)	-
Actuarial gains and losses	26.7	12.2	14.0	(14.5)	1.8
Related taxes	(6.7)	(0.9)	(1.1)	5.9	(0.2)
Foreign currency translation adjustments	(2.3)	1.1	(3.5)	3.4	(4.7)
Items related to associates and joint ventures	5.2	5.2	-	-	(5.2)
Total	17.6	13.3	9.3	(4.3)	(3.9)

The accompanying notes form an integral part of these consolidated financial statements.

Altice France Lux 3 S.A. – Consolidated financial statements – December 31, 2025.

Consolidated statement of cash flows (€m)	Note	December 31, 2025	December 31, 2024
Net income (loss), Group share		(1,852.1)	1,942.4
<i>Adjustments:</i>			
Result attributable to non-controlling interests		29.4	32.2
Depreciation, amortisation and provision		2,936.8	3,035.7
Share in (earnings)/losses of associates and joint ventures	16.1	123.7	54.1
Finance costs recognised in the statement of income	9	2,428.8	1,855.7
Income tax (benefit) expense recognised in the statement of income	10	89.8	483.8
Other non-cash items (a)		331.2	(2,930.2)
Income tax paid		(46.4)	(55.3)
Change in working capital		42.3	367.7
Net cash provided (used) by operating activities		4,083.6	4,786.0
Payments to acquire tangible and intangible assets and contract costs	6.3	(1,824.5)	(2,086.0)
Payments for acquisition of consolidated entities, net of cash acquired		(12.4)	(129.4)
Net proceeds/(payments) from other financial assets (*)		811.0	(289.8)
Proceeds from disposal of tangible and intangible assets		4.6	49.1
Proceeds from disposal of consolidated entities, net of cash disposed (**)		391.7	2,495.5
Net cash provided (used) by investing activities		(629.6)	39.4
Dividends paid to non-controlling interests		(29.4)	(27.6)
Dividends received		92.1	548.9
Issuance of debt	24	271.0	586.5
Repayment of debt	24	(2,093.7)	(426.8)
Restructuring and unwinding of swap instruments	25	(146.4)	(30.0)
Interest paid on debt		(1,218.9)	(1,180.9)
Lease payment (principal) related to Right-of-Use (ROU)		(631.2)	(663.3)
Lease payment (interest) related to ROU		(660.7)	(590.6)
Loans and current accounts with Altice Group affiliates		(345.6)	(344.1)
Other cash (used in)/provided by financing activities (b)		(625.5)	(283.6)
Net cash provided (used) by financing activities		(5,388.4)	(2,411.7)
Net increase (decrease) in cash and cash equivalents		(1,934.3)	2,413.7
Classification of cash as held for sale at end of period		(52.9)	-
Effects of exchange rate changes on the balance of cash held in foreign currencies		(1.1)	2.3
Cash and cash equivalents at beginning of period		2,867.1	451.1
Cash and cash equivalents at end of period	21	878.7	2,867.1
(*) Related to the entry of Altice XPM for an amount of €0.8 billion. As of December 31, 2024, included the impacts of the disposal of Altice XPM and the change in loan to XpFibre Holding (Refer to Note 4.5 – <i>Participation in XpFibre Holding</i> in the Altice France’s 2024 consolidated financial statements).			
(**) Refer to Note 4.3 – <i>Disposal of Infracos</i> : €0.4 billion. As of December 31, 2024, related to the disposal of UltraEdge (€0.5 billion), the Altice Media division (€1.55 billion) and La Poste Telecom (€0.5 billion).			
Net loss from disposal of Infracos (net of leaseback)		284.6	-
Net gain from disposal of Altice Media		(0.8)	(827.2)
Net gain from disposal of UltraEdge		1.8	(313.1)
Net gain from disposal of La Poste Telecom		-	(482.8)
Net gain from disposal of XpFibre Holding		-	(1,400.1)
Impairment loss on assets held for sale of Intelcia		56.9	-
Other		(11.2)	93.0
(a) Other non-cash items		331.2	(2,930.2)
Securitisation		(24.7)	541.1
Reverse factoring		-	(663.6)
Bank overdrafts		8.2	5.5
Transactions with non-controlling interests		(18.3)	(4.0)
Other interest paid		(125.1)	(137.8)
Transaction fees in relation with creditors agreement (of which additional premium)		(530.0)	-
Other		64.4	(24.9)
(b) Other cash (used in)/provided by financing activities		(625.5)	(283.6)

The accompanying notes form an integral part of these consolidated financial statements.

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1. About Altice France Lux 3 and the Group

Altice France Lux 3 (formerly Altice Holdings 1) (hereinafter the “Company”) is a limited liability company (*société anonyme*) incorporated on October 16, 2023 in the Grand Duchy of Luxembourg with headquarters in Luxembourg. The Company is the parent company of a consolidated group (the “Group”). The Group is one of the largest group of companies operating in the telecommunications space in France and is part of a larger group with a common activity (the “Altice Group”). Hence, the Group has major positions in all segments of the French B2C, B2B, local authorities and wholesale telecommunication market.

As of December 31, 2025, Altice France Holding S.A. (“Altice France Holding”) holds 55% of the capital of the Company. The ultimate controlling shareholder of the Company is Next Alt S.à r.l. (“Next Alt”), which is itself controlled by Mr. Patrick Drahi.

As of December 31, 2025, the Company holds indirectly all shares of Altice France S.A.S. (“Altice France”) minus one preferred share.

The Group’s activities cover the French telecommunication market including technical and customers services (Altice Technical Services France (“ATSF”) and Altice Customer Services (“ACS”); refer to Note 4.4 – *Exclusivity agreement to sell Intelcia*). It also covered the French audiovisual market until the disposal of the Media division on July 2, 2024.

1.1. Basis of preparation of financial information

The consolidated financial statements of the Group as of December 31, 2025 and for the year then ended (the “consolidated financial statements”) were approved by the Board of Directors and authorized for issue on April 28, 2026.

The consolidated financial statements for the year ended December 31, 2025 comprise the consolidated statement of financial position, the consolidated statement of income, the consolidated statement of other comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity and the accompanying notes, presented in euro millions. They have been prepared in accordance with International Financial Reporting Standards (“IFRS”) published by the IASB (International Accounting Standards Board), as adopted by the European Union (EU) on December 31, 2025. These international standards include the IAS (International Accounting Standards), IFRS (International Financial Reporting Standards) and their interpretations (SIC and IFRIC).

The accounting and valuation principles defined in the IFRS as adopted by the European Union are available on the following website: https://ec.europa.eu/info/index_en.

Following the closing of the Transaction, described in Note 4.1 – *Agreement with creditors*, the Company became the parent company of a subgroup including Altice France S.A.S. as from September 29, 2025.

The Company and Altice France were as of December 31, 2024, entities under common control (there were ultimately controlled by Mr. Patrick Drahi) and considered together to be the reporting entity for the purposes of these consolidated financial statements for the year ended December 31, 2024. The purpose of the consolidated financial statements as of December 31, 2024 was to present a fair depiction of the financial condition and the assets and liabilities of the subgroup, using historical basis in the assets, liabilities and results of operations and cash flows for each period presented in the consolidated financial statements.

1.2. New standards and interpretations

1.2.1. Standards and interpretations applied from January 1, 2025

The following standards which have mandatory application for periods beginning on or after January 1, 2025, concern only the amendments to IAS 21 (*The Effects of Changes in Foreign Exchange Rates*) – *Lack of Exchangeability*, effective on or after January 1, 2025; the application of these amendments had no material impact on the amounts recognised or on the disclosures in these consolidated financial statements.

1.2.2. Standards and interpretations not yet applied

The Group has not early adopted the following standards and interpretations, for which application is not mandatory for periods starting from January 1, 2025, and that may impact the amounts reported:

- Amendments to IFRS 10 – *Consolidated Financial Statements* and IAS 28 (*Investments in Associates and Joint Ventures*) – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*, the effective date of the amendments has not yet been determined by the IASB;
- Amendments to IFRS 1 – *First-time Adoption International Financial Reporting Standards*, IFRS 7 – *Financial Instruments: disclosures*, IFRS 9 – *Financial Instruments*, IFRS 10 and IAS 7 – *Statement of Cash Flows* based on Annual Improvements to IFRS Accounting Standards – Volume 11 issued by IASB, effective on or after January 1, 2026;
- Amendment to IFRS 9 and IFRS 7 (*Financial Instruments: disclosures*) – *Classification and measurement of financial instruments*, effective on or after January 1, 2026; and
- IFRS 18 – *Presentation and Disclosure in Financial Statements*, effective on or after January 1, 2027.

The Board of Directors anticipates that the application of those amendments will not have a material impact on the amounts recognised in these consolidated financial statements, except for the adoption of IFRS 18 for which the Group launched a project to estimate the impact of the standard.

1.2.3. Pillar Two Rules

In December 2023, the government of the Grand Duchy of Luxembourg, where the ultimate parent company of the Group, Next Alt, is incorporated, has enacted the Pillar Two corporate income tax legislation as per “European Union Directive on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union” which aims to ensure an effective tax rate of at least 15% for in-scope multinationals. Several jurisdictions in which the Group operates have enacted or substantially enacted similar legislation.

According to these rules, Next Alt is considered as the parent company of a multinational enterprise group to which the Pillar Two model applies.

The Group’s assessment has considered the rules established by the Organization for Economic Cooperation and Development (OECD) released guidance. The view of the Group is that many of the jurisdictions, where it operates, benefit from the transitional Country by Country Reporting Safe Harbor and no material operations have been identified to have current domestic corporate tax rate below 15%. Therefore, for these consolidated financial statements, the impact of the global minimum tax is assessed to be limited on both the Company’s effective tax rate and the income tax expense in year ended December 31, 2025.

1.3. Climate related matters

For the year ending December 31, 2025, the potential impact of climate related matters, including legislation, which may affect the fair value of assets and liabilities in the consolidated financial statements has been considered, especially but not limited to useful life of tangible and intangible assets and provisions. The risks in respect of climate related matters are included as relevant and applicable key assumptions where they materially impact the determination of fair value. As of December 31, 2025, the Group does not believe that the impact of climate related matters is material to the consolidated financial statements.

2. Accounting policies and methods

2.1. Consolidation methods

The list of entities included in the scope of consolidation is presented in Note 35 – *List of consolidated entities*.

Subsidiaries

Entities are fully consolidated if the Group has all the following:

- Power over the investee,
- Exposure or rights to variable returns from its involvement with the investee, and
- Ability to use its power to affect its returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. If the Group does not have a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether the Group’s voting rights in an investee are sufficient to give it power, including:

- The size of the Group’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders,
- Potential voting rights held by the Group, other vote holders or other parties,
- Rights arising from other contractual arrangements, and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of income and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. Non-controlling interests in subsidiaries are identified separately from the Group’s equity therein.

Adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup transactions, balances, income, and expenses are eliminated in full on consolidation.

Joint Arrangements

IFRS 11 – *Joint Arrangements* provides financial reporting guidelines for entities that hold interests in joint arrangements. In a joint arrangement, the parties are bound by a contractual arrangement that gives them joint control of the company. The entity that is party to a joint arrangement must therefore determine if the contractual arrangement gives all the parties, or a group of some of them, joint control over the company. The existence of joint control is then assessed for decisions about the relevant activities that require the unanimous consent of the parties that jointly control the company.

Joint arrangements are classified into two categories:

- A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement and have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint operator recognises its shares in the assets, liabilities, revenues and expenses of the joint operation.
- A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement and have rights to the net assets of the arrangement. A joint venturer recognises its interest in a joint venture as an investment and accounts for that investment using the equity method.

In addition, the Group adopted the following accounting policies:

- The margin realised on intercompany transactions between the Group and its joint ventures or associates (sales of assets from the Group to its joint ventures or associates) is eliminated in the income statement up to the Group's share in its joint ventures or associates based on the provision of IAS 28.
- In the absence of precise IFRS guidance related to the presentation of the margin elimination in the income statement, the Group has elected to eliminate the margin in the caption "Share of earnings of associates" in the consolidated statement of income in counterpart of the caption "Investment in associates and joint ventures" in the statement of financial position. The margin elimination on these transactions is reversed over the useful life of the assets in the same captions.

Associates

Investments, over which the Group exercises significant influence, but not control, are accounted for under the equity method. Such investees are referred to as "associates" throughout these consolidated financial statements.

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over these policies. Associates are initially recognised at cost at acquisition date. The consolidated financial statements include the Group's share of income and expenses, from the date significant influence commences until the date that significant influence ceases.

The interest income and expenses recorded in the consolidated financial statements of the Group on loans with associates have not been eliminated in the consolidated statement of income.

2.2. Foreign currency translation

The consolidated financial statements are presented in euros, the functional currency of a vast majority of Group companies and of the parent company. All financial data are rounded to the nearest million euros.

Foreign currency transactions are initially recorded in the functional currency at the exchange rate prevailing at the date of the transaction. At the closing date, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing on that date. All foreign currency differences are recognised in profit or loss for the period.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of initial transaction. All foreign currency differences are recognised in profit or loss.

2.3. Revenue

Revenue recognition

Revenue from the Group's activities mainly consists of services (telephone packages, TV subscriptions, high-speed Internet, telephony, and installation services), equipment sales and telecommunications network leases.

In 2024, revenue also included revenue from Media's activities, mainly the advertising revenue, until the disposal of the Altice Media division on July 2, 2024.

Revenue corresponds to the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating intragroup sales between entities included in the scope of consolidation.

In accordance with IFRS 15 – *Revenue from Contracts with Customers*, the revenue recognition model includes five steps for analysing transactions to determine when to recognise revenue and at what amount:

- Identifying the contract with the customer,
- Identifying separate performance obligations in the contract,
- Determining the transaction price,
- Allocating the transaction price to separate performance obligations,
- Recognising revenue when the performance obligations are satisfied.

For bundled packages, the Group accounts for individual products and services separately if there are distinct – i.e., if a product or service is separately identifiable from other items in the bundled package and if a customer can benefit from it. The consideration is allocated between separate products and services in a bundle based on their stand-alone selling prices. The stand-alone selling prices are determined based on the market prices at which the Group sells the mobile devices and telecommunications services.

This leads to the recognition of a contract asset – a receivable arising from the customer contract that has not yet legally come into existence – in the statement of financial position. The contract asset is recognised over the enforceable period. Enforceable period has been determined for each company. It represents the period over which rights and obligation are enforceable. This period is determined not only by the commitment period as stated in the contract but also by business practices and contracts mechanisms (early renewal, exit options, penalties, and other clauses).

Revenues from mobile devices

The Group recognises revenues when a customer takes possession of the device. This usually occurs when the customer signs a new contract. The amount of revenue includes the sale of mobile devices and ancillary equipment for those devices. For mobile devices sold separately, customers pay in full at the point of sale or in several instalments (credit agreement). For mobile devices sold in bundled packages, customer usually pay monthly in equal instalments over the contractual period.

Revenue from services

Proceeds from subscriptions (Internet access, basic cable service, digital pay TV) and telephone payment plans (fixed or mobile) are recognised on a straight-line basis over the duration of the relevant service.

The Group sells some telephone payment plans that allow the unused call minutes for a given month to be rolled over to the following month. Roll-over minutes are recognised for the share of revenue they represent in the telephone subscription at the time they are used or when they expire. Revenue on incoming and outgoing calls as well as on calls made outside plans is recognised when the service is rendered.

Revenue generated by the coupons sold to distributors and prepaid Mobile cards is recognised as and when the end customer uses them, starting when such coupons and cards are activated. The unused balance is recorded in deferred income at the closing date. The proceeds in any event are recognised on the date of the card's expiration or when use of the coupon is statistically improbable.

Sales of subscription services managed by the Group on behalf of content providers (mainly special numbers and SMS+) are recognised gross, or net of payments made to content providers based on the analysis of each transaction. Accordingly, revenue is recognised net when suppliers are responsible for the content delivered to end customers and for setting the subscription rates.

Connection and installation fees billed mainly to operators and business customers during the implementation of services such as ADSL connection, bandwidth capacity or IP connectivity are recognised over the estimated duration of the customer relationship and of the main service supplied, based on statistical data.

Installation and set-up services (including connection) for residential customers are recognised as revenue when the service is rendered.

Revenue related to switched services is recognised as and when traffic is routed.

Revenue from services for bandwidth capacity, IP connectivity, local high-speed access and telecommunications is recognised as and when the services are rendered to customers.

Installation revenue

Installation service revenue is deferred and recognised over the benefit period. For B2B customers, the benefit period is the contract term, which is defined and agreed for two years or more. For B2C customers, there is no commitment period and installation costs are recognised over the estimated benefit period.

Agent versus principal

The Group determines whether it is acting as a principal or as an agent. The Group is acting as a principal if it controls a promised good or service before they are transferred to a customer.

Indicators for acting as a principal include: (i) the Group is primarily responsible for fulfilling the promise to provide the specified good or service, (ii) the Group has inventory risk in the specified good or service and (iii) the Group has discretion in establishing the price for the specified good or service.

On the other hand, the Group is acting as an agent or an intermediary, if these criteria are not met. When the Group is acting as an agent, revenue is presented on a net basis in the statement of income. When the Group is acting as principal, revenue is presented on a gross basis.

Access to telecommunications infrastructure

The Group provides access to its telecommunication infrastructure to its wholesale customers through various types of contracts: leases, hosting contracts or the granting of indefeasible rights of use (or “IRUs”). IRU agreements grant the use of property (cables, fibre optics or bandwidth) over a defined, usually long duration, with the Group retaining ownership. Revenue from lease agreements, hosting contracts in Netcenters and infrastructure IRUs is recognised over the term of the contract, except when they qualify as finance leases; in this case, the equipment is accounted for as sales on credit. In the case of IRUs and sometimes leases or service contracts, the service is paid in advance for the first year. These non-refundable prepayments are recorded as deferred income and amortised over the expected life of the contract.

Infrastructure sales

The Group builds infrastructure for some of its customers. Revenue related to infrastructure sales is recognised upon the transfer of ownership. When it is estimated that a contract will be unprofitable, a provision for onerous contract is booked.

2.4. Financial income and expenses

Financial income and expenses primarily comprise:

- Interest charges and other expenses paid for financing operations recognised at amortised cost,
- Changes in the fair value of the cross currency and interest rate derivatives instruments which are not qualified as hedging accounting,
- Foreign exchange gains and losses on monetary transactions,
- Interest income related to cash and cash equivalents,
- Gains/losses on extinguishment of financial liability.

Investment securities and investment securities pledged as collateral are classified as trading securities and are stated at fair value with realised and unrealised holding gains and losses included in net financial result.

2.5. Current and deferred tax

Income tax expense comprises current, deferred tax and the contribution of added value of businesses. Current tax is the tax payable on the taxable income for the year, estimated using tax rates enacted or substantively enacted at the reporting date, at the contribution of added value of businesses and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences on the closing date between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: (i) the initial recognition of goodwill, (ii) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; and (iii) investments in subsidiaries, joint ventures and associates when the Group is able to control the timing of the reversal of the temporary differences and when it is probable that these temporary differences will not be reversed in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, in accordance with the rules in effect at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and if they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities when the taxable entity intends to settle current tax liabilities and assets on a net basis or when tax assets and liabilities are to be realised simultaneously.

Deferred taxes are reviewed at each reporting date to consider changes in tax legislation and the possibility of recovering deductible temporary differences and tax losses. A deferred tax asset is recognised when it is probable that future taxable profits against which the temporary difference can be utilized will be available.

Uncertain tax positions

The Group determines the accounting tax position when there is uncertainty over income tax treatments based on the provisions of IFRIC 23 – *Uncertainty over Income tax*. Based on the Interpretation, the Group determines whether uncertain tax positions are assessed separately or as a group and assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings:

- If yes, the Group determines its accounting tax position consistently with the tax treatment used or planned to be used in its income tax filings.
- If no, the Group reflects the effect of uncertainty in determining its accounting tax position using either the most likely amount or the expected value method.

2.6. Investment grants

Investment grants received are deducted from the gross carrying amount of property, plant, and equipment to which they relate. They are recognised in the income statement as a reduction in the depreciation charge over the useful life of the related assets.

2.7. Site restoration

The Group has a contractual obligation to restore the network sites (both mobile and fixed) at the end of the lease, should the latter not be renewed. Due to this obligation, the capitalisation of the costs of restoring the sites is calculated based on:

- An average unit cost of site remediation,
- Assumptions about the life of the dismantling assets, and
- A discount rate.

2.8. Goodwill and business combinations

Business combinations are accounted for using the acquisition method. The assets and liabilities of the acquired business are recognised at their fair value at the acquisition date.

The consideration transferred corresponds to the fair value, at the acquisition date, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. The goodwill arising from a business combination is equal to the difference between:

- The sum of the consideration paid, the value of any non-controlling interest that remains outstanding after the business combination and, where applicable, the acquisition date fair value of the acquirer's previously held equity interest in the target, and
- The net amount of the identifiable assets acquired, and liabilities assumed at the acquisition date.

Goodwill is recognised in assets in the consolidated statement of financial position. When the difference is negative, it is directly recognised through profit or loss.

The secondary costs directly attributable to an acquisition giving control are recorded in expenses in the period during which the costs are incurred, except for the borrowing costs, which must be recorded in accordance with IAS 32 – *Financial Instruments: Presentation* and IFRS 9.

When goodwill is determined provisionally at the end of the period in which the combination is completed any adjustments to the provisional values within twelve months of the acquisition date are recognised in goodwill.

Changes in the Group's share of ownership of equity securities in a subsidiary which do not lead to a loss of control over the latter are recognised as shareholders' equity transactions.

Goodwill resulting from the acquisition of associates and joint ventures is included in the carrying amount of the investment.

Goodwill is not amortised but is subject to impairment testing whenever there is any indication that an asset may be impaired, and at least once a year in accordance with the methods and assumptions described in Note 11 – *Goodwill and impairment of goodwill*.

After initial recognition, goodwill is recorded at cost less accumulated impairment losses.

Specific case of business combination under common control

Business combination under common control are combinations in which all the combination (entities or businesses) are controlled by one party (or several), i) during a long period before and after the combination, ii) this control as defined in IFRS 10 is not temporary.

These combinations are excluded from IFRS 3 – *Business Combinations* scope. These operations in the consolidated financial statements are prepared on historical cost basis. No new goodwill is generated and the difference between the acquisition price and the historical carrying value related to assets and liabilities of the acquired entity is recognised in equity.

In the context of the Transaction (Refer to note 4.1 – *Agreement with creditors*), as Altice France before being contributed to the Company, was and remained under common control (controlled by Patrick Drahi through Next Alt), the contribution transactions do not constitute acquisitions within the meaning of IFRS 3 – *Business Combinations* (Revised 2008) (“IFRS 3”). The Company has opted to account for this transaction using the following methods and principles:

In accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors paragraph 10, judgment has been applied in developing and applying an accounting policy that results in information that is relevant and reflect the economic substance of the transaction. As a result, the acquisition method, as defined in IFRS 3, has not been applied to reflect the combination described above. In the absence of specific guidance under IFRS for transactions between entities under common control, the Group considered and applied standards on business combination and transactions between entities under common control issued by the regulators in the United States (Accounting Standards Codification Topic 810-10-45-10 and Topic 810-10-55-1B Consolidation and SEC Regulation S-X Article 3A – Consolidated and Combined Financial Statements) and in the United Kingdom (FRS 6 Acquisitions and mergers) to prepare the consolidated financial statements.

As a consequence, for this transaction under common control, the Company did not perform a purchase price allocation.

2.9. Intangible assets

Intangible assets acquired

Intangible assets acquired separately are recognised at historical cost less accumulated amortisation and any accumulated depreciation.

Cost comprises all directly attributable costs necessary to buy, create, produce, and prepare the asset for use. Intangible assets consist mainly of operating licences, IRUs, patents, purchased software, and internally developed applications.

They have also included the customer acquisition costs for packages with commitments.

Licences to operate telephone services in France are recognised for the fixed amount paid for the acquisition of the licence. The variable portion of licence fees, which amounts to 1% of the revenue generated by these activities, cannot be reliably determined and is therefore expensed in the period in which it is incurred.

- The Universal Mobile Telecommunications System (UMTS) licence is recognised at historical cost and amortised on a straight-line basis from the service activation in June 2004 to the end of the licence period (August 2021), corresponding to its expected useful life. This licence has been scrapped as of December 31, 2025.
- The Global System for Mobile Communications (GSM) licence, renewed in March 2006, is recognised at the present value of 4% of the fixed annual fee of €25 million, and amortised on a straight-line basis from that date until the end of the licence period (March 2021); this licence has been scrapped as of December 31, 2025. The licence has been renewed in March 2021 for a period of ten years.
- The Long-Term Evolution (LTE) licence is recognised at historical cost and is amortised on a straight-line basis from the service activation date until the end of the licence period. The 2.6 GHz band licence acquired in October 2011 is amortised as of the end of November 2012 (end of licence: October 2031). The 800 MHz band licence acquired in January 2012 was activated on June 3, 2013 and is being amortised over a remaining duration of eighteen years (end of licence: January 2032). SFR acquired a new licence for the 700 MHz band in December 2015 (end of licence: December 2035). This licence was activated on January 25, 2019 and is being amortised over a remaining duration of sixteen years.
- The 5G licence is recognised at historical cost and is amortised on a straight-line basis from the service activation date until the end of the licence period. The 3.4 and 3.8 GHz band licence acquired in October 2020 was activated on November 24, 2020 and is being amortised over a duration of fifteen years.

IRUs correspond to the right to use a portion of the capacity of a terrestrial or submarine transmission cable granted for a fixed period. IRUs are recognised as an asset when the Group has the specific indefeasible right to use an identified portion of the underlying asset, generally optical fibre or dedicated wavelength bandwidth, and the duration of the right is for the majority of the underlying asset’s useful life. They are amortised over the shorter of the expected period of use and the life of the contract between three and thirty years.

Patents are amortised on a straight-line basis over the expected period of use (generally not exceeding ten years).

Software is amortised on a straight-line basis over its expected useful life (which generally does not exceed three years).

Internally developed intangible assets

The acquisition cost of an intangible asset developed internally corresponds to the personnel costs incurred when the intangible asset meets the criteria for IAS 38 – *Intangible Assets*. An intangible asset that results from the development of an internal project is recorded if the Group can demonstrate that all the following conditions have been met:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale,
- Its intention of completing the intangible asset and using or sell it,
- Its ability to use or sell the intangible asset,

- The capacity of the intangible asset to generate probable future economic benefits,
- Among other things, the Group may demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, its usefulness,
- The availability of adequate technical, financial, and other resources to complete the development, and to use or sell the intangible asset,
- Its ability to reliably measure the expenditures attributable to the intangible asset during its development.

Capitalisation of costs ceases when the project is finalized, and the asset is available for use.

The cost of an internally developed intangible asset arising from the development phase of an internal IT project is amortised on a straight-line basis over its expected useful life (which is generally not greater than three years).

Intangible assets recognised in a business combination

During business combinations, intangible assets were recognised and measured at their fair value at the “acquisition date” according to IFRS 3:

- Customer bases: bases are amortised over their useful life from five to ten years.
- Telecom brands: SFR brand, main brand, initially amortised over fifteen years, was amortised from the beginning of 2021 over a residual life of ten years. This duration has been extended by seven years in the year 2023 (Refer to Note 12 – *Other intangible assets*).
- Press brands: these brands are not amortisable.
- Broadcasting rights: they are amortised over a life from three to ten years, depending on programs.

Investments made under public service concessions or delegations

Investments made as part of public service concessions or delegations and related to the roll-out of the telecommunications network are recognised as intangible assets in accordance with IFRIC 12 – *Service Concession Arrangements*.

The “intangible model” provided by this interpretation applies when the operator receives a right to charge users of the public service and is substantially paid by the user. Intangible assets are amortised over the shorter of the estimated useful life of the relevant asset categories and the duration of the concession.

2.10. Contracts costs

The Group recognises as an asset the incremental costs of obtaining a contract with a customer if it expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained. Commissions to third parties and sales incentives to internal employees are considered as costs to obtain a contract and are recognised under the consolidated statement of financial position caption “Contract costs”.

Assets recognised as contract costs are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. The asset may relate to goods or services to be transferred under a specific anticipated contract. The amortisation charge is recognised in the income statement caption “Depreciation, amortisation and impairment”.

As a practical expedient, the Group recognises the incremental costs of obtaining a contract as an expense when incurred if the amortisation period of the asset that the Group otherwise would have recognised is one year or less.

2.11. Property, plant, and equipment

Property, plant, and equipment are measured at historical cost less cumulative amortisation and depreciation.

Historical cost includes the acquisition cost or the production cost, the costs directly attributable to using the asset on the site and to its conditions of operation, and the estimated costs of dismantling and removing the asset and remediating the site where it is installed, in line with the obligation incurred. In addition, borrowing costs attributable to qualifying assets whose construction period is longer than one year are capitalised as part of the cost of that asset. Conversely, subsequent maintenance costs (repairs and maintenance) of the asset are recognised in profit or loss. Other subsequent expenditures that increase productivity or the life of the asset are recorded as assets.

Material components of property, plant, and equipment whose useful lives are different are recognised and depreciated separately.

Property, plant, and equipment mainly comprise network equipment.

The main useful lives are as follows:

Technical buildings and constructions	15 to 25 years
Network equipment:	
Optical cables	3 to 30 years
Engineering facilities, pylons	20 to 40 years
Other equipment	4 to 15 years
Set-top box and access fees	3 to 5 years
Furniture and fixtures	5 to 10 years
Miscellaneous equipment	2 to 5 years

Estimated useful lives are reviewed regularly and any changes in estimates are recorded prospectively.

Materials and telecommunications equipment are investments that are strongly subject to technological changes: write-offs or impairments with prospective revision of the amortisation period may be recognised if the Group has to prematurely write off certain technical equipment or if it is forced to revise the projected useful life of certain categories of equipment.

Gains or losses on disposal of property, plant and equipment are the difference between the profit from the disposal and the carrying amount of the asset and are recognised in the caption “Other expenses and income” of the consolidated statement of income.

FTTH (Fibre To The Home) deployment

Decision No. 2009-1106 of *Autorité de Régulation des Communications Électroniques et des Postes* (Regulatory Authority on Electronic Communications and Postal Services (ARCEP)) dated December 22, 2009, regulates the use of fibre optics in very densely populated areas by establishing joint investment rules between phone operators.

The reference offers issued by the operators in accordance with this decision are dealt with in IFRS by the application of IFRS 11. Thus, when the Group is an *ab initio* joint investor, only its share of the assets is recorded in property, plant, and equipment, and when the Group is an *a posteriori* investor, the IRU or the usage right is recognised in property, plant, and equipment. The same treatment applies for joint investment in moderately dense areas defined by ARCEP.

2.12. Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises right of use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated amortisation and depreciation, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right of use assets is depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right of use assets are subject to annual impairment tests.

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases, to lease the assets for additional terms. The Group applies judgment in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal.

After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy). The Group included the renewal period as part of the lease term for leases of technical sites due to the significance of these assets to its operations.

The recognition and measurement requirements for lessee are also applied to short-term leases and leases of low-value assets.

Sale and lease back

When the Group carries out a transaction qualified as a sale and leaseback in accordance with IFRS 16 – *Leases*, a right of use asset is recognised in proportion to the previous carrying value of the asset corresponding to the right of use asset retained as counterparty to a lease liability. A gain (or loss) on disposal of the assets is recognised in the income statement in proportion to the rights transferred to the buyer-lessor. The adjustment of the gain (or loss) of the transaction recognised in the income statement for the share on which the Group retains its user rights via the lease relates to the difference between the right of use asset and the lease liability recognised in the balance sheet.

The Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental of ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

When the Group is an intermediate lessor, it accounts for its interest in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right of use asset arising from the head lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and amortised on a straight-line basis over the term of the lease.

2.13. Impairment of assets

Whenever events or changes in the economic environment indicate a risk of impairment of goodwill, of other intangible assets or property, plant and equipment, the Group re-examines the value of these assets. Besides, the residual life of customer bases and amortisable brands is analysed whenever there is any indication that an asset may be impaired. In addition, goodwill, other intangible assets with indefinite useful lives and intangible assets in progress undergo an annual impairment test.

Impairment tests are performed in order to compare the recoverable amount of an asset or a Cash Generating Unit (“CGU”) with its carrying amount.

An asset’s or CGU’s net recoverable amount is the greater of its fair value less costs to sell or its value in use. The recoverable amount is determined for each individual asset, unless the asset does not generate cash inflows that are largely independent of those derived from other assets or groups of assets. In that case, the recoverable amount is determined for the CGU to which the asset belongs.

A CGU is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Given the changes in the Group and the significant pooling of assets and services within the Group, a single GCGU is defined at the Group level. For the purposes of goodwill impairment testing, in conformity with IAS 36 – *Impairment of Assets*, goodwill is allocated as a value to each operating segment (Refer to Note 11.1 – *Goodwill*), and shared assets and liabilities are allocated through distribution keys to each of the operating segments (Refer to Note 11.2 – *Impairment of goodwill*). The principal allocation keys used to allocate shared assets and liabilities are based on revenues, use of the network or the information systems.

The value in use of each asset or group of assets is determined as the present value of future cash flows (discounted cash flow method or “DCF”) by using a discount rate after tax specific to each asset or group of assets concerned.

The fair value less costs to sell is the amount obtainable on the measurement date from the sale of the asset or group of assets in an ordinary transaction between market participants, less costs to sell.

When the carrying amount of an asset exceeds its net recoverable amount, an impairment loss is recognised in the “Depreciation, amortisation and impairment” caption of the consolidated statement of income. Only impairment losses recognised on assets other than goodwill such as depreciable intangible assets, intangible assets with indefinite useful lives and property, plant and equipment may be reversed.

2.14. Financial assets

The standard IFRS 9 includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting regarding financial instruments.

IFRS 9 allows two methods for measurement:

- Amortised cost: this is the original amount minus principal repayments, cumulative amortisation, and impairment. The amortised cost must be determined by using the effective interest rate method.
- Fair value: this is the amount for which an asset could be exchanged, or a liability paid, between two willing parties, in an arm's length transaction.

Classification and measurement

Except for certain trade receivables, under IFRS 9, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Under IFRS 9, debt financial assets are subsequently measured at fair value through profit or loss (FVTPL), amortised cost, or fair value through other comprehensive income (FVOCI).

The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent "Solely Payments of Principal and Interest" on the principal amount outstanding (the "SPPI criterion").

The new classification and measurement of the Group's debt financial assets are, as follows:

- Debt instruments at amortised cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group's trade and other receivables, and loans included under consolidated statement of financial position caption "Financial assets" (non-current and current portion).
- Debt instruments at FVOCI, with gains or losses recycled to profit or loss on derecognition. The Group has no instrument in this new category.

Other financial assets are classified and subsequently measured, as follows:

- Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition. This category only includes equity instruments, which the Group intends to hold for the foreseeable future and which the Group has irrevocably elected to so classify upon initial recognition or transition. The Group classified its quoted and unquoted equity instruments as equity instruments at FVOCI. Equity instruments at FVOCI are not subject to an impairment assessment under IFRS 9.
- Financial assets at FVTPL comprise derivative instruments. This category would also include debt instruments whose cash flow characteristics fail the SPPI criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell. Financial assets at FVTPL are stated at fair value, with any gains and losses arising on remeasurement recognised in the caption "Other financial expense" or "Finance income" in the income statement.

Under IFRS 9, embedded derivatives are no longer separated from a host financial asset. Instead, financial assets are classified based on their contractual terms and the Group's business model.

Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment

IFRS 9 requires the Group to record an allowance for ECLs for all loans and other debt financial assets not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at the asset's original effective interest rate.

For contract assets and trade and other receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.15. Inventories

Inventories primarily consist of mobile devices, set-top boxes, and technical equipment. They are valued at their acquisition cost or at their net recoverable amount if it is lower. The acquisition cost is calculated according to the weighted average cost. It includes the cost of acquiring the materials.

Net recoverable amount is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

The Group estimates the age and the condition of inventories and books provisions if necessary.

2.16. Cash and cash equivalents

The “Cash and cash equivalents” heading includes bank balances, money-market UCITS, and very liquid short-term investments, which have an original maturity date that is less than or equal to three months, which can be easily converted to a known cash amount and are subject to a negligible risk of change in value.

Investment securities are measured at their fair value through profit or loss.

2.17. Assets held for sale and discontinued operations

In accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*, the Group qualifies an asset (or a group of assets) held for sale when:

- The asset is available for immediate sale in its current estate, subject to any conditions that are usual in such disposals of assets.
- The sale is highly probable.
- Its carrying amount may be recovered principally through its disposal and not by its continued utilization.

When all conditions of qualifications have been met the Group reclassifies the assets held for sale in a separate caption in the consolidated statement of financial position without offsetting liabilities related to assets held for sale, those are presented in a separate caption from other liabilities in the consolidated statement of financial position.

In addition, if the asset or the group of assets for sale is significant, its contribution is presented:

- In the consolidated statement of income in a separate caption under the net income from continuing information,
- In the consolidated statement of cash flows in a separate caption in the net cash provided (used) by operating activities, investing activities, and financing activities.

Assessment of the assets classified as held for sale

In the first step, assets classified as held for sale continue to be measured according to the measurement provisions provided by the specific standards applicable to them. Then, in a second step, the entire group of assets held for sale is measured at the lower of its carrying amount and fair value less costs to sell. Any resulting impairment losses (or reversals of impairment losses) are allocated to the assets measured under IFRS 5, in the order of allocation provided by IAS 36 and IFRS 5:

- in the case of an impairment loss: reduction of the carrying amount of goodwill and then reduction of other non-current assets within the scope of IFRS 5 proportionally to their carrying amount;
- in the case of a reversal of an impairment loss: increase in the carrying amount of non-current assets within the scope of IFRS 5 proportionally to their carrying amount,

but within the limit of impairment losses previously recognised according to IFRS 5.

2.18. Financial liabilities and equity instruments

Financial liabilities restructuring

Based on the IFRS 9, the Group removes a financial liability (or a part of a financial liability) from its statement of financial position when, and only when, it is extinguished, i.e., when the obligation specified in the contract is discharged or cancelled or expired.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the contractual arrangement.

Equity instruments

An equity instrument is any contract resulting in a residual interest in the assets of an entity after deducting all its liabilities. The equity instruments issued by the Group are recorded for the proceeds received, net of direct issuance costs.

As part of the accounting for the Transaction (Refer to Note 4.1 – *Agreement with creditors*), the equity instruments issued have been recognised at fair value in accordance with IFRIC 19.

Financial liabilities

Financial liabilities other than derivatives mainly include bonds and term loans taken out in connection with the acquisition of SFR and restructured as part of the Transaction, liabilities related to finance and operating leases, guarantee deposits received from customers, advances received and bank overdrafts.

They are measured at amortised cost, using the effective interest method, in conformity with IFRS 9. The effective interest rate corresponds to the internal interest rate used to precisely update future cash flows throughout the term of the financial liability. Fees, debt issuance and transaction costs are included in the calculation of the effective interest rate over the expected life of the instrument. Accrued interest is included in the “Current liabilities” caption of the statement of financial position.

2.19. Derivative instruments

The Group uses various derivative instruments to hedge its exposure to foreign exchange rate fluctuations.

Derivatives are initially recognised at fair value on the date of execution of a derivative contract and are subsequently revalued at their fair value on each closing date.

Hedge accounting is applicable if:

- The hedging relationship is clearly defined and documented at the date of establishment.
- The effectiveness of the hedging relationship is demonstrated at its inception and in subsequent periods: i.e., if at the beginning of the hedge and throughout its duration, the Group expects that the changes in fair value of the hedged item will be almost fully offset by changes in the fair value of the hedging instrument, and if actual results are within a range between 80% and 125%.

There are three types of hedge accounting:

- The fair value hedge is a hedge against exposure to changes in the fair value of a recognised asset or liability, which are attributable to a rate and/or currency risk and which would affect the result. The hedged portion of these items is remeasured at fair value in the statement of financial position. The change in fair value is recognised in the income statement where it is offset within the limits of the effectiveness of the hedge by symmetrical changes in the fair value of hedging instruments.
- The cash flow hedge is a hedge of the exposure to cash flows fluctuations attributable to interest rate risk and/or changes associated with a recognised asset or liability or a highly probable forecast transaction (e.g., an expected sale or purchase) and could affect profit. The hedged item is not recorded in the statement of financial position; thus, the effective portion of the change in fair value of the hedging instrument is recognised in other comprehensive income. It is reclassified in profit or loss when the hedged item affects profit or is reclassified in the initial cost of the hedged item where it concerns covering acquisition cost of a non-financial asset.
- The net investment hedge is a hedge against exposure to changes in value attributable to the foreign currency risk of a net investment in a foreign operation that could affect profit when the investment is sold. The effective portion of net investment hedges is recognised through other comprehensive income and reclassified in profit or loss when the net investment is sold.

The cessation of hedge accounting may result from the elimination of the hedged item, voluntary termination of the hedging relationship, or the cancellation or maturity of the hedging instrument. The accounting consequences are as follows:

- For fair value hedge: the fair value adjustment of debt at the date of cessation of the hedging relationship is amortised based on a recalculated effective interest rate on that date.
- For cash flow hedge: the amounts recorded in other comprehensive income are reclassified into profit or loss when the hedged item is eliminated. In other cases, they are taken straight to profit or loss over the remaining term of the hedging relationship as originally defined.

In both cases, the subsequent changes in value of the hedging instrument are recognised in profit or loss.

2.20. Provisions

Under IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets*, provisions are booked when, at the end of the reporting period, the Group has a legal, regulatory, contractual, or implicit obligation resulting from past events, and it is probable that an outflow of resources generating economic benefits will be required to meet the obligation and that the amount can be reliably estimated.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money, taking into account the risks attached to the liability as appropriate. If a reliable estimate of the amount of the obligation cannot be made, no provision is recognised, and a disclosure is made in the notes.

Provisions mainly include:

- Provisions to cover litigation and disputes concerning the Group’s activities. Their amounts are estimated based on a case-by-case risk assessment. Events occurring during proceedings may lead at any time to a reassessment of such estimates.
- Provisions for restructuring, which are booked once the restructuring has been announced, and a plan has been detailed or launched. Such provisions are generally not discounted due to their short-term nature.
- Provisions for site remediation, which are assessed based on the number of sites involved, an average unit cost of site remediation and assumptions about the life of the decommissioning asset and the discount rate. When a site is decommissioned, the corresponding provision is reversed.
- Provisions for employee benefits are detailed in the following section.

2.21. Employee benefits

The Group provides employee benefits through contributions to defined-contribution plans and defined-benefit plans. The Group recognises pension costs related to defined contribution plans as they are incurred under personnel expenses in the consolidated statement of income.

Estimates of the Group’s pension and end-of-service benefit obligations are calculated annually, in accordance with the provisions of revised IAS 19 – *Employee Benefits*, with the assistance of independent actuaries, using the projected unit credit method and considering actuarial assumptions including the probable turnover of beneficiaries, salary increases, projected life expectancy, the probable future length of employees’ service and an appropriate discount rate updated annually.

The Group recognises the corresponding net expense over an estimated period of service of the employees which depends on the length of service and is capped above a certain length of service, while being subject to the presence of the beneficiary at the date of retirement (IFRS IC decision in May 2021). The actuarial gains and losses on post-employment benefits are recognised in their entirety as “Other items of comprehensive income” in the period in which they occur. The cost of the plans is recognised through operating income, except for the accretion cost, which is recognised as other financial expenses and income. The cost of past services generated by plan changes and reductions is recognised immediately in the consolidated statement of income.

The Social Security Financing Act for 2023 n°2023-270 of April 14, 2023 (“*LFRSS*”) on pension reform is based on two main measures: a gradual increase in the legal retirement age and an increase in the contribution period required to be eligible for a full rate pension. Given the assumptions used by the Group to calculate the pension provision (in particular the average retirement age set at 65 years), the pension reform had no impact on the consolidated financial statements.

2.22. Borrowing costs

Under IAS 23 – *Borrowing Costs*, a qualifying asset is an asset that takes a substantial period before it can be used or sold. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. The Group notes that it does not take a substantial amount of time to get assets ready for their intended use because of the incremental roll-out of the network. The application of IAS 23 consequently has no impact on the Group’s consolidated financial statements.

3. Use of estimates and judgments

The preparation of these consolidated financial statements in accordance with IFRS requires the Group to make a certain number of estimates and assumptions that are realistic and reasonable. Thus, the application of accounting principles in the preparation of the consolidated financial statements described in this note implies decisions based on judgment, estimates and assumptions that have an influence on the amounts of the assets and liabilities and on income and expenses as well.

Such estimates are prepared based on the going concern assumption, established using currently available information and in view of the current economic environment. In the current economic environment, changes in facts and circumstances may result in revised estimates or assumptions, which could affect the consolidated statement of financial position, the consolidated statement of income and the consolidated statement of cash flows of the Group.

Significant estimates and assumptions relate to the measurement of the following items:

- *Revenue*: identification of the separable elements of a packaged offer and allocation on the basis of the relative fair values of each element; the period of deferred revenue related to costs to access the service on the basis of the type of product and the term of the contract; presentation as net or gross revenue depending on whether the Group is acting as agent or principal (Refer to Note 6 – *Financial Key Performance Indicators “KPIs”*).
- *Provisions*: assessment of the risk on a case-by-case basis; it is stipulated that the occurrence of events during a proceeding period may at any time trigger a reassessment of the risk (Refer to Note 28 – *Provisions* and Note 34 – *Litigation*).

- *Employee benefits*: assumptions updated annually, such as the probability of personnel remaining with the Group until retirement, the projected change in future compensation, the discount rate, and the mortality table (Refer to Note 29 – *Post-employment benefits*).
- *Fair value of financial instruments Level 1, Level 2, and Level 3*: Fair value is determined by reference to the market price at the end of the period or at the date of the transaction, when the data is available. For financial instruments for which there is no quoted price such as interest rate swaps (which the Group currently may use to hedge its interest rate risk), call options and put options granted to non-controlling interests, fair value is estimated based on models that rely on observable market data or using various valuation techniques, such as discounted future cash flows (Refer to Note 27 – *Financial instruments*).
- *Deferred taxes*: estimates for the recognition of deferred tax assets updated annually such as the future tax results of the Group or the likely changes in active and passive temporary differences (Refer to Note 10 – *Taxation*).
- *Impairment tests*: these tests concern goodwill and intangible assets with an indefinite life span; in the context of impairment tests, the assumptions related to the determination of Group of Cash Generating Units (GCGU), future cash flows and discount rates are updated annually (Refer to Note 11 – *Goodwill and impairment of goodwill*).
- *Intangible assets and property, plant, and equipment*: estimate of the useful life based in particular on the effective obsolescence of the assets and the use made of those assets (Refer to Note 12 – *Other intangible assets* and Note 14 – *Property, plant, and equipment*).
- *Impairment of contract assets and trade and other receivables*: contract assets and trade and other receivables are provisioned (i) on the basis of the historically observed recovery rate and/or (ii) on the basis of a specific recoverability analysis (Refer to Note 13 – *Contract balances* and Note 19 – *Trade and other receivables*).
- *Determination of the right of use and lease liabilities*: the right of use and the lease liabilities are determined based on the lease term and the discount rate.
 - For the lease term, the Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.
 - The discount rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment (Refer to Note 15 – *Rights of use*).
- *Assessment of control*: judgments and assumptions are made in determining that the Group has exclusive control over some companies.
- *Allocation of goodwill for assets held for sale* using the relative fair value method.

4. Significant events of the period

4.1. Agreement with creditors

On February 26, 2025, Altice France announced that it had reached an agreement with a group of holders of its senior secured notes (the “Altice France Senior Notes”) and term loans (the “Altice France Term Loans” and together with the Altice France Senior Notes, the “Altice France Secured Debt”) (the “Transaction”). The Transaction also includes an agreement on debt of Altice France’s parent, Altice France Holding, with certain holders of the senior notes at that entity (the “Altice France Holding Senior Debt”).

The terms of the Transaction were documented in framework agreements between, notably, Altice France, Altice France Holding and certain holders of Altice France Secured Debt and of Altice France Holding Senior Debt (each a “Framework Agreement” and, respectively, the “OpCo Framework Agreement” and the “HoldCo Framework Agreement”).

Altice France launched a solicitation for creditors to accede to the relevant Framework Agreement and provide binding consents to support the Transaction.

In addition, Altice France agreed with the ad hoc group of its creditors and the consenting Altice France Holding’s creditors on key terms of governance, shareholder rights and terms of the new debt to be issued by Altice France and the Company. Altice France also agreed to recontribute previously unrestricted assets to the Altice France’s restricted perimeter as part of the Transaction. In this context, on March 21, 2025, Altice XPM (owning the shares in XpFibre and cash and cash equivalents) was transferred back to Altice France’s scope.

On March 17, 2025, Altice France and Altice France Holding announced that the achieved levels of creditor support for the Transaction enable Altice France to implement the Transaction by way of restructuring proceedings in France with the benefit of overwhelming stakeholder support and for Altice France Holding to implement the Transaction on an out-of-court basis without a judicial proceeding, with the following levels of support provided:

- creditors representing at least 90% of the Altice France Senior Notes and creditors holding at least 90% of the Altice France Term Loans have submitted accessions to the OpCo Framework Agreement;
- creditors representing at least 90% of Altice France Holding Senior Debt have submitted accessions to the HoldCo Framework Agreement; and
- accessions have been received for at least 90% of each tranche of Altice France Senior Notes and Altice France

Holding Senior Debt.

On March 28, 2025, Altice France and some of its subsidiaries (Altice B2B France SAS, Completel SAS, Numericable US LLC, SFR Fibre SAS, SFR Presse SAS, SFR Presse Distribution SAS, Ypso France SAS and Société Française du Radiotéléphone – SFR SA, together with Altice France, the “Companies”) announced the opening of conciliation proceedings by the President of the Paris Economic Court (*Tribunal des Activités Économiques de Paris*) to implement the Transaction.

On May 27, 2025, Altice France announced that it has reached an agreement with a group of holders of its RCF on the Transaction. Following such agreement and as a further step of the implementation of the Transaction, Altice France announced that it has, together with the other Companies, requested from the Paris Economic Court (*Tribunal des Activités Économiques de Paris*) the opening of accelerated safeguard proceedings.

On June 10, 2025, the Companies announced the opening of accelerated safeguard proceedings by the Paris Economic Court (*Tribunal des Activités Économiques de Paris*) (the “Accelerated Safeguard Proceedings”) for an initial period of two months.

On June 19, 2025, the Companies announced the commencement of chapter 15 cases (the “Chapter 15 Cases”) in the Bankruptcy Court for the Southern District of New York to seek recognition of the Accelerated Safeguard Proceedings.

On July 9, 2025, Altice France announced that, as part of the Accelerated Safeguard Proceedings, the vote of the classes of affected parties on the draft accelerated safeguard plans of the Companies ended on July 8, 2025, and the court-appointed judicial administrators of the Companies confirmed the unanimous votes cast in favour of such accelerated safeguard plans across all classes.

On July 29, 2025, the Companies announced the entry by the Bankruptcy Court for the Southern District of New York of an order recognising the Accelerated Safeguard Proceedings as foreign main proceedings.

On August 4, 2025, Altice France announced that the Paris Economic Court issued nine rulings approving the accelerated safeguard plans of the Companies.

On August 19, 2025, Altice France and Altice France Holding announced that they have launched their respective implementation phase of the Transaction. As part of the pre-closing steps preceding the Transaction, certain intercompany balances with the Altice Group were extinguished. In addition, Altice France transferred an amount of €2,448.9 million to an escrow account which was settled on October 1, 2025.

On October 1, 2025, Altice France completed its financial restructuring, fully implementing the accelerated safeguard plans for itself and the other Companies, along with Altice France Holding.

Under the terms of the Transaction, creditors of Altice France and Altice France Holding that have acceded to the Framework Agreements prior to March 19, 2025 received a premium paid in cash of 2.5 percent of the principal amount of Altice France Secured Debt and Altice France Holding Senior Debt (for a total amount for €438.1 million, due to below 100% early participation) at closing. Absent full early participation, the cash amounts which were not allocated via the premium were distributed pro rata to all Altice France’s and Altice France Holding’s creditors, respectively, as additional cash consideration in the restructuring proceedings.

In exchange for their existing Altice France Secured Debt, creditors received the following consideration:

- a cash payment of approximately €1.3 billion (or 7.6 cents per €1 equivalent of Altice France Secured Debt plus an additional amount due to below 100% early participation), as well as accrued interest through implementation of the Transaction;
- an additional premium paid in cash at closing of 2.5 percent of the principal amount of Altice France Secured Debt for creditors that signed onto the Transaction prior to March 19, 2025;
- approximately 77.0 cents of new secured debt instruments issued by Altice France (the “New Secured Debt”) with a 2.75-year maturity extension vs. the existing Altice France Secured Debt tranches and an approximately 137.5 basis point increase in rate (which implies approximately €14.8 billion of New Secured Debt); and
- an aggregate equity stake of 31% of the Company in common equity.

Altice France Holding’s creditors received the following consideration:

- a cash payment of approximately €0.1 billion (or 2.5 cents per €1 of Altice France Holding Senior Debt plus an additional amount due to below 100% early participation), as well as accrued interest through March 31, 2025;
- an additional premium paid in cash at closing of 2.5 percent of the principal amount of Altice France Holding Senior Debt for creditors that signed onto the Transaction prior to March 19, 2025;
- 20.0 cents of new debt due January 2033 issued by the Company (the “New AFL 3 Debt”) with the USD-equivalent of a 9.125% EUR coupon (which implies approximately €0.9 billion of New AFL 3 Debt);
- an aggregate equity stake of 14% of the Company in common equity; and
- contingent value rights issued by Altice France Holding.

As part of the Transaction, Altice France has agreed to significantly tighter financial covenants, including more restrictive incurrence covenants that limit the ability to raise additional liquidity and incur new indebtedness (Refer to Note 33.1 – *Commitments to related to bonds and term loans*).

On October 1, 2025, the following operations, inter alia, occurred:

- With respect to the Altice France Secured Debt, including the RCF:
 - a cash payment was made by Altice France to the creditors for a total amount of €2,453.5 million corresponding to (i) a portion of the principal amount of the Altice France Secured Debt for €1,347.2 million, (ii) the related accrued interest for an amount of €668.9 million; and (iii) an additional premium for an amount of €438.1 million;
 - the issuance of the New Secured Debt for a total nominal amount of €14,813.4 million;
 - the refinancing of the RCF for a nominal amount of €1,201 million;
 - the capitalisation of a portion of the Altice France Secured Debt through the issuance of new shares of Altice France; and
- The settlement of the intercompany balances with Altice France Holding through a share premium distribution amounting to €2,717 million.

The main accounting impacts of the Transaction recorded during the fourth quarter of 2025 are the following:

- With respect to the Altice France Secured Debt:
 - the portion of the principal and interest repaid in cash was considered as an extinguishment of the financial debt. The unamortised deferred transaction costs related to these financial liabilities were recognised in the statement of income for an amount of €(120.0) million (Refer to Note 9 – *Finance costs, net*);
 - the remaining amount was derecognised in counterpart of (i) the recognition at fair value of the new shares issued (as of the closing date) based on the provisions of IFRIC 19 – *Extinguishing Financial Liabilities with Equity Instruments*, and (ii) the recognition at fair value of the New Secured Debt (at the closing date) as the transaction was considered as a substantial modification of the contractual terms of the Altice France Secured Debt based on the provisions of IFRS 9;
 - the difference between the nominal value and the fair value of the New Secured Debt and the New AFL 3 Debt as of October 1, 2025 was a gain of €597.2 million recognised in the statement of income;
 - the Group applied significant judgment in assessing the fair value of the New Secured Debt and the New AFL 3 Debt at initial recognition and the fair value of the equity instruments issued as there are no quoted prices for these instruments (shares issued and term loans) at the date of the Transaction or there were no available quoted prices at this date for the notes. With this respect, at the initial recognition (as of October 1, 2025), the fair value for these new instruments was based on a "level 2" fair value for the bonds and a "level 3" fair value for the term loans and unquoted shares.
- With respect to the equity instruments issued, Altice France relies on a multiple criteria valuation.
- Finally, the transaction costs for an amount of €565.9 million (including the €438.1 million of additional premium paid to the creditors) were recognised in the statement of income (Refer to Note 9 – *Finance costs, net*).

Following the implementation of the Transaction, the accounting treatment is as follows:

- the New Secured Debt arising from the Transaction initially recognised at fair value for an amount of €14,301.2 million is subsequently measured at amortised costs using the effective interest method. The New Secured Debt's characteristics are presented in Note 24 – *Financial liabilities*;
- the New AFL 3 Debt arising from the Transaction initially recognised at fair value for an amount of €693.8 million is subsequently measured at amortised costs using the effective interest method. The New AFL 3 Debt's characteristics are presented in Note 24 – *Financial liabilities*; and
- the equity instruments issued in the context of the Transaction are not subsequently remeasured at fair value.

4.2. Participation in XpFibre Holding

In the context of the Transaction (Refer to Note 4.1 above), on March 21, 2025, Altice XPM (which holds a participation of 50.01% in XpFibre Holding) was transferred back by Altice Luxembourg to the Group as repayment of the vendor loan (Refer to Note 4.5 – *Participation in XpFibre Holding*, Note 17 – *Non-current financial assets and other assets* and Note 32.3 – *(Related parties' transactions) – Shareholders* in the Altice France's 2024 consolidated financial statements).

4.3. Disposal of Infracos

On July 29, 2025, SFR and Bouygues Telecom announced they had entered into exclusive negotiations with Phoenix Tower International with a view to selling 100% of the share capital and voting rights of Infracos (SFR and Bouygues Telecom each held a 50% stake in the company).

Infracos is a joint venture created in 2014 by SFR and Bouygues Telecom as part of the implementation of the "Crozon" agreements, which enable the deployment and operation of shared radio sites in less dense areas in France.

On November 4, 2025, the "Autorité de la concurrence: ADLC" (French Competition Authority) authorized the takeover of Infracos by Phoenix Tower International.

On November 18, 2025, SFR and Bouygues Telecom signed a sale and purchase agreement with Phoenix Tower International.

The transaction closed on December 22, 2025 (Refer to the Note 6.2 – *Adjusted EBITDA*).

4.4. Exclusivity agreement to sell Intelcia

On November 24, 2025, Altice France signed an agreement with Intelcia Holding (a company wholly owned by the current Intelcia’s management), with a view to selling its 65% stake in Intelcia.

Intelcia is engaged in the provision of outsourced customer experience management, consulting and digital transformation services. Altice France will continue to be a key customer of Intelcia.

During the fourth quarter of 2025, the assets and associated liabilities were classified as held for sale based on IFRS 5 (Refer to Note 22 – *Assets and associated liabilities held for sale*). As a consequence of the classification as held for sale, an impairment was recognised for an amount of €56.9 million in the income statement caption “Other expenses and income” (Refer to Note 6.2 – *Adjusted EBITDA*).

The transaction closed on April 28, 2026.

5. Change in scope

During the year ended December 31, 2025, the change in scope concerns mainly the entry of Altice XPM (100%) which holds a stake of XpFibre Holding (50.01%). Refer to Note 4.2 – *Participation in XpFibre Holding*.

The consolidation scope updated is presented in Note 35 – *List of consolidated entities*.

6. Financial Key Performance Indicators (“KPIs”)

The Board of Directors has defined certain financial KPIs that are tracked and reported every month to the senior executives of the Company. The Board of Directors believes that these indicators offer them the best view of the operational and financial efficiency of the activity, and this follows best practices in the rest of the industry, thus providing investors and other analysts a suitable base to perform their analysis of the Group’s results.

The financial KPIs tracked by the Board of Directors are:

- Revenues,
- Adjusted EBITDA,
- Capital expenditure (“Capex”),
- Operating free cash flow (“OpFCF”) and
- Net financial debt.

Non-GAAP measures

Adjusted EBITDA, Capex, OpFCF and Net financial debt are non-GAAP measures. These measures are useful to readers of the Group’s financial statements as they provide a measure of operating results excluding certain items that the Group’s management believe are either outside of its recurring operating activities, or items that are non-cash. Excluding such items enables trends in the Group’s operating results and cash flow generation to be more easily observable. The non-GAAP measures are used by the Group internally to manage and assess the results of its operations, make decisions with respect to investments and allocation of resources, and assess the performance of management personnel. Such performance measures are also, de facto, the metrics used by investors and other members of the financial community to value other companies operating in the same industry as the Group and thus are a basis for comparability between the Group and its peers. Moreover, the debt covenants of the Group are based on the Adjusted EBITDA and other associated metrics. The definition of Adjusted EBITDA used in the covenants has not changed with the adoption of IFRS 15 and IFRS 16 by the Group.

▪ *Adjusted EBITDA*

Following the application of IFRS 16, Adjusted EBITDA is defined as operating income before depreciation, amortisation and impairment, other expenses and income (capital gains, non-recurring litigation, restructuring costs and management fees), share-based expenses and after operating lease expenses (i.e., straight-line recognition of the rent expense over the lease term as performed under IAS 17 – *Leases* for operating leases). This may not be comparable to similarly titled measures used by other entities. Further, this measure should not be considered as an alternative for operating income as the effects of depreciation, amortisation, and impairment, excluded from Adjusted EBITDA, do ultimately affect the operating results. Operating results presented in the annual consolidated financial statements are in accordance with IAS 1 – *Presentation of Financial Statements*. For more details about “Other expenses and income”, refer to Note 6.2 – *Adjusted EBITDA*.

▪ *Capex*

Capex is an important indicator to follow, as the profile varies greatly between activities:

- The fixed business has fixed Capex requirements that are mainly discretionary (network, platforms, general), and variable Capex requirements related to the connection of new customers and the purchase of Customer Premise Equipment (TV decoder, modem, etc.).

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- Mobile Capex is mainly driven by investment in new mobile sites, upgrade to new mobile technology and licences to operate; once engaged and operational, there are limited further Capex requirements.
- Other Capex is mainly related to costs incurred in acquiring content rights.

▪ *Operating free cash flow*

OpFCF is defined as Adjusted EBITDA less Capex. This may not be comparable to similarly titled measures used by other entities. Further, this measure should not be considered as an alternative for operating cash flow as presented in the consolidated statement of cash flows in accordance with IAS 7.

▪ *Net financial debt*

Net financial debt is a non-GAAP measure which is useful to the readers of the consolidated financial statements as it provides meaningful information regarding the financial position of the Group and its ability to pay its financial debt obligations compared to its liquid assets (Refer to Note 24.4 – *Net financial debt*).

6.1. Revenue

The following table presents the breakdown of the revenue:

Revenue (€m)	December 31, 2025	December 31, 2024
Residential - Fixed	2,536.4	2,699.9
Residential - Mobile	3,200.2	3,603.1
Business services	2,778.0	2,976.1
Total Telecom excluding equipment sales	8,514.6	9,279.0
Equipment sales	862.4	904.0
Media	5.3	185.4
Total	9,382.4	10,368.4

“Residential” corresponds to B2C services revenues, excluding equipment.

“Business services” includes revenues from B2B and wholesale including construction of the FTTH network and excluding revenues from equipment sales and Media revenues presented in the line below.

“Equipment sales” relates to equipment revenues from B2B and B2C segments.

The revenue is mainly generated in France.

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) as of December 31, 2025:

Maturity of revenues (€m)	2026	2027	2028	2028 and beyond	Total
Total	1,027.8	410.3	172.5	534.7	2,145.3

6.2. Adjusted EBITDA

The following table presents the reconciliation of the operating profit in the consolidated financial statements to Adjusted EBITDA:

Operating profit (€m)	December 31, 2025	December 31, 2024
Revenue	9,382.4	10,368.4
Purchasing and subcontracting costs	(2,264.8)	(2,642.1)
Other operating expenses	(1,673.0)	(1,892.1)
Staff costs and employee benefits	(1,096.5)	(1,174.1)
Total	4,348.1	4,660.1
Rental expense operating lease	(1,277.2)	(1,231.1)
Adjusted EBITDA	3,070.9	3,429.0
Depreciation, amortisation and impairment	(2,975.2)	(3,069.3)
Other expenses and income (a)	(553.3)	2,777.4
Rental expense operating lease	1,277.2	1,231.1
Operating profit	819.6	4,368.1

(a) Include mainly:

- an expense of €96.5 million following the signing of a settlement agreement with XpFibre Holding;
- a net loss on the disposal of Infracos to Phoenix Tower International of €284.6 million of which a preliminary capital gain of €267.4 million on the disposal decreased by an amount of €552.0 million due to the subsequent lease back for most of its sites in application of IFRS 16 – *Leases* (sale and lease back transaction); and
- a depreciation of the goodwill related to Intelcia for an amount of €56.9 million (Refer to Note 11.1 – *Goodwill*).

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As of December 31, 2024, included capital gains related to the disposals of UltraEdge, XpFibre Holding, the Altice Media division and La Poste Telecom for an aggregate amount of €3.0 billion.

The table below provides a reconciliation between profit/(loss) to Adjusted EBITDA:

Reconciliation of profit/(loss) to Adjusted EBITDA (€m)	December 31, 2025	December 31, 2024
Profit/(loss)	(1,822.7)	1,974.5
Income tax (benefit)/expenses	89.8	483.8
Share of earnings of associates and joint ventures	123.7	54.1
Finance costs, net	2,428.8	1,855.7
Operating profit	819.6	4,368.1
Depreciation, amortisation and impairment	2,975.2	3,069.3
Other expenses and income	553.3	(2,777.4)
Rental expense operating lease	(1,277.2)	(1,231.1)
Adjusted EBITDA	3,070.9	3,429.0

6.3. Capital expenditure

The following table presents the reconciliation of the capital expenditure to the payments to acquire capital items (tangible and intangible assets, and contract costs) as presented in the consolidated statement of cash flows.

Capital expenditure (€m)	December 31, 2025	December 31, 2024
Capital expenditure (accrued) (a)	1,560.1	2,095.1
Capital expenditure - working capital items and other impacts (b)	264.4	(9.1)
Payments to acquire tangible and intangible assets and contract costs	1,824.5	2,086.0

(a) Includes accruals related to a new IRU for an aggregate amount of €14.3 million (€17.7 million as of December 31, 2024).

(b) Includes a payment of €26.3 million related to the 2G licences (same amount as of December 31, 2024) and a payment of €31.5 million related to the 5G licences (nil as of December 31, 2024).

6.4. Operating Free Cash Flow

The table below details the calculation of Adjusted EBITDA less accrued Capex or operating free cash flow (“OpFCF”), as presented to the Board of Directors. This measure is used as an indicator of the Group’s financial performance as the Board of Directors believes it is one of several benchmarks used by investors, analysts, and peers for comparison of performance in the Group’s industry, although it may not be directly comparable to similar measures reported by other companies. Adjusted EBITDA and accrued Capex are both reconciled to GAAP reported figures in this note; this measure is a calculation using these two non-GAAP figures; therefore, no further reconciliation is provided.

Operating Free Cash Flow (€m)	December 31, 2025	December 31, 2024
Adjusted EBITDA	3,070.9	3,429.0
Capital expenditure (accrued)	(1,560.1)	(2,095.1)
Operating Free Cash Flow	1,510.8	1,333.9

7. Staff costs

The following table presents the breakdown of the staff costs:

Staff costs (€m)	December 31, 2025	December 31, 2024
Average annual headcount (Full-time equivalent)	33,369	37,306
Wages and salaries	(899.9)	(953.3)
Social security costs	(336.6)	(349.8)
Employee profit-sharing	(47.1)	(56.0)
Capitalised payroll costs	213.9	212.9
Staff costs	(1,069.8)	(1,146.2)
Employee benefit plans	(5.4)	(5.6)
Other	(21.3)	(22.3)
Staff costs and employee benefit expenses	(1,096.5)	(1,174.1)

8. Other operating expenses

The following table presents the breakdown of the other operating expenses:

Other operating expenses (€m)	December 31, 2025	December 31, 2024
Network operations and maintenance	(856.3)	(890.1)
Sales and marketing	(201.5)	(260.1)
Customer services	(105.8)	(214.9)
General and administrative expenses	(221.0)	(237.7)
Taxes	(288.4)	(289.3)
Other operating expenses	(1,673.0)	(1,892.1)

9. Finance costs, net

Net finance costs amount to €(2,428.8) million for the year ended December 31, 2025, compared to €(1,855.7) million for the year ended December 31, 2024.

The following table presents the breakdown of the finance costs, net:

Finance costs, net (€m)	December 31, 2025	December 31, 2024
Interest relative to gross financial debt	(1,269.7)	(1,237.4)
Realised and unrealised gain/(loss) on derivative instruments (a)	(334.7)	(18.3)
Finance income (b)	505.5	160.8
Provisions, unwinding of discount and impairment	(19.8)	(21.3)
Interest related to lease liabilities	(660.7)	(590.6)
Other (c)	(539.5)	(152.7)
Other financial expenses	(1,219.9)	(764.6)
Net result on extinguishment and remeasurement of financial liabilities (d)	(110.0)	3.8
Finance costs, net	(2,428.8)	(1,855.7)

- (a) Includes the impact from the restructuring of swaps related to the restructuring of the Altice France Secured Debt.
(b) Of which €303.1 million related to the exchange rate impact of the extinguishment of the Altice France Secured Debt prior to the restructuring. The remaining amount corresponds to interest on cash equivalents and on loans and current accounts with the companies of the Altice Group.
(c) Includes the warrants issued by the Company for an amount of €320 million (Refer to Note 24.9 – *Warrants*).
(d) Includes (i) fees related to the Transaction for an amount of €(127.8) million, (ii) an additional premium for an amount of €(438.1) million, (iii) the impact of the recognition of the New Secured Debt and the New AFL 3 Debt at fair value net of amortised cost and the impact of the extinguishment of the debt prior to the restructuring through the issuance of new shares for an amount of €575.9 million, and (iv) an unamortised deferred transaction costs related to the financial liabilities recognised in the statement of income for an amount of €(120.0) million (Refer to Note 4.1 – *Agreement with creditors*).

10. Taxation

10.1. Income tax benefit/(expenses) components

The following table presents the breakdown of income tax components:

Income tax benefit/(expenses) (€m)	December 31, 2025	December 31, 2024
Income tax benefit/(expenses)		
Current	(44.7)	(47.5)
Deferred	(45.1)	(436.3)
Income tax benefit/(expenses)	(89.8)	(483.8)

10.2. Tax proof

The following table presents the tax proof:

Tax proof (€m)	December 31, 2025	December 31, 2024
Profit/(loss)	(1,822.7)	1,974.5
<i>Neutralisation:</i>		
Income tax benefit (expenses)	(89.8)	(483.8)
Share of earnings of associates	(123.7)	(54.1)
Profit/(loss) before taxes	(1,609.2)	2,512.4
Statutory tax rate in Luxembourg (*)	23.87%	25.83%
Theoretical income tax benefit/(expenses)	384.1	(649.0)
<i>Reconciliation between the theoretical tax rate and the effective tax rate:</i>		
Effects of permanent differences (a)	(109.8)	733.6
Tax credits/tax assessments	(13.7)	4.8
CVAE net of current and deferred taxes (b)	(11.8)	(13.1)
Differences on income tax rate	-	(0.2)
Recoverability of deferred taxes (c)	(336.5)	(558.8)
Other	(2.1)	(1.3)
Income tax benefit/(expenses)	(89.8)	(483.8)
Effective tax rate	-5.58%	19.26%

(*) The theoretical tax rate for the year ended December 31, 2024 is the tax rate applicable to France.

- (a) Includes €(76.4) million related to the warrants at fair value. As of December 31, 2024, includes €769.2 million related to the net gain from disposal of consolidated entities (Refer to Note 4 – *Significant events of the period* in the Altice France’s 2024 consolidated financial statements).
- (b) Corresponds to the French business tax (CVAE) reclassified as corporate income tax under the IFRS: €(15.5) million (€(17.7) million as of December 31, 2024), net of tax: €3.7 million (€4.6 million as of December 31, 2024).
- (c) The Group recognises deferred tax asset related to net operating losses (NOLs) on the basis of projections of future use of the loss carry forward deemed probable. Furthermore, the Group reviews the activation of deferred taxes related to temporary differences based on a five-year business plan.

10.3. Change in deferred taxes by basis

The following table presents the breakdown of and the change in deferred taxes by basis for the year:

Change in deferred tax (€m)	December 31, 2024	Income statement	Other	December 31, 2025
Deferred tax assets				
Tax losses (a)	258.5	209.0	(0.8)	466.7
Provisions	37.8	(0.3)	(1.0)	36.5
Property, plant and equipment and intangible assets (b)	818.8	167.5	(13.4)	972.9
Derivative instruments	1.1	-	44.2	45.3
Other	70.5	9.4	0.5	80.4
Offsetting (c)	(245.3)	-	(50.3)	(295.6)
Deferred tax assets, gross	941.4	385.6	(20.9)	1,306.2
Unrecognised tax assets				
Tax losses (a)	(256.1)	(210.6)	-	(466.7)
Other (d)	(681.0)	(159.4)	1.4	(839.0)
Deferred tax assets, net	4.3	15.5	(19.5)	0.4
Deferred tax liabilities				
Property, plant and equipment and intangible assets	(178.6)	13.4	11.9	(153.3)
Derivative instruments	(54.5)	(53.5)	(45.3)	(153.2)
Other	(43.9)	(20.5)	0.8	(63.7)
Offsetting (c)	245.3	-	50.3	295.6
Deferred tax liabilities	(31.7)	(60.6)	17.7	(74.6)
Net deferred tax assets (liabilities)	(27.3)	(45.1)	(1.8)	(74.2)

- (a) At the year-end, gross deferred tax assets include Group tax loss carry forwards for €384.3 million (€185.4 million as of December 31, 2024) which have not been recognised.
- (b) Of which €142.6 million related to a lease back transaction in relation with the disposal of Infracos (Refer to Note 4.3 – *Disposal of Infracos*).
- (c) In accordance with IAS 12 – *Income Taxes*, the deferred tax assets and liabilities of a same fiscal group are netted in so far there are related to the same fiscal authority for the income tax; the Group has an enforceable right to net the deferred tax assets and liabilities.
- (d) The change in deferred tax assets unrecognised in the statement of income amounts to €370.0 million and is included in the caption “Recoverability of deferred taxes” in Note 10.2 – *Tax proof*.

10.4. Tax receivables and payables

At year-end, tax receivables for €17.1 million correspond to the net corporate income tax advances paid in 2025. Tax payables for €28.5 million correspond to the net income tax payable for 2025.

11. Goodwill and impairment of goodwill

11.1. Goodwill

Goodwill recorded in the consolidated statement of financial position was allocated to the only Group Cash Generating Unit (“GCGU”): Telecom.

The following table presents the change in goodwill in 2025:

Goodwill (€m)	Opening	Recognised on business combination	Held for sale	Disposals	Other	December 31, 2025
Gross value (a) (b)	9,620.7	-	(131.0)	(168.2)	(0.1)	9,321.3
Cumulative impairment	(8.6)	-	-	-	-	(8.6)
Net book value	9,612.1	-	(131.0)	(168.2)	(0.1)	9,312.8

- (a) Refer to Note 4.4 – *Exclusivity agreement to sell Intelcia*. The net loss on the disposal of Intelcia, estimated as of December 31, 2025, resulted in a depreciation of goodwill (for an amount of €56.9 million) following its reclassification in assets held for sale (Refer to Note 2.17 – *Assets held for sale and discontinued operations*).
- (b) Refer to Note 4.3 – *Disposal of Infracos*.

The following table presents the change in goodwill in 2024:

Goodwill (€m)	Opening	Recognised on business combination	Held for sale	Disposals	Other	December 31, 2024
Telecom	9,620.6	-	-	(0.2)	0.2	9,620.7
Media (a)	534.5	-	-	(534.5)	-	-
Gross value	10,155.1	-	-	(534.7)	0.2	9,620.7
Telecom	(8.6)	-	-	-	-	(8.6)
Media	-	-	-	-	-	-
Cumulative impairment	(8.6)	-	-	-	-	(8.6)
Telecom	9,612.1	-	-	(0.2)	0.2	9,612.1
Media	534.5	-	-	(534.5)	-	-
Net book value	10,146.6	-	-	(534.7)	0.2	9,612.1

(a) Refer to the Group's 2024 consolidated financial statements in Note 4.6 – *Disposal of the Altice Media division*.

11.2. Impairment of goodwill

Goodwill is tested at the level of the GCGU annually for impairment and whenever changes in circumstances indicate that its carrying amount may not be recoverable. Goodwill was tested at the GCGU level for impairment as of December 31, 2025.

The recoverable amount of the GCGU is determined based on its value in use. The Group determined value in use for purposes of its impairment testing and, accordingly, did not determine the fair value less cost of disposal of the GCGU. The key assumptions for the value in use calculations are primarily the pre-tax discount rates, the terminal growth rate, revenue, Adjusted EBITDA and capital expenditures. Following the application of IFRS 16, Adjusted EBITDA is defined as operating income before depreciation, amortisation and impairment, other expenses and income (capital gains, non-recurring litigation, restructuring costs and management fees), share-based expenses and after operating lease expenses (i.e., straight-line recognition of the rent expense over the lease term as performed under IAS 17).

Based on the annual impairment test performed as of December 31, 2025, no impairment of goodwill was recorded.

11.2.1. Key assumptions used in impairment testing

The Group has made use of various external indicators and internal reporting tools to assess and estimate the key assumptions used in the Group's impairment testing as of December 31, 2025.

11.2.1.1. Cash flows

The value in use was determined by estimating cash flows for a period of five years for the operating activities. Cash flow forecasts are derived from the most recent business plans approved by the Board of Directors. Beyond the specifically forecasted period of five years, the Group extrapolates cash flows for the remaining years based on an estimated constant growth rate of 1.25%. The growth rate does not exceed the average long-term growth rate for the Telecom market.

11.2.1.2. Discount rates

Discount rates have been estimated using pre-tax rates, which reflect current market rates for investments of similar risk. The discount rate was estimated using the weighted average cost of capital ("WACC") of companies that operate a portfolio of assets similar to the Group's. The pre-tax discount rate used for the calculation of the value in use as of December 31, 2025, amounts to 7.6%.

11.2.1.3. Other internal assumptions

The Group makes operational and financial assumptions including customer subscriber additions, churn rates and Adjusted EBITDA (and the Adjusted EBITDA margin) for example. These assumptions were based on historical experience and expectations of future changes in the market. The Group also assumes that recurring Capex are expected to be proportional to sales, related to the acquisition of new clients, and thus are indexed to the growth in revenues. Projections of subscribers, revenue and costs to the Adjusted EBITDA are based on reasonable assumptions that represent the Group's best estimates. The projections are based on both past experience and projections regarding market developments. The Group also expects a decrease in customer-related investments as the migration from DSL to FTTH technology has largely been completed and a decrease in network investments as the FTTH and 5G coverage programs come to an end.

11.2.1.4. Assumptions about external factors

In addition to using internal indicators to assess the carrying amount in use, the Board of Directors also relies on external factors which can influence the cash generating capacity of the GCGU and indicate that certain factors beyond the control of the Board of Directors might influence the carrying amounts in use:

- Indicators of market slowdown in specific activities,

- Indicators of degradation in financial markets, which can impact the financing ability of the Group.

Key assumptions used in estimating value in use	Telecom
As of December 31, 2025	
Average terminal growth rate (%)	1.25%
5-year average Adjusted EBITDA margin (%)	34.3%
5-year average Capex ratio (%)	(15.9)%
Pre-tax discount rate (%)	7.6%
Post-tax discount rate (WACC) (%)	6.0%
As of December 31, 2024	
Average terminal growth rate (%)	1.5%
5-year average Adjusted EBITDA margin (%)	33.4%
5-year average Capex ratio (%)	(16.8)%
Pre-tax discount rate (%)	7.8%
Post-tax discount rate (WACC) (%)	6.3%

11.2.2. Sensitivity analysis

In validating the value in use determined for the GCGU, key assumptions used in the discounted cash-flow model were subject to a sensitivity analysis to test the resilience of value in use. The sensitivity analysis of the GCGU is presented below, given changes to the material inputs to the respective valuations:

Sensitivity to changes in key inputs in the value in use calculation	Telecom
Amount by which the GCGU exceeds the book value (€m)	10,436
Terminal growth rate for which recoverable amount is equal to carrying amount (%)	(2.1)%
Post-tax discount rate for which recoverable amount is equal to carrying amount (%)	8.8%
Adjusted EBITDA margin for which recoverable amount is equal to carrying amount (%)	26.9%
0.5% increase in the discount rate (€m)	(2,669)
1.0% decrease in the terminal growth rate (€m)	(4,417)

The analysis did not result in any scenarios whereby a reasonable possible change in the key assumptions would result in a recoverable amount for the GCGU significantly inferior to the carrying value of the GCGU.

12. Other intangible assets

12.1. Other intangible assets by type

The following table presents the breakdown of the other intangible assets by type:

Intangible assets by type (€m)	December 31, 2025			December 31, 2024		
	Gross	Amort. & dep.	Net	Gross	Amort. & dep.	Net
SFR brand name (a)	1,050.0	(937.1)	112.9	1,050.0	(927.7)	122.3
Other brand names (b)	62.7	(34.2)	28.6	64.7	(33.6)	31.1
Licences (c)	2,146.6	(880.2)	1,266.3	3,042.9	(1,604.4)	1,438.6
Customer relations (d)	2,821.3	(2,791.2)	30.1	2,850.4	(2,794.8)	55.6
Software	6,434.2	(5,088.9)	1,345.3	6,036.0	(4,684.6)	1,351.4
Television programs and sport rights	30.2	(21.6)	8.6	45.5	(34.5)	11.0
Other intangible assets (e)	4,160.2	(2,295.9)	1,864.4	4,347.8	(2,403.0)	1,944.8
Total	16,705.2	(12,049.1)	4,656.1	17,437.3	(12,482.6)	4,954.7

As of December 31, 2025:

- The SFR brand was valued at the time of application of Purchase Price Accounting (“PPA”) and was initially amortised over fifteen years. At the end of December 2025, the residual useful life is twelve years (Refer to Note 2.9 – *Intangible assets*).
- Includes mainly brands for a net amount of:
 - Coriolis Telecom: €23.0 million,
 - Syma: €5.4 million.
- Includes mainly the licences held by SFR for a net amount of €1.2 billion (Refer to Note 2.9 – *Intangible assets*).
- Includes mainly customer bases:
 - SFR as valued at the time of application of PPA for a gross value of €2.7 billion amortised over nine years. Since November 30, 2023, this base is totally amortised.
 - Coriolis Telecom (B2C and B2B) for a net amount of €30.1 million.
- Primarily, include the rights to use the cable infrastructure and civil engineering facilities, the concession contracts (IFRIC 12) and service access fees.

12.2. Change in net other intangible assets

The following table presents the change in net other intangible assets:

Change in net intangible assets (€m)	December 31, 2025	December 31, 2024
Opening balance	4,954.7	5,152.9
Depreciation and amortisation	(853.0)	(902.5)
Additions	611.6	779.8
Disposals	3.6	0.4
Change in scope (a)	(13.3)	(93.2)
Assets classified as held for sale	(16.3)	-
Other	(31.2)	17.2
Closing balance	4,656.1	4,954.7

(a) In 2024, concerned mainly the disposal of the Altice Media division (Refer to Note 4.6 – *Disposal of the Altice Media division* in the Altice France’s 2024 consolidated financial statements).

12.3. Breakdown of the amortisation and depreciation

The following table presents the breakdown of the amortisation and depreciation:

Breakdown of the amortisations and depreciations (€m)	December 31, 2025	December 31, 2024
Brands	(11.9)	(12.7)
Licences	(172.5)	(172.7)
Customer relations	(10.7)	(13.1)
Software	(460.0)	(457.4)
Television programs and sport rights	(11.9)	(22.1)
Other intangible assets	(185.9)	(224.5)
Total	(853.0)	(902.5)

13. Contract balances

The following table presents the contract balances:

Contract balances (€m)	December 31, 2025	December 31, 2024
Contract costs, net	156.7	172.0
Contract assets, net	142.7	152.7
Contract liabilities, current and non-current	(1,191.2)	(1,004.3)

13.1. Net contract costs

The following table presents the change in the net contract costs:

Contract costs, net (€m)	December 31, 2025			December 31, 2024		
	Gross	Amort. & dep.	Net	Gross	Amort. & dep.	Net
Opening balance	1,838.4	(1,666.4)	172.0	1,664.6	(1,489.0)	175.6
Additions	156.8	-	156.8	173.8	-	173.8
Depreciation and amortisation	-	(172.2)	(172.2)	-	(177.3)	(177.3)
Other	(29.5)	29.5	-	-	-	-
Closing balance	1,965.7	(1,809.0)	156.7	1,838.4	(1,666.4)	172.0

13.2. Net contract assets

The following table presents the change in net contract assets:

Contract assets, net (€m)	December 31, 2025	December 31, 2024
Opening balance	155.8	168.3
Business related movements	(10.3)	(12.5)
Closing balance	145.5	155.8
Impairment loss	(2.8)	(3.1)
Contract assets, net	142.7	152.7

13.3.Contract liabilities

The following table presents the change in contract liabilities:

Contract liabilities (€m)	December 31, 2025	December 31, 2024
Opening balance	1,004.3	917.9
Business related movements (a)	191.0	86.4
Change in scope	-	0.5
Liabilities classified as held for sale	(1.0)	-
Other	(3.2)	(0.6)
Closing balance	1,191.2	1,004.3

(a) This line includes increase related to cash received on new agreements and decrease related to the reversal of deferred revenue in the revenue line.

The following table presents the breakdown of the contract liabilities:

Contract liabilities - breakdown (€m)	December 31, 2025	December 31, 2024
Current contract liabilities	426.7	494.6
Non-current contract liabilities	764.4	509.7
Total contract liabilities	1,191.2	1,004.3
<i>Explained as follows:</i>		
Prepaid revenue - IRU	106.2	142.4
Prepaid revenue - Telecom contract	255.7	298.4
Prepaid revenue - RAN sharing	611.0	197.8
Prepaid revenue - Other	218.3	365.7
Total	1,191.2	1,004.3

14. Property, plant and equipment

14.1.Property, plant and equipment by type

The following table presents the breakdown of the property, plant and equipment by type:

Property, plant and equipment by type (€m)	December 31, 2025			December 31, 2024		
	Gross	Amort. & dep.	Net	Gross	Amort. & dep.	Net
Land	20.0	(0.5)	19.5	19.5	(0.5)	19.0
Buildings	2,034.1	(788.1)	1,246.0	1,923.0	(652.9)	1,270.0
Technical equipment	9,892.4	(7,006.3)	2,886.1	9,623.4	(6,416.7)	3,206.7
Assets under construction	137.9	(12.4)	125.5	241.1	(11.0)	230.1
Other tangible assets	5,684.1	(4,382.6)	1,301.5	5,156.2	(3,866.7)	1,289.6
Total	17,768.6	(12,189.9)	5,578.7	16,963.2	(10,947.8)	6,015.4

Buildings mainly consist of technical website hosting, constructed buildings and their respective amenities.

Technical equipment includes mainly network and transmission equipment.

Property, plant, and equipment in progress consist of equipment and network infrastructures.

“Other tangible assets” item includes boxes (ADSL, fibre and cable).

14.2.Change in net property, plant and equipment

The following table presents the change in net property, plant and equipment:

Change in net property, plant and equipment (€m)	December 31, 2025	December 31, 2024
Opening balance	6,015.4	6,208.9
Amortisation and depreciation	(1,248.1)	(1,268.8)
Additions	787.8	1,135.6
Disposals	(4.3)	(20.6)
Change in scope	16.1	(39.4)
Assets classified as held for sale	(23.3)	-
Other	35.0	(0.2)
Closing balance	5,578.7	6,015.4

14.3. Breakdown of the amortisation and depreciation

The following table presents the breakdown of the amortisation and depreciation:

Breakdown of the amortisation and depreciation (€m)	December 31, 2025	December 31, 2024
Buildings	(149.0)	(152.3)
Technical equipment	(638.9)	(675.2)
Assets under construction	(1.4)	(1.0)
Other tangible assets	(458.7)	(440.4)
Total	(1,248.1)	(1,268.8)

15. Rights of use

15.1. Rights of use by type

The following table presents the breakdown of the rights of use by type:

Rights of use by type (€m)	December 31, 2025			December 31, 2024		
	Gross	Amort. & dep.	Net	Gross	Amort. & dep.	Net
Lands and buildings	593.4	(370.9)	222.5	764.2	(466.3)	297.9
Technical installations	7,700.3	(3,490.2)	4,210.1	6,571.1	(3,620.9)	2,950.3
Other	34.6	(19.5)	15.2	139.2	(93.6)	45.7
Total	8,328.3	(3,880.6)	4,447.7	7,474.5	(4,180.8)	3,293.8

15.2. Change in net rights of use

The following table presents the change in net rights of use:

Change in net rights of use (€m)	December 31, 2025	December 31, 2024
Opening balance	3,293.8	3,705.1
Depreciation and amortisation	(701.9)	(720.7)
Additions (a)	2,254.8	646.7
Contract modification/termination	(291.3)	(297.5)
Change in scope	(51.8)	(42.0)
Assets classified as held for sale	(52.4)	-
Other	(3.4)	2.2
Closing balance	4,447.7	3,293.8

(a) Of which mainly new contracts: €669.5 million, contracts increasing modification: €722.1 million and discount impact: €852.9 million. As of December 31, 2024, of which mainly new contracts: €261.2 million, contracts increasing modification: €793.4 million and discount impact: €(389.5) million.

15.3. Breakdown of the amortisation and depreciation

The following table presents the breakdown of the amortisation and depreciation:

Breakdown of the amortisation and depreciation (€m)	December 31, 2025	December 31, 2024
Lands and buildings	(66.2)	(75.5)
Technical installations	(615.7)	(626.5)
Other	(19.9)	(18.7)
Total	(701.9)	(720.7)

16. Investments in associates and joint ventures

16.1. Change in investments in associates and joint ventures

The main changes over the year ended December 31, 2025, concern the entry of XpFibre Holding.

Change in investments in associates and joint ventures (€m)	December 31, 2025	December 31, 2024
Opening balance	217.7	703.4
Change in scope (a)	1,467.3	130.2
Dividends (b)	(45.9)	(547.2)
Profit/(Loss)	(123.7)	(54.1)
Deconsolidation	(1.0)	-
Other	16.8	(14.6)
Closing balance	1,531.2	217.7

(a) Refer to Note 4.2 – *Participation in XpFibre Holding*. This amount includes a goodwill amounting to €313.0 million. The Group finalized the acquisition accounting and recognised mainly public service delegation contracts net of deferred taxes for an amount of €625.7 million.

(b) Of which €(45.0) million related to a distribution by XpFibre Holding (€(544.8) million as of December 31, 2024).

16.2. Main interests in associates and joint ventures

The main interests in associates and joint ventures are as follows:

Main interests in associates and joint ventures (€m)	December 31, 2025	December 31, 2024
UltraEdge	210.5	211.4
Other associates	3.9	3.8
Associates	214.5	215.2
XpFibre Holding (a)	1,316.3	-
Synerail (b)	-	2.1
Other joint ventures	0.4	0.4
Joint ventures	1,316.7	2.5
Total	1,531.2	217.7

(a) Refer to Note 4.2 – *Participation in XpFibre Holding*.

(b) As the GSM-R public-private partnership has been terminated, the company Synerail (JV) has been deconsolidated as of June 30, 2025.

The shareholding percentages of these principal equity associates are indicated in Note 35 – *List of consolidated entities*.

16.3. Condensed financial information on equity associates and joint ventures

The following table presents the breakdown of the condensed financial information on significant equity associates and joint ventures:

Condensed financial information on equity associates and joint ventures (€m)	UltraEdge		XpFibre Holding		Synerail	
	2025	2024	2025	2024 (*)	2025	2024
Revenues	140.4	86.4	1,055.9	-	-	78.9
Net income (loss)	0.3	(9.9)	(288.2)	-	-	0.2
Equity	701.8	701.6	1,120.1	-	-	5.9
Cash (-) / Net debt (+)	115.3	222.9	4,770.4	-	-	(26.2)
Total equity and liabilities	999.0	927.7	10,789.5	-	-	51.1

(*) Not disclosed as company not consolidated as of December 31, 2024.

The amounts for the year 2025 may be subject to homogenisation and consolidation restatements by the Group; these figures are unaudited.

17. Non-current financial assets and other assets

The following table presents the breakdown of the non-current financial assets and other assets:

Non-current financial assets and other assets (€m)	December 31, 2025	December 31, 2024
Derivative instruments (a)	-	264.3
Loans and receivables with Altice Group affiliates (b)	-	2,959.5
Deposits	48.2	46.9
Other	79.9	13.6
Non-current financial assets	128.1	3,284.3
Other non-current assets (c)	465.6	266.8
Non-current financial assets and other assets	593.8	3,551.1

(a) Related to swaps (Refer to Note 25 – *Derivative instruments*).

(b) The change concerns mainly a vendor loan repaid by a transfer of shares by Altice Luxembourg to Altice Participations (Refer to Note 4.2 – *Participation in XpFibre Holding*) and the settlement of the upstream loans with the Altice Group's companies (mainly Altice France Holding).

(c) Concerns mainly non-current prepaid expenses.

18. Inventories

The following table presents the breakdown of the inventories:

Inventories (€m)	December 31, 2025	December 31, 2024
Inventories of terminals and accessories	224.1	261.1
Inventories and work in progress	102.3	102.2
Inventories - gross value	326.5	363.4
Impairment	(25.0)	(28.1)
Inventories - net value	301.5	335.3

Inventories are primarily comprised of handsets (mobile and other equipment) and accessories.

The handsets inventories at year-end consist of €35.4 million classified as inventories on deposit with distributors (classified as agents) compared with €60.9 million in 2024.

The inventories and work in progress relate to the activity of the ATSF sub-group.

19. Trade and other receivables

The following table presents the breakdown of the trade and other receivables:

Trade and other receivables	December 31,	December 31,
(€m)	2025	2024
Trade receivables (a) (b)	2,159.0	2,478.5
Impairment of doubtful receivables (c)	(250.0)	(400.3)
Trade receivables, net	1,909.0	2,078.2
Receivables from suppliers	213.2	204.3
Tax and social security receivables	620.1	670.3
Prepaid expenses	251.8	281.5
Non-operating other receivables	55.0	51.2
Trade and other receivables, net	3,049.1	3,285.5

- (a) The trade receivables disclosed above are measured at amortised cost. Due to their short-term maturity, fair value and amortised cost are an estimate for the nominal amount of trade receivables.
- (b) SFR has concluded in July 2024 and amended in December 2024 a non-recourse securitisation agreement for its “customer services” segment portfolio receivables and future receivables with Ester Finance Technologies, a 100% owned subsidiary of the Crédit Agricole Corporate and Investment Banking group (Refer to Note 24.8 – *Securitisation*).
- (c) The Group considers that there is no significant risk of not recovering unprovisioned receivables due. The concentration of counterparty risk connected with trade receivables is limited as the Group’s customer portfolio is highly diversified and not concentrated given the large number of customers, especially in B2C activities, with many millions of individual customers. In the B2B segment, the twenty principal customers of the Group represent less than 5% of the Group’s revenue. In the wholesale business, revenue is more concentrated as the largest customers are the telecommunication operators (Orange, Bouygues Telecom, Free, etc.) and infrastructure wholesale operator (as XpFibre) for which the risk is moderate given the reciprocal interconnection flows.

20. Other financial assets

The following table presents the breakdown of the other financial assets:

Other financial assets	December 31,	December 31,
(€m)	2025	2024
Loans and receivables with Altice Group affiliates (a)	-	1,671.0
Call options with non-controlling interests (b)	-	60.4
Derivative instruments (c)	-	231.3
Other	16.3	46.8
Other financial assets	16.3	2,009.6

- (a) As of December 31, 2024, mainly concerned Altice France Holding: €1,507.0 million. Altice France settled its upstream loans with the Altice Group's companies (mainly Altice France Holding).
- (b) The call option with ACS has been reversed following the agreement signed with Intelcia (Refer to Note 4.4 – *Exclusivity agreement to sell Intelcia*).
- (c) Refer to Note 25 – *Derivative instruments*.

21. Cash and cash equivalents

The following table presents the breakdown of the cash and cash equivalents:

Cash and cash equivalents	December 31,	December 31,
(€m)	2025	2024
Cash	847.1	874.1
Cash equivalents (a)	31.6	1,993.0
Cash and cash equivalents	878.7	2,867.1

- (a) The Money Market Funds have been sold in the fourth quarter and used to repay part of the debt, related premium and interests.

22. Assets and associated liabilities held for sale

As described in Note 4.4 – *Exclusivity agreement to sell Intelcia*, the assets and associated liabilities were classified as held for sale as per the provisions of IFRS 5.

The following table presents the details of the assets and liabilities held for sale as of December 31, 2025:

Assets and liabilities associated held for sale (€m)	December 31, 2025
Goodwill	74.1
Tangible and intangible assets	39.6
Rights of use assets	52.4
Other non-current assets	6.9
Trade and other receivables	124.8
Other current assets	59.6
Assets classified as held for sale	357.3
Non-current lease liabilities	37.6
Other non-current liabilities	6.8
Current lease liabilities	15.8
Trade and other payables	137.9
Other current liabilities	30.6
Liabilities directly associated with assets classified as held for sale	228.6

23. Equity

As of December 31, 2025, the subscribed capital amounts to €2,999,948.94 and is divided into 299,994,894 shares with a nominal value of €0.01 each, including the capital increase of €929,949 realised on October 1, 2025. This capital increase generated a share premium of €2,761,012,571.

The Company does not hold treasury shares.

The Company did not distribute dividends to its shareholders in 2024.

On October 1, 2025, the Company distributed an amount of €3,536,423,738 by way of share premium redemption; this distribution was settled by set-off with intercompany receivables (with Altice France Holding).

The shares of the Company are listed on the TISE ("The International Stock Exchange"). Based on the listing rules of this market, the Company is defined as a specialist company and as such its shares are not actively traded.

24. Financial liabilities

24.1. Financial liabilities breakdown

The following table presents the breakdown of the financial liabilities:

Financial liabilities breakdown (€m)	Current		Non-current		Total	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Bonds (a) (b)	299.4	896.4	8,411.2	11,587.3	8,710.6	12,483.7
Loans from financial institutions (b)	250.1	733.4	6,345.0	7,850.7	6,595.1	8,584.1
Derivative financial instruments	62.4	111.0	1,185.7	191.0	1,248.1	302.0
Borrowings, financial liabilities and related derivative instruments (*)	611.9	1,740.8	15,941.9	19,629.0	16,553.8	21,369.8
Finance lease liabilities	1.2	5.5	1.1	13.1	2.3	18.5
Operating lease liabilities	795.2	583.8	6,935.0	5,343.9	7,730.2	5,927.8
Lease liabilities	796.4	589.3	6,936.2	5,357.0	7,732.6	5,946.3
Deposits received from customers	9.2	11.2	43.4	50.6	52.7	61.7
Bank overdrafts	0.4	3.1	-	-	0.4	3.1
Securitisation	771.6	796.2	-	-	771.6	796.2
Warrants	-	-	320.0	-	320.0	-
Debt Altice Group and other (c)	141.3	156.2	2.2	15.5	143.5	171.7
Other financial liabilities	922.4	966.8	365.6	66.1	1,288.0	1,032.9
Total financial liabilities	2,330.7	3,296.9	23,243.7	25,052.0	25,574.4	28,348.9

(*) Including accrued interest.

(a) EUR Notes at maturity 2025 have been reimbursed for a total amount of €709.3 million in the first quarter 2025 (Refer to Note 24.2 – *Bonds*).

(b) Notes and Loans from financial institutions were successfully restructured on October 1, 2025, reducing the Group's financial indebtedness. Current maturities arise partly from the commitments related with assets disposals proceeds in 2025 (Refer to Note 24.5 – *Senior secured debt liquidity risk*). As of December 31, 2025, the amounts correspond to the fair value of the New Secured Debt and the New AFL 3 Debt as at October 1, 2025, and the amortised cost from that date (Refer to Note 4.1 – *Agreement with creditors*).

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(c) Of which ACS put option: €133.1 million (€136.2 million as of December 31, 2024).

Financial liabilities issued in US dollars are converted at the following closing rate:

- As of December 31, 2025: €1=1.1736 USD,
- As of December 31, 2024: €1=1.0349 USD.

As of December 31, 2025, the Revolving Credit Facility (“RCF”) was drawn for an aggregate amount of €1,200.9 million.

24.2. Bonds

The following table presents the breakdown of the bonds of the Company and Altice France listed on TISE (“The International Stock Exchange”):

Bonds			Outstanding amount at ⁽¹⁾	
			(€m)	
Original currency	Maturity	Coupon in foreign currency	December 31, 2025	December 31, 2024
EUR	January 2025	2.500%	-	380.7
EUR	February 2025	2.125%	-	328.6
EUR	January 2027	11.500%	-	350.0
EUR	February 2027	5.875%	-	1,000.0
EUR	January 2028	3.375%	-	1,000.0
EUR	January 2029	4.125%	-	500.0
EUR	July 2029	4.000%	-	400.0
EUR	October 2029	4.250%	-	800.0
USD	February 2027	8.125%	-	1,691.0
USD	January 2028	5.500%	-	1,062.9
USD	January 2029	5.125%	-	459.0
USD	July 2029	5.125%	-	2,415.7
USD	October 2029	5.500%	-	1,932.6
EUR	November 2029	12.875%	269.5	-
EUR	November 2029	7.250%	770.1	-
EUR	October 2030	4.750%	770.1	-
EUR	October 2031	5.500%	385.0	-
EUR	April 2032	5.375%	308.0	-
EUR	July 2032	5.625%	616.1	-
USD	November 2029	9.500%	1,148.3	-
USD	October 2030	6.875%	721.8	-
USD	October 2031	6.500%	311.7	-
USD	April 2032	6.500%	1,640.5	-
USD	July 2032	6.875%	1,312.4	-
USD	January 2033 ⁽²⁾	10.000%	815.1	-
Total			9,068.6	12,320.4

(1) Amounts expressed exclude (i) accrued interest: €139.8 million (€196.3 million as of December 31, 2024), (ii) the impact of the recognition of the New Secured Debt and the New AFL 3 Debt at fair value: €(513.3) million, (iii) the impact of the effective interest rate (transaction costs (EIR)): nil (€(33.1) million as of December 31, 2024) and (iv) the amortised cost related to the New Secured Debt and the New AFL 3 Debt at fair value: €15.5 million. Including accrued interest, recognition of the New Secured Debt and the New AFL 3 Debt at fair value and impact of EIR, the total bonds borrowings amount to €8,710.6 million (€12,483.7 million as of December 31, 2024).

(2) Related to the Company.

24.3. Bank borrowings

The following table presents the breakdown of the bank borrowings:

Bank borrowings					Outstanding amount at ⁽²⁾	
					(€m)	
Currency	Tranche	Maturity	Reference interest rate	Margin in foreign currency ⁽¹⁾	December 31, 2025	December 31, 2024
EUR	B11	July 2025	EURIBOR 3M	3.000%	-	203.4
EUR	B12	January 2026	EURIBOR 3M	3.000%	-	243.5
EUR	B14	August 2028	EURIBOR 3M	5.500%	-	1,695.7
USD	B11	July 2025	Term SOFR 3M	1.750%	-	337.3
USD	B12	January 2026	Term SOFR 3M	2.688%	-	522.5
USD	B13	August 2026	Term SOFR 3M	3.000%	-	554.7
USD	B14	August 2028	Term SOFR 3M	5.500%	-	4,072.9
EUR	RCF F	April 2026	EURIBOR 1, 3 or 6M	3.250%	-	80.6
EUR	RCF G	January 2028	EURIBOR 1, 3 or 6M	3.250%	-	849.3
EUR	B11	April 2028	EURIBOR 3M	4.375%	155.8	-
EUR	B12	October 2028	EURIBOR 3M	4.375%	186.5	-
EUR	B14	May 2031	EURIBOR 3M	6.875%	1,299.2	-
USD	B11	April 2028	Term SOFR 3M	4.125%	227.9	-
USD	B12	October 2028	Term SOFR 3M	5.063%	353.0	-
USD	B13	May 2029	Term SOFR 3M	5.375%	374.8	-
USD	B14	May 2031	Term SOFR 3M	6.875%	2,751.8	-
EUR	RCF A	October 2030	EURIBOR 1, 3 or 6M	3.300%	1,200.9	-
EUR					6,550.0	8,559.9

(1) Amounts expressed exclude (i) accrued interests: €149.6 million (€159.3 million as of December 31, 2024), (ii) the impact of the recognition of the New Secured Debt and the New AFL 3 Debt at fair value: €(110.3) million, (iii) the impact of EIR: nil (€(135.1) million as of December 31, 2024) and (iv) the amortised cost related to the New Secured Debt and the New AFL 3 Debt at fair value: €5.9 million. Including accrued interest, the impact of the recognition of the New Secured Debt and the New AFL 3 Debt and impact of EIR, the total bank borrowings amount to €6,595.1 million (€8,584.1 million as of December 31, 2024).

Bank loans, excluding the RCF, are amortisable at a rate of 0.25% of the original nominal amount each quarter.

24.4. Net financial debt

The following table presents the breakdown of the net financial debt as defined and utilized by the Group:

Net financial debt (€m)	December 31,	December 31,
	2025	2024
Bonds	9,068.6	12,320.4
Loans from financial institutions	6,550.0	8,559.9
Finance lease liabilities	2.3	18.5
Bank overdrafts	0.4	3.1
Other	2.2	17.3
Net derivative instruments - currency translation impact	967.6	(198.8)
Financial liabilities contributing to net financial debt (a)	16,591.2	20,720.5
Cash and cash equivalents (b)	878.7	2,867.1
Net financial debt (a) – (b)	15,712.4	17,853.5

(a) Liability items correspond to the nominal value of financial liabilities excluding accrued interest, impact of EIR, the impact of the recognition of the New Secured Debt and the New AFL 3 Debt at fair value, operating “debt” (notably guarantee deposits and securitisation “debt”) and include the portion of the fair value of derivatives related to the foreign exchange impact: €967.6 million (€(198.8) million as of December 31, 2024). The fair value of derivatives related to the interest rate impact of €(280.4) million ((€5.1) million as of December 31, 2024) is not included. All these liabilities are converted at the closing exchange rates (Refer to Note 24.6 – *Reconciliation between net financial liabilities and net financial debt*).

(b) Refer to Note 21 – *Cash and cash equivalents*.

24.5. Senior secured debt liquidity risk

The following table breakdowns, for the Group’s senior secured debt (bonds, bank loans and RCF), the future undiscounted cash flows (interest payments, commitment fees and repayment of the nominal amount):

Senior secured debt liquidity risk (€m)	2026	2027	2028	2029	2030	2031 and beyond	Total
USD bonds	477.8	453.5	453.9	1,585.6	1,059.7	4,607.5	8,638.0
USD term loans	480.6	418.3	958.2	688.0	310.1	2,710.2	5,565.4
Cross Currency Swap	96.8	721.4	378.9	1.3	-	-	1,198.4
EUR bonds	349.8	179.5	179.5	1,066.2	870.0	1,409.9	4,054.8
EUR term loans	183.3	158.8	477.7	127.7	126.5	1,267.3	2,341.2
RCF	64.0	64.0	64.0	64.0	1,254.0	-	1,509.9
Total	1,652.2	1,995.5	2,512.2	3,532.7	3,620.3	9,994.8	23,307.6

The main assumptions used in this schedule are as follows:

- US dollar amounts are translated to euros at the closing rate (€1=\$1.1736) and flows on USD bonds and USD term loans also include flows on derivative instruments (Refer to the specific assumptions for “debt” denominated in US dollars as described in Note 25.3 – *Liquidity risk on foreign currency “debt”*).
- Calculations of interest are based on the EURIBOR and Term SOFR rates applicable as of December 31, 2025.
- The maturity dates of bonds and loans are positioned at the contractual maturity date. Partial repayments of €279.1 million equivalent of bonds and loans from financial institutions were executed in January 2026 following the allocation of the proceeds from assets disposals to the early repayment of the debt.

24.6. Reconciliation between net financial liabilities and net financial debt

In compliance with IAS 7, the following table presents the reconciliation between net financial liabilities in the consolidated statement of financial position and the net financial debt:

Reconciliation between net financial liabilities and net financial debt (€m)	Note	December 31, 2025	December 31, 2024
Financial liabilities	24	25,574.4	28,348.9
Cash and cash equivalents	21	(878.7)	(2,867.1)
Derivative instruments classified as asset		-	(495.6)
Net financial liabilities – consolidated statement of financial position		24,695.7	24,986.2
Reconciliation:			
Operating lease liabilities		(7,730.2)	(5,927.8)
Net derivative instruments - rate impact		(280.4)	(5.1)
Warrants at fair value (a)		(320.0)	-
Accrued interest		(289.4)	(355.7)
Recognition of the new debt at fair value (a)		602.3	-
Transaction costs (a)		-	168.2
Deposits received from customers		(52.7)	(61.7)
Securitisation		(771.6)	(796.2)
Debt on share purchase		(138.8)	(151.6)
Dividend to pay		(0.7)	(0.7)
Current accounts		(0.1)	(1.3)
Debt Altice Group and other		(1.7)	(0.8)
Net financial debt		15,712.4	17,853.5

(a) Refer to Note 9 – *Finance costs, net*.

24.7.Reconciliation between change on financial liabilities and flows related to financing

This table presents the reconciliation between change on financial liabilities and flows related to financing as presented in the consolidated statement of cash flows.

Reconciliation between change on financial liabilities and flows related to financing	December 31,	Consolidated statement of cash flows			December 31,	
		2024	Net cash flow - financing activities	Other flows - cash		Other flows - non cash
(€m)	Note					
Borrowings, financial liabilities and relating hedging instruments		19,629.0	(1,822.0)	-	(1,865.1) (1)	15,941.9
Lease liabilities		5,357.0	(25.7)	-	1,604.8 (2)	6,936.2
Other financial liabilities		66.1	(8.1)	(9.2)	316.9 (3)	365.6
Non-current financial liabilities	24.1	25,052.0	(1,855.7)	(9.2)	56.6	23,243.7
Borrowings and financial liabilities		1,740.8	(0.8)	-	(1,128.1) (1)	611.9
Lease liabilities		589.3	(605.5)	-	812.6 (2)	796.4
Other financial liabilities		966.8	7.2	(3.7)	(47.9)	922.4
Current financial liabilities	24.1	3,296.9	(599.0)	(3.7)	(363.4)	2,330.7
Total financial liabilities	24.1	28,348.9	(2,454.7)	(12.9)	(306.8)	25,574.4

(1) Mainly due to:

- the capitalisation of a portion of the Altice France Secured Debt through the issuance of new shares of Altice France: €(2,761.9) million;
- the exchange rate impact on the financial debt: €(1,496.6) million;
- the impact of the recognition of the New Secured Debt and the New AFL 3 Debt at fair value net of amortised cost: €(602.3) million;
- the change in fair value of derivative instruments: €877.2 million;
- the Altice France Holding Senior Debt assigned to Altice France Lux 3: €819.5 million;
- the amortised deferred transaction costs related to the old financial liabilities (recognised in the statement of income): €168.2 million.

(2) IFRS 16 impacts.

(3) Of which warrants at fair value: €320.0 million.

Reconciliation between change on financial liabilities and flows related to financing	December 31,	Consolidated statement of cash flows			December 31,	
		2023 Revised *	Net cash - financing activities	Other flows - cash		Other flows - non-cash
(€m)	Note					
Borrowings, financial liabilities and relating hedging instruments		20,371.7	156.0	-	(898.7) (1)	19,629.0
Lease liabilities		5,600.5	(30.7)	-	(212.8) (2)	5,357.0
Other financial liabilities		84.4	(19.1)	64.9	(64.0)	66.1
Non-current financial liabilities (*)	24.1	26,056.6	106.1	64.9	(1,175.6)	25,052.0
Borrowings and financial liabilities		491.9	(0.2)	-	1,249.1 (1)	1,740.8
Lease liabilities		673.3	(632.6)	-	548.6 (2)	589.3
Other financial liabilities		1,171.5	(126.6)	(62.2)	(15.9)	966.8
Current financial liabilities (*)	24.1	2,336.7	(759.5)	(62.2)	1,781.8	3,296.9
Financial liabilities	24.1	28,393.3	(653.3)	2.7	606.2	28,348.9

(*) Previously published information had been revised to take into account the impact following the adoption of the amendments in Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 – *Presentation of financial statements*).

(1) Mainly impact of the change in fair value of derivative instruments: €(549.8) million and the exchange rate impact on the financial debt: €843.7 million.

(2) IFRS 16 impacts.

The net cash flow presented above can be reconciled to the financing activities in the cash flow statement as follows:

Reconciliation to financing cash flow (€m)	December 31, 2025	December 31, 2024
Financing activities - Financial liabilities	(2,454.7)	(653.3)
Restructuring of swap instruments	(146.4)	(38.0)
Interest paid on debt	(1,218.9)	(1,180.9)
Interest paid on lease liabilities	(660.7)	(590.6)
Other interest paid	(125.1)	(137.8)
Transaction fees in relation with creditors agreement	(91.9)	-
Premium fees	(438.1)	-
Gains on disposal of Market Money Funds	66.6	-
Dividends received	92.1	548.9
Dividends distributed	(29.4)	(27.6)
Loans to Altice Group affiliates	(346.6)	(334.4)
Other	(35.3)	2.0
Financing activities - Consolidated statement of cash flows	(5,388.4)	(2,411.7)

24.8. Securitisation

As part of the measures implemented by the Group to manage its cash flow, SFR and Completel have concluded since 2015 and 2016 a non-recourse securitisation agreement for their “business services” segment portfolio receivables with Ester Finance Technologies, a 100% owned subsidiary of the Crédit Agricole Corporate and Investment Banking group. Ester Finance Technologies has committed to purchase these receivables for a new five-year period starting March 2025 and for a total committed capacity of €280 million, monthly and via a revolving structure. The analysis of these contracts and the assigned receivables has led the Group to conclude that the program, while being non-recourse, does not meet the de-recognition criteria under IFRS 9 and hence a financial debt is recognised on the balance sheet corresponding to the outstanding balance of receivables.

SFR has also concluded in July 2024 and amended from time to time, a non-recourse securitisation agreement for its “customer services” segment portfolio receivables and future receivables with Ester Finance Technologies, a 100% owned subsidiary of the Crédit Agricole Corporate and Investment Banking group, for a total of an uncommitted capacity of €800 million. This program does not meet the de-recognition criteria under IFRS 9; hence a financial debt is recognised on the balance sheet corresponding to the outstanding balance of receivables.

The total amount of the business services and commercial portfolio of receivables assigned as of December 31, 2025, represents €771.6 million.

As a reminder, on December 30, 2020, the Group entered into an agreement with a financial institution to sell receivables due from customers with handset bundles and a predetermined payment plan for the handsets. This agreement has been renewed for a new five-year period starting December 2025. The transaction has been analysed as being an off-balance sheet program per IFRS 9, so no debt was recorded against the cash advanced to the Group by the financial institution.

24.9. Warrants

On October 1, 2025, the Company issued a total of 2,500 warrants to its majority shareholder, Altice France Holding comprising (i) 500 Class A warrants, (ii) 1,000 Class B warrants, and (iii) 1,000 Class C warrants.

The warrants were issued for no consideration at a nominal value of €0, and no interim payments are foreseen. Prior to exercise, the warrants do not confer any voting rights.

The warrants do not contain a contractual obligation to deliver cash or another financial asset and will be settled through the delivery of the Company’s own shares upon the occurrence of contingent future event (Exit or Cash Upstream Event).

If the contingent event does not occur, or if Altice France Holding does not exercise the warrants, the warrants will be cancelled at the longstop date (within a maximum period of seven (7) years as from the date hereof, i.e. September 30, 2032).

Each class of warrants becomes exercisable only if either the fair market value of the Altice France Lux 3 group or the amount of a cash upstream exceeds a class-specific equity value trigger:

- Warrants for 5% of equity with a strike price equal to €12 billion equity value
- Warrants for 10% of equity with a strike price equal to €14 billion equity value
- Warrants for 10% of equity with a strike price equal to €16 billion equity value

The potential maximum capital increase amounts to 25%, representing 74,998,723.50 new shares to be issued by the Company at nominal value.

The maximum dilution impact would result in a change in ownership from 45% to 36% for minority shareholders and from 55% to 64% for the controlling shareholder.

As of December 31, 2025, the total number of outstanding warrants amounts to 2,500, none of which have been exercised during the year. No warrants have been repurchased or cancelled.

The fair value of the warrants in the Company’s consolidated financial statements as of December 31, 2025, amounts to €320 million and has been determined using a binomial valuation model prepared by an external valuer. The warrants were measured at FVTPL and thus recognised in the consolidated statement of income (Refer to Note 9 – *Finance costs, net*) in counterpart of non-current financial liabilities (Refer to Note 24.9 – *Warrants*).

25. Derivative instruments

25.1. Fair value of derivative instruments

The following table presents the fair value of the Group’s derivative instruments:

Note	Type (€m)	Underlying element	December 31, 2025	December 31, 2024
25.2	Cross currency swaps	2027 USD bonds	-	7.3
		2028 USD bonds	-	36.2
		2029 USD bonds	-	(1.5)
		August 2028 USD term loan	-	72.6
		New Secured Debt and New AFL 3 Debt	(1,311.5)	-
25.2	Interest rate swaps	Fixed rate - EURIBOR 6 months	-	58.4
		Creditor/debtor value adjustment (*)	63.4	20.6
17 / 20		Derivative instruments classified as assets	-	495.6
		Derivative instruments classified as liabilities	(1,248.1)	(302.0)
24.1		Net Derivative instruments	(1,248.1)	193.6
		O/w currency effect	(967.6)	198.8
		O/w interest rate effect	(280.4)	(5.1)

(*) Counterparty and own credit risk have been calculated based on counterparty, rather than by the underlying instrument; the Group believes that this approach best reflects the fair value of its derivative instruments.

In accordance with IFRS 9, the Group uses the fair value method to recognise its derivative instruments.

The fair value of derivative financial instruments (cross currency swaps) traded over the counter is calculated based on models commonly used by traders to measure these types of instruments. The resulting fair values are checked against bank valuations.

The measurement of the fair value of derivative financial instruments includes a “counterparty risk” component for asset derivatives and an “own credit risk” component for liability derivatives. Credit risk is measured using a simplified model derived from Bâle II for calculating exposure risk and using market data to determine the probability of default.

As these swaps did not qualify for hedge accounting, the change in fair value is recognised directly in profit and loss.

25.2. Cross currency swaps and interest rate swaps

Cross currency swaps subscribed by the Group are intended to neutralise the exchange rate impacting future financial flows (nominal amount, coupons) or to convert the exposure to Term SOFR for drawdowns in US dollars for the Term Loan into EURIBOR exposure.

In the year ended December 31, 2025, and particularly, following the restructuring of the Altice France Secured Debt, new swaps were subscribed, restructured or terminated generating a net outflow payment of €146.4 million.

The table below provide a summary of the derivatives portfolio.

Cross Currency Swaps						
Start Date-End Date	Notional amount due from Counterparty (million)		Notional amount due to Counterparty (million)		Interest rate due from Counterparty	Interest rate due to Counterparty
.../January 2027	USD	200	EUR	199	3m Term SOFR + 3.59%	3m EURIBOR + 3.44%
.../June 2027	USD	376	EUR	358	3m Term SOFR + 5.50%	3m EURIBOR + 7.00%
.../June 2027	USD	1,566	EUR	1,600	6.50%	6.15%
.../January 2028	USD	268	EUR	248	5.50%	3.76%
.../May 2028	USD	2,235	EUR	2,078	8.75%	9.17%
.../June 2028	USD	2,235	EUR	2,078	8.75%	9.15%
.../July 2028	USD	901	EUR	830	8.13%	7.62%
.../August 2028	USD	440	EUR	416	3m Term SOFR + 5.50%	7.89%
.../August 2028	USD	732	EUR	681	3m Term SOFR + 5.50%	3m EURIBOR + 5.85%
.../July 2029	USD	815	EUR	745	5.13%	4.13%
.../October 2029	USD	616	EUR	582	5.50%	5.02%
Total		10,383		9,815		

25.3.Liquidity risk on foreign currency “debt”

The following table breakdown, for the bonds and loans denominated in dollars, the future undiscounted cash flows (interest payments and repayment of the nominal amount).

(€m)	2026	2027	2028	2029	2030	2031 and beyond	Total
USD Bonds (a)	478	453	454	1,586	1,060	4,607	8,638
USD Term loans (b)	481	418	958	688	310	2,710	5,565
Cross Currency Swaps (c)	97	721	379	1	-	-	1,198
Swap - Flows in USD	(1,402)	(5,661)	(4,358)	(106)	-	-	(11,527)
Swap - Flows in EUR	1,499	6,382	4,737	107	-	-	12,726
Total (a)+(b)+(c)	1,055	1,593	1,791	2,275	1,370	7,318	15,402

The main assumptions used in the payments schedule above are as follows:

- Amounts in dollars are translated to euros at the closing rate (€1=\$1.1736).
- Calculations of interest are based on the EURIBOR and Term SOFR rates as of December 31, 2025.
- The maturity dates of bonds and loans are positioned at the contractual maturity date. Partial repayments of 90.8 million equivalent euros have been planned in 2026.
- The final trade date for the swaps was scheduled for the closer of (i) the final trade date provided for in the swap agreement and, where applicable, (ii) the date on which the banks have the option to terminate the agreement early.

26. Obligations under leases

26.1.Lessee

In compliance with IFRS 16, the Group recognises right of use assets and lease liabilities for contract that contains a lease.

The following table presents, for the lessee, the contractual undiscounted cash flows related to lease payments:

Obligation under leases	December 31, 2025	December 31, 2024
(€m)		
Less than one year	1,272.7	1,198.7
Between one and two years	1,207.5	1,123.1
Between two and three years	1,123.7	968.3
Between three and four years	1,116.8	943.6
Five years and beyond	6,501.0	5,238.2
Total future payments	11,221.8	9,471.9
Future finance expenses	(3,489.2)	(3,525.6)
Discounted value of contracts	7,732.6	5,946.3
Included in the financial liabilities' breakdown:		
- Lease liabilities current	796.4	589.3
- Lease liabilities non-current	6,936.2	5,357.0

26.2.Lessor

The following table presents, for the lessor, the contractual undiscounted cash flows related to lease income:

Lessor - operating lease revenues maturity (€m)	December 31, 2025	December 31, 2024
Less than one year	17.1	15.4
Between one and two years	16.7	14.6
Between two and three years	16.0	12.8
Between three and four years	14.5	11.8
Five years and beyond	165.8	129.4
Total future payments	230.0	184.0

The amount of lease income recognised in the income statement amounts to €16.8 million (€15.6 million as of December 31, 2024).

27. Financial instruments

27.1.Fair value of financial instruments

The following table presents the net carrying amount per category and the fair value of the Group's financial instruments:

Fair values of financial instruments (€m)	Note	December 31, 2025		December 31, 2024	
		Carrying value	Fair value	Carrying value	Fair value
Cash and cash equivalents	21	878.7	878.7	2,867.1	2,867.1
Call options with non-controlling interests	20	-	-	60.4	60.4
Derivatives	20	-	-	231.3	231.3
Other financial assets	20	16.3	16.3	1,717.9	1,717.9
Current assets		895.1	895.1	4,876.7	4,876.7
Derivatives		-	-	264.3	264.3
Other financial assets		128.1	128.1	3,020.0	3,020.0
Non-current assets	17	128.1	128.1	3,284.3	3,284.3
Short term borrowings and financial liabilities (*)		549.5	549.2	1,629.8	1,594.4
Put options with non-controlling interests		133.1	133.1	136.2	136.2
Derivatives		62.4	62.4	111.0	111.0
Lease liabilities		796.4	796.4	589.3	589.3
Reverse factoring and securitisation		771.6	771.6	796.2	796.2
Other financial liabilities		17.7	17.7	34.3	34.3
Current liabilities	24.1	2,330.7	2,330.4	3,296.9	3,261.5
Long term borrowings and financial liabilities (*)		14,756.3	15,030.3	19,438.0	16,789.1
Derivatives		1,185.7	1,185.7	191.0	191.0
Lease liabilities		6,936.2	6,936.2	5,357.0	5,357.0
Other financial liabilities		365.6	365.6	66.1	66.1
Non-current liabilities	24.1	23,243.7	23,517.7	25,052.0	22,403.2

(*) Refer to Note 24.1 – *Financial liabilities breakdown*.

During the year ended December 31, 2025, there has been no transfer of assets or liabilities between levels of the fair value hierarchy. The Group's trade and other receivables and trade and other payables are not shown in the table above as their carrying amounts approximate their fair values.

Except for derivatives and put and call options on non-controlling interests, loans and other short-term and long-term financial debts, and other current and non-current financial liabilities are measured at their amortised cost, which corresponds to the estimated value of the financial liability when initially recognised, minus repayments of principal, and plus or minus cumulative amortisation, measured using the effective interest rate method.

Derivatives are measured at fair value through the income statement. Put and call options are measured at fair value through equity.

As of December 31, 2025, no derivative was qualified for hedge accounting.

Fair value measurement through the consolidated statement of financial position

Fair value is calculated using market prices. When market prices are not available, an analysis of discounted cash flows is carried out or a business model applied.

The following table provides information on the fair value of financial assets and financial liabilities, their valuation technique, and the fair value hierarchy of the instrument given the inputs used in the valuation method.

Fair value measurement (€m)	Fair value hierarchy	Valuation technique	December 31, 2025	December 31, 2024
Financial liabilities				
Derivative financial instruments	Level 2	Discounted cash flows	1,248.1	302.0
Minority put option - Intelcia	Level 3	Black and Scholes model	133.1	136.2
Warrants	Level 3	Binomial Model	320.0	
Financial assets				
Derivative financial instruments	Level 2	Discounted cash flows	-	495.6
Minority call option - Intelcia	Level 3	Discounted cash flows	-	60.4

27.2. Financial risk management and derivative instruments

The Group's treasury department provides services, coordinates access to national and international financial markets, measures and manages the financial risks connected with the Group's activities. These risks include market risks (mainly exchange rate and interest rate risks), credit risks and liquidity risks. The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures.

27.3. Currency risk

The Group's exchange rate risk relates to bond issues and bank borrowings denominated in US dollars.

The Group's borrowings arranged in US dollars are fully hedged by derivative instruments in the form of cross currency swaps.

The following table presents the impact of hedging on the initial debt (at the debt issue date), before and after hedging.

Original amount, expressed in millions	Currency	Initial position		Hedging instrument		Final position	
		In foreign currency	In euros	In foreign currency	In euros	In foreign currency	In euros
Bonds 2029	USD	(1,348)	-	-	-	(1,348)	-
Bonds 2030	USD	(847)	-	-	-	(847)	-
Bonds 2031	USD	(366)	-	-	-	(366)	-
Bonds 2032	USD	(1,925)	-	-	-	(1,925)	-
Bonds 2032 (2)	USD	(1,540)	-	-	-	(1,540)	-
Bonds 2033	USD	(957)	-	-	-	(957)	-
Loan 2028 A	USD	(267)	-	-	-	(267)	-
Loan 2028 B	USD	(414)	-	-	-	(414)	-
Loan 2029	USD	(440)	-	-	-	(440)	-
Loan 2031	USD	(3,230)	-	-	-	(3,230)	-
Notes and Term Loans (currency swaps)	USD	-	-	10,383	(9,815)	10,383	(9,815)
Total		(11,334)	-	10,383	(9,815)	(951)	(9,815)

The following table presents the impact of hedging on the residual debt as of December 31, 2024, before and after hedging:

Amounts as of December 31, 2024, expressed in millions	Currency	Initial position		Hedging instrument		Final position	
		In foreign currency	In euros	In foreign currency	In euros	In foreign currency	In euros
2027 Bonds	USD	(1,750.0)	-	1,635.5	(1,575.4)	(114.5)	(1,575.4)
2028 Bonds	USD	(1,100.0)	-	1,100.0	(1,026.4)	-	(1,026.4)
2029 A Bonds	USD	(475.0)	-	475.0	(432.7)	-	(432.7)
2029 B Bonds	USD	(2,500.0)	-	2,500.0	(2,368.5)	-	(2,368.5)
2029 C Bonds	USD	(2,000.0)	-	1,482.0	(1,388.6)	(518.0)	(1,388.6)
2025 Term Loan	USD	(349.0)	-	55.4	(51.3)	(293.7)	(51.3)
2026 A Term Loan	USD	(540.8)	-	786.9	(794.2)	246.1	(794.2)
2026 B Term Loan	USD	(574.1)	-	541.4	(502.1)	(32.7)	(502.1)
2027 Term Loan	USD	(4,215.0)	-	3,865.5	(3,684.3)	(349.5)	(3,684.3)
Total		(13,504.0)	-	12,441.7	(11,823.3)	(1,062.3)	(11,823.3)

As of December 31, 2025, a 10% change in value of the euro against the US dollar would have, given the assets and liabilities on the consolidated statement of financial position, an immaterial impact on the Group's currency translation results given the hedging instruments set up by the Group. For the purposes of this analysis, all other variables, in particular interest rates, are assumed to remain unchanged.

27.4. Rate risk

Interest rate risk

The Group is exposed to interest rate risks mainly on bank borrowings on a variable interest rate basis. The Group limits such risks, when it considers appropriate, through interest rate and/or cross currency swaps.

Interest rate sensitivity analysis

The analysis of sensitivity to interest rate fluctuations for instruments at variable rates takes into accounts all variable flows of financial instruments. The analysis assumes that the liabilities and financial instruments on the consolidated statement of financial position as of December 31, 2025, remain unchanged over the year. For the purposes of this analysis, all other variables, in particular exchange rates, are assumed to remain unchanged.

A 50-basis point rise or fall in the EURIBOR or Term SOFR at the period-end date would not have a material impact on the cost of gross debt.

27.5. Liquidity risk management

The Group manages liquidity risk by maintaining adequate levels of cash, cash equivalents and lines of credit, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Cash position including cash equivalents

As of December 31, 2025, the Group's cash position more than covered the repayment schedules of its current financial debt:

Liquidity risk management (€m)	December 31, 2025
Cash	847.1
Cash equivalents	31.6
Amount available for drawing from lines of credit	-
Cash position	878.7

27.6. Management of credit risk and counterparty risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. Financial instruments that could increase credit risk are mainly trade receivables, cash investments and derivative instruments.

Trade receivables

The Group considers that it has extremely limited exposure to concentrations of credit risk with respect to trade accounts receivable due to its large and diverse customer base (residential and public institutions) operating in numerous industries across France with a high percentage of collections coming from recurring direct debits.

Cash investments and derivative instruments

The Group is exposed to bank counterparty risk in its investments and derivatives, and therefore uses strict criteria when selecting public, financial or industrial institutions in which to invest or contract derivatives, notably in terms of their financial rating.

28. Provisions

The following table presents the breakdown of the provisions:

Provisions (€m)	Opening	Addition	Utilization	Reversal and changes of accounting estimates	Other	December 31, 2025
Employee benefit provisions	113.1	11.9	(3.0)	-	(4.2)	117.9
Restructuring charges	3.1	-	(0.4)	(0.2)	-	2.5
Technical site restoration (a)	32.4	0.1	(1.9)	(1.9)	(11.0)	17.8
Litigation and other (b)	216.2	13.9	(18.6)	(37.6)	1.1	175.0
Provisions	364.8	26.0	(23.9)	(39.7)	(14.1)	313.1
<i>Current</i>	<i>162.5</i>	<i>10.4</i>	<i>(7.0)</i>	<i>(11.6)</i>	<i>(6.6)</i>	<i>147.7</i>
<i>Non-current</i>	<i>202.3</i>	<i>15.6</i>	<i>(16.9)</i>	<i>(28.1)</i>	<i>(7.5)</i>	<i>165.4</i>

- (a) The Group has an obligation to restore the technical sites of its network at the end of the lease when they are not renewed or are terminated early.
(b) Provisions for litigation cover the risks connected with court action against the Group (Refer to Note 34 – *Litigation*). All provisioned disputes are currently awaiting hearing or motions in a court. The unused portion of provisions recognised at the beginning of the period reflects disputes that have been settled by the Group paying amounts smaller than those provisioned, or to a downward re-assessment of the risk.

The table for 2024 is presented below:

Provisions (€m)	Opening	Addition	Utilization	Reversal and changes of accounting estimates	Other	December 31, 2024
Employee benefit provisions	99.3	11.6	(2.1)	(0.1)	4.4	113.1
Restructuring charges	3.6	2.2	(2.2)	(0.4)	(0.2)	3.1
Technical site restoration	28.1	1.7	(0.9)	(0.1)	3.7	32.4
Litigation and other	289.5	22.2	(51.8)	(11.3)	(32.5)	216.2
Provisions	420.5	37.7	(57.0)	(11.8)	(24.6)	364.8
<i>Current</i>	<i>197.5</i>	<i>9.4</i>	<i>(49.9)</i>	<i>(8.8)</i>	<i>14.4</i>	<i>162.5</i>
<i>Non-current</i>	<i>223.1</i>	<i>28.3</i>	<i>(7.1)</i>	<i>(3.1)</i>	<i>(38.9)</i>	<i>202.3</i>

29. Post-employment benefits

All Group employees benefit from severance packages upon retirement based on the collective bargaining agreement with the company to which they are attached.

The rights to conventional retirement benefits vested by employees were evaluated individually, based on various parameters and assumptions such as the employee's age, position, length of service in the Group and salary, according to the terms of their employment agreement.

29.1. Assumptions used for defined-benefit plans

The following table presents the assumptions used for defined-benefit plans:

Assumptions used for defined-benefit plans	December 31, 2025	December 31, 2024
Discount rate	3.70%	3.20%
Expected salary increase rate	2.00%	2.00%
Inflation rate	2.00%	2.00%

Demographic assumptions are specific to each company.

29.2. Change in commitments

The following table presents the change in commitments:

Change in commitments (€m)	December 31, 2025	December 31, 2024
Benefit obligation - opening balance	113.1	99.3
Service cost	8.5	7.7
Interest cost	3.6	3.9
Actuarial loss (gain)	(1.8)	9.4
Benefit paid	(3.1)	(2.1)
Disposals	(2.4)	(5.1)
Other (including currency translation)	(0.1)	0.1
Benefit obligation - closing balance	117.9	113.1

The Group has no plan assets as of December 31, 2025, and as of December 31, 2024.

29.3. Breakdown of the recognised expense in the consolidated statement of income

The following table presents the breakdown of the recognised expense:

Breakdown of the recognised expense in the consolidated statement of income (€m)	December 31, 2025	December 31, 2024
Service cost	8.5	7.7
Interest cost	3.6	3.9
Benefit paid	(3.1)	(2.1)
Net expense of post-employment benefits	9.0	9.5

29.4. Actuarial gains and losses recognised in other comprehensive income

The following table presents the breakdown of the actuarial gains and losses recognised in OCI:

Actuarial gains and losses recognised in other comprehensive income (€m)	December 31, 2025	December 31, 2024
Actuarial (losses)/gains from experience	(2.1)	(1.3)
Actuarial (losses)/gains from changes of assumptions	3.9	(8.0)
Actuarial (losses)/gains recognised in other comprehensive income	1.8	(9.4)
Impact on change in scope	-	(5.1)
Actuarial (losses)/gains cumulated in other comprehensive income	14.0	12.2

29.5. Sensitivities

The following table presents the impact of a change in discount rate within more or less 0.25 point for the actuarial liability:

Sensitivities (€m)	December 31, 2025
Benefit obligation as of December 31, 2024 at 3.45%	120.9
Benefit obligation as of December 31, 2025 at 3.70%	117.9
Benefit obligation as of December 31, 2025 at 3.95%	115.0

29.6. Maturity of post-employment benefits

The estimated amount (in nominal value) of the benefits to be paid in the next ten years is as follows:

Maturity of post-employment benefits (€m)	Total	Under one year	Two to five years	Six to ten years
Estimated benefits payable	98.7	3.4	26.2	69.1

30. Other non-current liabilities

The following table presents the breakdown of the other non-current liabilities:

Other non-current liabilities (€m)	December 31, 2025	December 31, 2024
5G and 2G licences	381.7	427.0
Other	66.4	186.9
Other non-current liabilities	448.1	613.8

31. Trade payables and other current liabilities

The following table presents the breakdown of the trade payables and other current liabilities:

Trade payables and other current liabilities (€m)	December 31, 2025	December 31, 2024
Trade payables	2,928.5	2,986.3
Payables from purchase of intangible and tangible assets	547.2	754.5
Advances and deposits from customers, credit customers	523.9	398.6
Tax liabilities	633.8	738.5
Social security liabilities	323.3	372.3
Other current liabilities	65.8	41.7
Trade payables and other current liabilities	5,022.5	5,291.9

32. Related parties' transactions

Parties related to the Group include:

- All companies included in the consolidation scope, regardless of whether they are fully consolidated or equity associates,
- All entities which are ultimately owned by the Group's controlling shareholder; and
- All the members of the Executive Committee and Board members of Altice France and of the Company and companies in which they hold a directorship.

Transactions between fully consolidated entities within the consolidation scope have been eliminated when preparing the consolidated financial statements. Details of transactions between the Group and other related parties are disclosed below.

32.1. Senior executive compensation

The Group's senior executives include members of Altice France's Executive Committee.

The following table presents the compensation allocated to individuals who were, at year-end, or had been in previous years, members of the Executive Committee:

Senior executive compensation (€m)	December 31, 2025	December 31, 2024
Gross salaries (a)	9.4	12.2
Termination benefits (b)	1.0	2.1
Executive compensation	10.4	14.3

(a) Include gross salaries (fixed component and variable component) as well as benefits in kind recognised during the year.

(b) Related to senior executives who left the Group in 2025 or in previous years.

Finally, the remuneration of the independent directors of the Company amounted to €0.1 million for the year ended December 31, 2025.

Management Incentive Plan

On October 2, 2025, the Board of Directors of the Company adopted a phantom shares plan (hereafter the "PS Plan") pursuant to which certain beneficiaries (as defined in the PS Plan) may be awarded from time-to-time a certain number of phantom shares (as defined in the PS Plan) in the Company. The PS Plan will be settled in cash based on the vesting conditions of the plan. The maximum number of phantom shares which may be granted under the PS Plan is 4,499,923.

As of October 2, 2025, 479,992 phantom shares have been granted to two independent directors.

32.2. Associates and joint ventures

Associates and joint ventures, owned by the Company, measured through equity, are presented in Note 16 – *Investments in associates and joint ventures*.

The main transactions with equity associates (EA) and joint ventures (JV), owned by the Altice Group, relate to:

- La Poste Telecom (EA) as part of its telecommunication activities until its disposal on November 4, 2024;
- Synerail (JV) as part of the GSM-R public-private partnership until June 30, 2025 (Refer to Note 16 – *Investments in associates and joint ventures*);
- XpFibre Holding (JV) and its subsidiaries as part of the network deployment and maintenance in medium and low dense areas (Refer to Note 4.2 – *Participation in XpFibre Holding*). Current and non-current assets and liabilities include the lease agreements with XpFibre recorded under IFRS 16; and
- UltraEdge (EA) as part of its datacenters services.

The overview of these transactions is as follows:

Associates and joint ventures (€m)	December 31, 2025	December 31, 2024
Assets	1,483.1	1,036.0
Non-current assets	780.5	498.9
Current assets	702.6	537.1
Liabilities	1,713.4	1,260.7
Non-current liabilities	746.6	533.1
Current liabilities	966.8	727.6

Associates and joint ventures (€m)	December 31, 2025	December 31, 2024
Revenue	400.8	639.5
Net operating expenses	(401.1)	(267.5)
Financial income/(expense)	(90.4)	(77.7)

The commitments given to the associates and joint ventures amount to €3,794.1 million (€3,889.4 million as of December 31, 2024) and are included in Notes 33.2 – *Commitments related to assets (excluding network sharing)* and 33.6 – *Commitments related to long-term contracts*.

32.3. Shareholders

As of December 31, 2025, the overview of these transactions is as follows:

Related parties' transactions - shareholders (€m)	December 31, 2025	December 31, 2024
Assets	182.1	4,860.9
Non-current financial assets (a)	7.6	2,968.7
Non-current operating assets (b)	131.5	156.3
Current financial assets (c)	13.6	1,682.2
Current operating assets	18.5	53.7
Assets classified as held for sale	10.9	-
Liabilities	227.1	283.9
Non-current financial liabilities (b)	148.2	163.6
Current financial liabilities (d)	18.5	81.3
Operating liabilities	57.3	39.0
Liabilities directly associated with assets classified as held for sale	3.1	-

- (a) The vendor loan to Altice Luxembourg: €2,362.0 million as of December 31, 2024, was repaid in March 2025, by transferring back the Altice XPM's shares. The loan to Altice France Holding: (€478.0 million as of December 31, 2024) has been reclassified in current loans.
- (b) Concerns mainly the transaction with SCI Quadrans.
- (c) As of December 31, 2024, mainly concerned Altice France Holding: €1,507.0 million. The Group's companies settled their upstream loans with Altice France and Altice France settled its upstream loans with the Altice Group's subsidiaries.
- (d) Concern the transaction with SCI Quadrans. As of December 31, 2024, concerned mainly a swap with Altice France Holding for an amount of €55.7 million.

The amounts related to right of use and financial liabilities concerning the transaction with SCI Quadrans are recorded under IFRS 16.

The transactions with related parties in the income statement are presented below:

Related parties' transactions - shareholders (€m)	December 31, 2025	December 31, 2024
Operating income (a)	58.7	1,457.5
Operating expenses	(119.4)	(121.0)
Financial income	139.1	103.5
Financial expenses	(51.0)	(105.5)

- (a) As of December 31, 2024, included the net gain on XpFibre Holding's disposal to Altice Luxembourg for an amount of €1.4 billion.

These transactions are carried out as part of the Group's activity, mainly with the following entities:

- Optimum Communications (previously Altice USA, Inc.), MEO-Serviços de Comunicações e Multimédia, S.A.: telecommunication services;
- Altice Luxembourg: management fees;
- SCI Quadrans: rental of real estate.

The net finance income includes interests on loans: €77.0 million (€103.5 million as of December 31, 2024) and the impact of swaps: €31.8 million (€(82.7) million as of December 2024).

The management fees amount to €(17.7) million (€(1.4) million as of December 31, 2024).

Investments made amount to €5.0 million (€11.1 million as of December 31, 2024).

The commitments given to related parties (Altice Group's affiliates) amount to €39.4 million (€55.4 million as of December 31, 2024) and are mainly included in Notes 33.2 – *Commitments related to assets (excluding network sharing)* and 33.6 – *Commitments related to long-term contracts*.

33. Commitments and contractual obligations

The significant contractual commitments undertaken or received by the Group are disclosed below.

33.1. Commitments related to bonds and term loans

On October 1, 2025, the Group consummated the Transaction contemplated by the accelerated safeguard plans of the Group. As part of the Transaction and on the basis of the exchange rate used at the date of the agreement with creditors, Altice France exchanged €17.972 billion aggregate principal amount of the Altice France Secured Debt for (i) approximately €5.875 billion aggregate principal amount of new senior secured term loans and (ii) approximately €8.943 billion (euro-equivalent) aggregate amount of senior secured notes. In addition, the Group entered into a new senior secured revolving credit facility, under which it incurred €1.2 billion of revolving loans. In connection with the Group's secured debt, Altice France, Altice France Lux 1, Altice France Lux 2, SFR SA, SFR Presse SAS, SFR Presse Distribution SAS, Ypso France SAS, Altice B2B France SAS, Completel SAS and Numericable US LLC have provided guarantees (the "Guarantors").

The senior secured term loans, the senior secured notes and the senior secured revolving credit facility are secured by:

- a pledge over the shares of Altice France Lux 2 and Altice France Lux 1;
- a pledge of intra-group receivables held by the Company; Altice France Lux 2, Altice France Lux 1, Altice France and each of the other Guarantors; and
- a pledge of the securities account where the shares held in the capital of Altice France SAS, Completel SAS, Ypso France SAS, SFR SA, SFR Presse SAS, SFR Fibre SAS, Altice B2B SAS and SFR Presse Distribution SAS, in each case, are recorded.
- a pledge of "*fonds de commerce*" of each of SFR SA and SFR Fibre SAS;
- a pledge of bank accounts by each of the Guarantors (other than Altice France Lux 1, Altice France Lux 2 and Numericable US LLC);
- an all asset pledge by Numericable US LLC; and
- a pledge of industrial property rights held by Completel SAS.

Additionally, in the event of a change in control, the Group would have to offer to repay the term loans and the senior secured notes in an amount equal to (i) at any time prior to October 1, 2026, 101% of the principal amount thereof plus a make-whole premium, (ii) at any time from (and including) October 1, 2026 until October 1, 2027, 101% of the principal amount thereof and (iii) from (and including) October 1, 2027 and thereafter, 100% of the principal amount thereof.

The credit facility governing the term loans, the revolving credit facility and the indenture governing the senior secured notes include certain restrictions that (subject to certain carve-outs) limit the Group's ability to:

- incur or guarantee any additional debt, subject to a consolidated net senior secured leverage ratio (2.0x);
- comply with a consolidated net debt leverage ratio of 6.50x when the RCF is used at more than 40%;
- make investments or other payments that are subject to restrictions (including dividends);
- grant liens;
- dispose of subsidiaries' assets and equity instruments;
- conclude certain transactions with its affiliates;
- enter into agreements limiting the ability of its subsidiaries to pay it dividends or repay intercompany loans and advances;
- enter into sales of receivables and other factoring transactions; and
- carry out mergers or consolidations.

Subject to limited exceptions contained in the debt instruments governing the New Secured Debt and the New AFL 3 Debt, to be able to incur additional debt under an applicable debt instrument, the relevant restricted group must meet the ratio test described below (on a pro forma basis for any contemplated transaction giving rise to the debt incurrence):

- Incurrence of indebtedness by Altice France and its subsidiaries under the debt instruments governing the New Secured Debt is subject to a consolidated net leverage incurrence test of 2.0:1.0 (Adjusted EBITDA to net debt). Altice France and its subsidiaries are allowed to fully consolidate the Adjusted EBITDA from (i) any subsidiaries

in which they have a controlling interest (up to the aggregate amount of cash or cash equivalents actually distributed or that could have been distributed by such entity) and (ii) the subsidiaries that are in the restricted group as defined in the relevant debt instruments;

- Incurrence of additional indebtedness under the debt instruments governing the New AFL 3 Debt is subject to a consolidated net leverage ratio incurrence test of 2.25:1.0., in the case of unsecured debt incurred by the Company or its subsidiaries and, with respect to senior secured debt incurred by Altice France or its subsidiaries that are in the restricted group under the debt instruments governing the New Secured Debt, subject to a consolidated net senior secured leverage ratio incurrence test of 2.0:1.0.

33.2. Commitments related to assets (excluding network sharing)

The contractual commitments to acquire intangible assets and property, plant and equipment amount to €1,261.4 million (€1,246.5 million as of December 31, 2024). The amount includes commitments related to the use of telecommunications systems.

The following table presents the commitment schedule:

Investment commitments (€m)	December 31, 2025	Maturity			December 31, 2024
		Less than one year	Two to five years	More than five years	
Commitments related to Less Dense Areas ZMD (a)	20.3	9.7	10.6	-	38.1
Other investment (b)	1,241.1	742.9	174.5	323.6	1,208.3
Total net investment commitments	1,261.4	752.7	185.1	323.6	1,246.5

(a) Commitments related to the deployment of FTTH in less densely populated areas (ZMD).

(b) Of which the commitments related to the datacenters: €398.0 million (€390.9 million as of December 31, 2024), 5G deployment: €139.5 million (€300.4 million as of December 31, 2024) and other network deployment (FTTH, 3G, 4G, Core): €246.3 million (€248.1 million as of December 31, 2024).

33.3. Agreement to share part of SFR's mobile network

On January 31, 2014, SFR and Bouygues Telecom signed a strategic agreement to share their mobile networks. The aim was to deploy a new shared-access mobile network in an area covering 57% of the population. The agreement allows the two operators to improve their mobile coverage and to achieve significant savings over time.

The agreement is based on two principles:

- Create a special purpose joint venture (Infracos) to manage the shared assets of the radio sites, i.e., the passive infrastructures and geographical sites where the telecom infrastructures and equipment are deployed. SFR and Bouygues Telecom each retain full ownership of their own telecom equipment assets and frequencies.
- Set up a RAN-sharing service that 2G, 3G and 4G operators can use in the shared territory. Each operator is responsible for the part of the shared territory in which it designs, deploys, operates, and maintains the RAN-sharing service.

The sharing agreement is similar to many mechanisms set up in other European countries. Each operator retains its own independent innovation capacity and total commercial and pricing independence. The first deliveries of cell plans were on April 30, 2014. On that occasion, each operator was informed of its partner's deployment plans, as exchanges of technical information about the sites when developing the sharing agreement had been prohibited by ARCEP. This exchange of information led on October 24, 2014, to the agreement being adjusted, in particular regarding certain engineering choices that had been made at a time when the negotiating parties did not have full access to relevant data about each other's networks. The target network completion date was pushed back to December 31, 2025, to consider previous deployment delays encountered.

The first rollouts of the RAN sharing coverage were in September 2015, and 15,414 sites were rolled out at the end of December 2025. SFR estimates that as of late December 2025, this agreement corresponds to approximately €1,187 million in commitments given, and approximately €1,531 million in commitments received, for a net commitment received of approximately €344 million, covering the entire long-term agreement.

On November 28, 2025, Infracos transferred all of the pylon sites called "Sanctuarisés" to a new joint venture (Sanctus), co-owned by SFR and Bouygues Telecom. Sanctus manages the heritage of these pylon sites.

Infracos also transferred the "TOTEM" sites to the operators, for their respective areas, before being sold on December 22, 2025, to Phoenix Tower International.

33.4. Intangible assets and property, plant and equipment related to SFR telecommunication activities

SFR is the holder of operating authorisations for its networks and the provision of its telecommunications services on the French territory, as presented below:

Band	Technology	Decisions	Start	End
700 MHz	4G (2 × 5 MHz)	ARCEP Dec. n° 15-1569	December 8, 2015	December 8, 2035
800 MHz	4G (2 × 10 MHz)	ARCEP Dec. n° 12-0039	January 17, 2012	January 16, 2032
900 MHz	2G/3G/4G (2 × 8.7 MHz)	ARCEP Dec. n° 18-1393	March 25, 2021	March 24, 2031
1,800 MHz	2G/3G/4G (2 × 20 MHz)	ARCEP Dec. n° 18-1393	March 25, 2021	March 24, 2031
2.1 GHz	3G (2 × 5 MHz)	ARCEP Dec. n° 10-0633	June 8, 2010	June 7, 2030
		ARCEP Dec. n° 18-0683		
2.1 GHz	2G/3G/4G (2 × 9.8 MHz)	ARCEP Dec. n° 18-1393	August 21, 2021	August 20, 2031
2.6 GHz	4G (2 × 15 MHz)	ARCEP Dec. n° 11-1171	October 11, 2011	October 10, 2031
				November 17, 2035 (conditional extension until November 17, 2040)
3.4-3.8 GHz	5G (80 MHz)	ARCEP Dec. n° 20-1257	November 18, 2020	

The applicable financial terms are as follows:

- For the licence in the 2.1 GHz band granted from June 8, 2010: the fixed component paid in 2010, i.e., €300 million, was recognised in intangible assets and the variable component of the royalty amounted to 1% of the annual revenue generated by the use of this frequency.
- For the licences in the 2.6 GHz, 800 MHz, and 700 MHz bands: the fixed components paid in October 2011 (€150 million) and January 2012 (€1,065 million) were recognised in intangible assets on the licence allocation dates respectively in 2.6 GHz, 800 MHz, and 700 MHz bands. SFR acquired new frequencies in December 2015 in the 700 MHz band, for €466 million, payable in four instalments. The variable portion of the royalty is 1% of the annual revenue generated using those frequencies. The variable component of these licence fees, which cannot be reliably measured in advance, are not recorded on the consolidated statement of financial position but are recognised under expenses for the period in which they are incurred.
- For the licence in 900 MHz and 1,800 MHz bands granted from March 25, 2021: the fixed part of the annual licence fee will amount to €1,068 per kHz duplex allocated in the 900 MHz and €571 per kHz duplex allocated in the 1,800 MHz band. The variable component will correspond to 1% of the annual revenue using those frequencies.
- For the licence in 2.1 GHz band granted from August 21, 2021: the fixed part of the annual licence fee will amount to €571 per kHz duplex allocated. The variable component will correspond to 1% of the annual revenue using those frequencies.
- For the licence in 3.4 and 3.8 GHz granted from November 18, 2020: the fixed part of the annual licence fee amounts to €350.0 million allocated in the 50 MHz and €378.0 million allocated in the 10 MHz band. The variable component will correspond to 1% of the annual revenue using of those frequencies.

Furthermore, SFR is paying a contribution to the spectrum development fund for frequency bands as well as a tax to the National Frequencies Agency intended to cover the complete costs incurred by this establishment for the collection and treatment of claims of users of audiovisual communications services related to interference caused by the start-up of radio-electric stations (700 MHz and 800 MHz).

33.5. Coverage commitments related to SFR telecommunication licences

As part of the allocation of the first block of LTE frequencies in October 2011 (2.6 GHz), SFR undertook to provide coverage for 25% of France's metropolitan population by October 11, 2015, 60% by October 11, 2019, and 75% by October 11, 2023.

As part of the allocation of the second block of 4G frequencies in January 2012 (800 MHz), SFR undertook to meet the following obligations:

- SFR must provide the following very-high-speed mobile services:
 - 98% of France's metropolitan population by January 2024 and 99.6% by January 2027,
 - Coverage in the primary deployment area (approximately 18% of the metropolitan population and 63% geographically): SFR must cover 40% of the population in this primary deployment area by January 2017 and 90% by January 2022 (this obligation is to comply using 800 MHz frequencies),
 - Coverage at a departmental level: SFR must cover 90% of the population of each department by January 2024 and 95% by January 2027,
 - Coverage of high-priority roads (about 50,000 kilometres): SFR must cover 100% of these axes by January 2027 (this obligation is to comply using 800 MHz frequencies).
- SFR and Bouygues Telecom have a joint obligation to pool networks or share frequencies in the primary deployment area.
- SFR has an obligation to allow roaming for Free Mobile in the primary deployment area once Free Mobile covers

25% of France's population with its own 2.6 GHz network and if it has not signed a national roaming agreement with another operator.

- (iv) SFR must, jointly with the other holders of 800 MHz band licences, cover the city centres identified by the public authorities in the "Zones blanches" program (more than 98% of the population) by January 2027.

As part of the allocation of the third block of LTE frequencies in December 2015 (700 MHz), SFR undertook to comply with the following deployment obligation in very-high-speed mobile networks:

- Coverage of the primary deployment area: SFR must cover 50% of the population in this area by January 2022, 92% by January 2027 and 97.7% by December 2030 (this obligation is to comply using 700 MHz frequencies),
- Coverage of high-priority roads (about 50,000 kilometres): SFR must cover 100% of these axes by December 2030 (this obligation is to comply using 700 MHz frequencies),
- Coverage of regional railway network (at national level): at national level, SFR must comply with a 60% coverage rate of regional railway network by January 2022, 80% by January 2027 and 90% by December 2030,
- Coverage of regional railway network (at regional level): in each region, SFR must comply with a 60% coverage rate of regional railway network by January 2027 and 80% by December 2030.

In the context of the change of its frequency authorisations in the 900 MHz, 1,800 MHz, and 2.1 GHz bands (and in exchange for the lifting of technological limitation of frequency use in the 900 MHz band), SFR undertook to respect the following obligations:

- Participation in the targeted coverage to increase coverage of the metropolitan area,
- Widespread access to very high-speed mobile access from all sites in its network in December 2020 (and by exception 75% of existing "Zones blanches" sites as of July 1, 2018),
- Coverage of priority roads outside the vehicles in December 2020,
- On-demand coverage inside buildings,
- Provide a fixed Internet access service on its very high-speed mobile network,
- Participation in the extension of the "4G fixed" coverage.

On November 15, 2018, ARCEP adopted the decision related to the result of the allocation procedure in the 900 MHz band and the four decisions authorising the use of frequencies in the 900 MHz, 1,800 MHz and 2.1 GHz bands allocated to the winners selected on October 23, 2018.

The new authorisation for the use of frequencies delivered to SFR is part of the New Deal mobile, occurred between the Government, ARCEP and operators in January 2018. This authorisation is granted from March 25, 2021 until March 24, 2031. It is accompanied by ambitious obligations for the digital development of the territory. Notably, SFR is committed to:

- Improve reception's quality in all the territory, especially in rural areas. The new standard of requirement applied to operators' obligations is the one of a good coverage.
- Increase the pace of targeted programs to improve coverage and in this context build at least 5,000 new sites in all the territory, sometimes pooled, which will now go beyond the "Zones blanches" and whose charge is now fully taken by the operators.
- Generalize reception in 4G which implies for the operators to cover more than one million French people out of 10,000 communes, by equipping in 4G all the mobile sites.
- Accelerate the coverage of transport routes, in order that the main roads and railways are covered in 4G.
- Generalize mobile phone coverage inside buildings, especially by offering its customers equipped with a compatible terminal the voice by Wi-Fi.

As part of the allocation of 5G frequencies in 3.4 and 3.8 GHz in November 2020, SFR undertook to comply with the following digital development obligations:

- Use of 3.4 and 3.8 GHz spectrum from:
 - 3,000 mobile network sites by December 31, 2022,
 - 8,000 mobile network sites by December 31, 2024,
 - 10,500 mobile network sites by December 31, 2025,
- Widespread increase in mobile network performance by 31 December 2030,
- Increase throughput on:
 - at least 75% of mobile network sites by December 31, 2022,
 - at least 85% of mobile network sites by December 31, 2024,
 - at least 90% of mobile network sites by December 31, 2025,
 - 100% of mobile network sites by December 31, 2030,
- Concurrent deployment obligations between territories,
- Road's coverage obligations: SFR must cover all type of highways roads by December 31, 2025, and all main-link roads by December 31, 2027.

Some of the coverage commitments included in SFR's licences are currently under review by ARCEP. In this context,

SFR transmits to ARCEP all the information requested.

33.6. Commitments related to long-term contracts

The following table presents the breakdown of the commitments related to long-term contracts:

Long-term contracts commitments (€m)	December 31, 2025	Maturity			December 31, 2024
		Less than one year	Two to five years	More than five years	
Commitments given	3,881.4	330.2	681.9	2,869.3	3,874.6
Commitments received	(134.5)	(26.4)	(56.1)	(52.0)	(161.2)
Total net commitments	3,746.9	303.8	625.7	2,817.3	3,713.3

33.7. Other commitments

The following table presents the breakdown of the other commitments:

Other commitments (€m)	December 31, 2025	Maturity			December 31, 2024
		Less than one year	Two to five years	More than five years	
Bank security guarantee GSM-R (a)	-	-	-	-	54.7
Other bank security deposits, guarantees and commitments to purchase securities (b)	330.0	2.5	319.7	7.8	335.2
Pledges (c)	1.1	1.1	-	-	4.5
Commitments given	331.1	3.6	319.7	7.8	394.5

(a) As the GSM-R Public-Private Partnerships (PPP) has been terminated, all the related guarantees have been removed.

(b) This amount includes commitments given for the Company's subsidiaries in the context of their activity and tax notices issued by the tax authorities (Refer to Note 34.1 – *Tax disputes*) and unilateral promises to buy out non-controlling interests in certain entities. Such promises can be made only if the Group's entities do not meet the contractual commitments made when signing the related shareholders' agreements.

(c) This amount does not include the pledges granted for senior secured debt requirements reported in the Note 33.1 – *Commitments related to bonds and term loans*.

34. Litigation

The Group is involved in legal and administrative proceedings that have arisen in the ordinary course of business.

A provision is recorded by the Group when there is sufficient probability that such disputes will lead to costs that the Group will bear and when the amount of these costs can be reasonably estimated. Certain Group companies are involved in some disputes related to the ordinary activities of the Group. Only the most significant litigation and proceedings in which the Group is involved are described below.

The Group is not aware of any governmental, legal or arbitration proceedings (including any proceedings of which the Group is aware that are pending or threatened) other than those described below in this section that may have or have had in the last twelve months significant effects on the financial position or profitability of the Group.

34.1. Tax disputes

The Company estimated the probable tax contingencies arising from tax audit carried out by the French tax authorities on various Group companies and recognised the appropriate amount of provision in its accounts according to the risk assessment as of December 31, 2025. The provision mainly covers risks related to the following topics:

VAT

The French tax authorities have conducted various audits since 2005 with respect mainly to the VAT rates applicable to the Group's multi-play offerings, and to a lesser extent to the tax on telecommunication services. Pursuant to the French tax code, television services are subject to a reduced VAT rate at 10%, and press services are subject to a reduced VAT rate of 2.1%, whereas internet and telecommunication services are subject to the normal VAT rate at 20%. French tax authorities have reassessed the application of VAT rates on certain multi-play offerings for fiscal years 2013 to 2022.

Tax on Television Services ("TST")

The CNC ("Centre National du Cinéma") has conducted an audit on the tax on television services ("TST") for 2014 to 2017, which led to a reassessment related to the scope of such tax, which includes all services included in an offer and not only those allowing the access to a television service. The litigation was closed as of December 31, 2025.

Income Tax

Tax authorities have conducted an audit on the taxable income of the tax group of Altice France for fiscal years 2014 to 2022. Main proposed tax reassessments relate to (i) the amount of the fiscal losses inherited from previous tax groups pursuant to the mechanism of imputation on a broad base (*mécanisme d'imputation sur une base élargie*) and (ii) the level of prices of certain intercompany transactions.

For all these litigations, the relevant Group companies are disputing all proposed reassessments and have filed appeals and litigation at various levels depending on fiscal years adjusted and have recognised the appropriate amount of provision in their accounts according to their risk assessments as of December 31, 2025. As a reminder, the Company granted a parent company guarantee to SFR and SFR Fibre to cover the tax reassessments, relating to the years 2016 and 2017, issued by the tax authorities “DGFIP”.

The total amount of tax reassessment proposed by the French tax authorities amounted to €1,103.9 million.

34.2.Civil and commercial disputes

Litigation in progress

SCT against SFR

On October 11, 2017, SCT summoned SFR before the Paris Commercial Court for some supposed dysfunctions and multiple failings in the delivery of its fixed services. According to SCT, these alleged dysfunctions are said to have caused the loss of final clients in connection with the supply of its mobile services (MVNO). In December 2021, the Paris Commercial Court ordered an expert assessment to examine and analyse the documents produced by SCT in support of the alleged damages. In this regard, the court-appointed expert analysed contracts that had been terminated or not renewed, and which had encountered a technical issue that led SCT to open an incident ticket with SFR. The expert’s conclusions identified 129 contracts that were allegedly terminated or not renewed for reasons wholly or partly attributable to SFR between 2012 and 2017, out of the 52,000 claimed by SCT. On April 5, 2025, the expert issued his report. The proceedings have recently been resumed before the Paris Commercial Court at the initiative of SCT. In January 2026, SCT increased its claim for damages to €68.5 million.

Litigation over distribution in the independent network (Consumer market and SFR Business)

SFR, like companies operating an indirect distribution model, faces complaints from a certain number of its distributors and almost routinely from former distributors. Such recurring complaints revolve around claims of sudden breach of contractual relations, abuse of economic dependency and/or demands for requalification as a sales agent, as well as demands for requalification as a contractual branch manager and requalification as SFR employment contracts of the employment contracts of point-of-sale employees.

In-depth inquiry of the European Commission into the assignment of cable infrastructures by certain local authorities

On July 17, 2013, the European Commission signalled that it had decided to open an investigation to verify whether the transfer of public cable infrastructure between 2003 and 2006 by several French municipalities to SFR Fibre was consistent with European Union government aid rules. In announcing the opening of this in-depth investigation, the European Commission indicated that it believed that the sale of public assets to a private company without proper compensation gave the latter an economic advantage not enjoyed by its competitors, and that it therefore constituted government aid within the meaning of the rules of the European Union and that the free-of-charge transfer of the cable networks and ducts by 33 French municipalities to SFR Fibre, they have argued, conferred a benefit of this type and, as such, was government aid. The Group strongly denies the existence of any governmental aids.

On December 15, 2017, the French authorities submitted their observations on this matter to the European Commission. Furthermore, on May 3, 2018, SFR Fibre submitted further observations to the European Commission, maintaining that the transfer of the cable networks and ducts had systematically been subject to financial consideration (in the form of a payment or the waiver of various contractual indemnities), and that, consequently, no economic advantage had been conferred on SFR Fibre. The most recent exchanges took place in 2022.

Litigation by KOSC and KOSC Infrastructures against SFR and Completel

The companies KOSC and KOSC Infrastructures, through their liquidator, sued SFR and Completel on February 3, 2021, before the Paris Commercial Court to seek compensation for the damages that the KOSC Group allegedly suffered as a result of the late and incomplete delivery of Completel's DSL network which the Altice Group had undertaken to sell pursuant to a commitment made to the “Autorité de la concurrence : ADLC” (French Competition Authority), during the acquisition of SFR.

KOSC and KOSC Infrastructures claim that the DSL Network was delivered with a significant delay of more than a year. This delay in delivery prevented the operation of the DSL network by KOSC, which, according to it, suffered damages resulting from such a delay in the launch of its activity. KOSC and KOSC Infrastructures therefore requested, on various grounds, the payment of damages for an amount of around €165 million.

The case has been referred for a ruling on the merits and the procedure is pending. The Group strongly challenges the merits of this claim, considering that the ADLC held, in its decision (Decision No. 19-CSO-02 of September 3, 2019), that Completel had respected its commitments. The ADLC’s analysis was confirmed by a decision of the French Conseil d’État (the French Council of State) (Decision No. 435944 of November 20, 2024).

Criminal proceedings regarding “RED à vie”

Between 2017 and 2020, SFR promoted RED offers using phrases such as “no minimum contract term”, “no price doubling after one year”, “for one year and beyond” and similar expressions. In 2021, the prices of RED offers were increased in accordance with Article L224-33 of the French Consumer Code.

The consumer association QUE CHOISIR ENSEMBLE (formerly UFC QUE CHOISIR) filed a complaint for misleading commercial practices in May 2021. In 2022, the association filed a criminal complaint with civil party status, leading to the opening of a judicial investigation in December 2023. In December 2024, SFR was committed for trial before the criminal court.

Following the hearing held on February 19, 2026, SFR was found guilty of misleading commercial practices and sentenced to a fine of €10 million, including €5 million suspended. The court also ordered the publication of a notice on the website sfr.fr. Given the length of time that has elapsed since the events in question, SFR decided not to appeal this decision.

Litigation between SFR and Apple

Following an investigation by the DGCCRF in 2013 into the conditions under which the iPhone was distributed in France, the Minister for the Economy brought proceedings in 2014 against Apple Distribution International and Apple France. SFR joined the proceedings as an intervener. The dispute concerns several provisions of the 2012 distribution agreement, which were considered likely to create a significant imbalance in commercial relations. By judgment dated October 10, 2025, the Paris Commercial Court ruled against Apple, declared certain clauses null and void, ordered restitution, imposed a civil fine and ordered the cessation of their use, with provisional enforcement.

Apple lodged an appeal on October 20, 2025 before the Paris Court of Appeal and has applied to the First President for a stay of enforcement. The case is now pending before the Court of Appeal.

Litigation between ITCenter and SFR

This litigation, currently pending before the Paris Commercial Court, involves SFR and ITCenter SARL, a supplier of IT equipment and services, and arises in the context of the supplier transition plan decided by the Altice Group following the disclosure of the criminal investigation in Portugal. ITCenter considers that SFR’s termination of the contracts was abrupt and is therefore seeking a total amount of €28 million, which SFR firmly contests. SFR filed its statement of defence on October 28, 2025.

The proceedings are ongoing.

Litigation between BM Consulting and SportsCoTV

This litigation, currently pending before the Commercial Court of Braga (Portugal), involves BM Consulting and Altice France Holding, Altice France, Altice Luxembourg SA and SportsCoTV SASU (SportsCoTV merged with Altice Picture S.à r.l. on October 15, 2020).

BM Consulting claims to have provided, between 2015 and 2019, services under a Services Agreement. It considers that the services were fully performed and is seeking payment of €10 million in respect of allegedly unpaid invoices, as well as approximately €60 million in damages for alleged harm to its reputation, loss of business and loss of opportunity linked to the centralisation of television rights.

Altice France Holding, Altice France, Altice Luxembourg SA and SportsCoTV SASU firmly contest BM Consulting’s unfounded claims.

Investigation by the Public Prosecutor’s Office in Portugal

In mid-July of 2023, Altice Portugal learned that the Public Prosecutor’s Office in Portugal was investigating allegations of harmful practices and misconduct of certain individuals and entities affecting Altice Portugal and its subsidiaries. Following the Public Prosecutor Office’s public statement on July 14, 2023 identifying Altice Portugal as a victim in this case, Altice Portugal’s status as a victim has been further confirmed with its designation as an assistant to the prosecution led by the Public Prosecutor’s Office in Portugal, as publicly reported on October 26, 2023.

The “*Parquet National Financier*” has also opened an investigation in France where Altice France, SFR and SFR Distribution filed a complaint.

As such, given the ongoing investigations, the Altice Group continues to take all necessary measures to protect its rights in each geography in which it operates.

Closed litigation

Disputes regarding the transfer of customer call centres from Toulouse, Lyon and Poitiers

Following the transfer of customer call centres from Toulouse and Lyon to the company Infomobile and the Poitiers call centres to a subsidiary of the Bertelsmann Group, the former employees at those sites filed legal actions at Labour Tribunals in each city to penalise what they claim were unfair employment contracts constituting fraud under Article L. 1224-1 of the French Labour Code and also contravening the legal provisions regarding dismissal for economic reasons. All of these proceedings were closed in 2025 and no related litigation remains pending.

Action by Colt, Iliad and Orange in the General Court of the European Union concerning the DSP 92 project

Colt, Iliad and Orange, in three separate motions, filed actions against the European Commission before the General Court of the European Union seeking to annul the European Commission’s final decision of September 30, 2009 (Decision C (2009) 7426), which held that the compensation of €59 million granted for the establishment and operation of a high-speed electronic communications network in the department of Hauts-de-Seine does not constitute government aid within the meaning of the rules of the European Union. The Group is not party to this proceeding. Its subsidiary SFR Fibre (Sequalum) is acting as the civil party, as well as the French government and the department of Hauts-de-Seine. In three rulings dated September 16, 2013, the General Court of the European Union rejected the requests of the three applicants and confirmed the afore mentioned decision of the European Commission. Iliad and Orange appealed to the Court of Justice of the European Union. The appeals brought by Iliad and Orange were dismissed by the Court of Justice of the European Union. The proceedings are closed.

35. List of consolidated entities

The following table presents the list of consolidated entities:

Entity	Country Registered office	Group interest		Method ⁽¹⁾	
		2025	2024	2025	2024
Altice France Lux 3 SA (3)	Luxembourg	100%	-	Parent company	-
Altice France Lux 1 S.à r.l. (2)	Luxembourg	100%	-	FC	-
Altice France Lux 2 S.à r.l. (2)	Luxembourg	100%	-	FC	-
Afone Participations SA	France	100%	100%	FC	FC
Altice B2B France SAS	France	100%	100%	FC	FC
Altice France SAS (3)	France	100%	100%	FC	Parent company
Altice Participations S.à r.l.	Luxembourg	100%	100%	FC	FC
Ariège Telecom SAS	France	100%	100%	FC	FC
Cap Connexion SAS	France	100%	100%	FC	FC
Completel SAS	France	100%	100%	FC	FC
Coriolis Telecom SAS	France	100%	100%	FC	FC
Inolia SA	France	100%	100%	FC	FC
Iris 64 SAS	France	100%	100%	FC	FC
LD Communications Italie Srl	Italy	100%	100%	FC	FC
LD Communications Suisse SA	Switzerland	100%	100%	FC	FC
MACS THD SAS	France	100%	100%	FC	FC
Medi@lys SAS	France	100%	100%	FC	FC
Numergy SAS	France	100%	100%	FC	FC
Numericable US LLC	USA	100%	100%	FC	FC
Omien 2 SAS	France	100%	100%	FC	FC
Pays Voironnais Network SAS	France	100%	100%	FC	FC
Prixtel SAS	France	100%	100%	FC	FC
Rennes Métropole Telecom SAS	France	100%	100%	FC	FC
Rimbaud Gestion B SCI	France	100%	100%	FC	FC
SFR Distribution SA	France	100%	100%	FC	FC
SFR Fibre SAS	France	100%	100%	FC	FC
SFR Presse Distribution SAS	France	100%	100%	FC	FC
SFR SA	France	100%	100%	FC	FC
SHD SA	France	100%	100%	FC	FC
SRR SCS	France	100%	100%	FC	FC
SYMA SAS	France	100%	100%	FC	FC
Teloise SAS	France	100%	100%	FC	FC
TME France SA	France	100%	100%	FC	FC
Ypso France SAS	France	100%	100%	FC	FC
Manche Telecom SAS	France	100%	70%	FC	FC
Comstell SAS	France	100%	50%	FC	FC
Altice XPM S.à r.l. (2)	Luxembourg	100%	-	FC	-
Irisé SAS	France	84%	59%	FC	FC
Alsace Connexia SAS	France	70%	70%	FC	FC
Moselle Telecom SAS	France	69%	69%	FC	FC
Synerail Exploitation SAS	France	60%	60%	FC	FC
Moselle Telecom Part. SAS	France	56%	56%	FC	FC

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Entity	Country	Group interest		Method ⁽¹⁾	
	Registered office	2025	2024	2025	2024
Foncière Rimbaud 1 SAS	France	50%	50%	EM	EM
Foncière Rimbaud 2 SAS	France	50%	50%	EM	EM
Foncière Rimbaud 3 SAS	France	50%	50%	EM	EM
Foncière Rimbaud 4 SAS	France	50%	50%	EM	EM
Meta Lfone SNC	France	50%	50%	FC	FC
XpFibre Holding SAS (2)	France	50%	-	EM	-
Sanctus SAS (2)	France	50%	-	JO	-
Synerail Construction SAS	France	40%	40%	EM	EM
Fischer Telecom SAS	France	34%	34%	EM	EM
UltraEdge SAS	France	30%	30%	EM	EM
Infracos SAS (4)	France	-	50%	-	JO
Sofialys SAS (5)	France	-	24%	-	EM
Synerail SAS (8)	France	-	30%	-	EM
Altice Customer Services S.à r.l.	Luxembourg	65%	65%	FC	FC
AZODR SARL	Dominican Republic	65%	65%	FC	FC
Innovshore SA	Dominican Republic	65%	65%	FC	FC
Intelcia Cote d'Ivoire SAS	Ivory Coast	65%	65%	FC	FC
Intelcia Egypt LLC	Egypt	65%	65%	FC	FC
Intelcia France SAS	France	65%	65%	FC	FC
Intelcia Group SA	Morocco	65%	65%	FC	FC
Intelcia International SAS	France	65%	65%	FC	FC
Intelcia International succursale SAS	Morocco	65%	65%	FC	FC
Intelcia IT Solutions SA	Morocco	65%	65%	FC	FC
Intelcia Managed Services SA	Morocco	65%	65%	FC	FC
Intelcia Management International SARL	Morocco	65%	65%	FC	FC
Intelcia Maroc Inshore SA	Morocco	65%	65%	FC	FC
Intelcia Maroc Offshore SA	Morocco	65%	65%	FC	FC
Intelcia Maroc SA	Morocco	65%	65%	FC	FC
Intelcia Portugal SARL	Portugal	65%	65%	FC	FC
Intelcia Sénégal SAS	Senegal	65%	65%	FC	FC
IT Rabat SARL	Morocco	65%	65%	FC	FC
MeilleurTX Maroc SA	Morocco	65%	65%	FC	FC
Smartshore France SAS	France	65%	65%	FC	FC
Smartshore SARL	Morocco	65%	65%	FC	FC
TMG Succ	Morocco	65%	65%	FC	FC
Intelcia IT Solutions France SAS (2)	France	65%	-	FC	-
Intelcia Software Solutions SA	Morocco	54%	44%	FC	FC
Intelcia Cameroun SA	Cameroon	46%	46%	FC	FC
Smartforce Academy SARL(5)	Morocco	-	46%	-	FC
Altice Technical Services France S.à r.l.	Luxembourg	100%	100%	FC	FC
Eos Telecom SAS	France	100%	100%	FC	FC
ERT Holding France SAS	France	100%	100%	FC	FC
ERT Mobile SAS	France	100%	100%	FC	FC
ERT Technologies SAS	France	100%	100%	FC	FC
ICART SAS	France	100%	100%	FC	FC
Rhôn'Telecom SAS	France	100%	100%	FC	FC
Sudtel France SAS	France	100%	100%	FC	FC
Keos Telecom SAS	France	100%	90%	FC	FC
Azurconnect Technologies SAS	France	100%	51%	FC	FC
Altice Blue Two SAS	France	100%	100%	FC	FC
Intelcia Madagascar SA	Madagascar	100%	100%	FC	FC
Intelcia Maurice Ltee	Mauritius	100%	100%	FC	FC
Martinique TV Câble SAS	France	100%	100%	FC	FC
Outremer Telecom Digital Solutions Ltd.	Mauritius	100%	100%	FC	FC
Outremer Telecom SAS	France	100%	100%	FC	FC
World Satellite Guadeloupe SAS	France	100%	100%	FC	FC
Media Consumer Group SA	France	100%	100%	FC	FC

Entity	Country	Group interest		Method ⁽¹⁾	
	Registered office	2025	2024	2025	2024
SFR Presse SAS	France	100%	100%	FC	FC
SportsCoTV SASU	France	100%	100%	FC	FC

(1) FC = Full Consolidation; EM = Equity Method; JO = Joint operation

(2) Entry in 2025

(3) Change in parent company in 2025

(4) Company sold in 2025

(5) Company liquidated in 2025

(6) Change in consolidation method in 2025

(7) Business combination in 2025

(8) Company no longer consolidated in 2025

36. Entity consolidating the financial statements

The consolidated financial statements of the Company are included in the consolidated financial statements of Altice Group Lux S.à r.l. and Next Alt.

37. Subsequent events

Exclusivity agreement related to the sale of the telecom activities to a consortium

On April 16, 2026, Altice France and a consortium including Bouygues Telecom, Iliad and Orange (the “Consortium”) have entered into an exclusivity agreement related to the sale of the telecom activities of Altice France in Mainland France to the Consortium for a total enterprise value of €20.35 billion euros (excluding an earn out). This exclusivity is granted to the Consortium until May 15, 2026. The transaction excludes shareholdings in ACS/Intelcia, XpFibre, UltraEdge and Altice Technical Services, as well as the Altice France group’s operations in the French overseas departments and territories.

Disposal of Intelcia

Following the agreement signed with Intelcia Holding on November 24, 2025 (Refer to Note 4.4 – *Exclusivity agreement to sell Intelcia*), the transaction closed on April 28, 2026.

38. Auditors’ fees

The primary auditor of the Company was Deloitte. Audit fees charged to the Company by Deloitte are presented in the table below:

Auditors’ fees (€m)	Deloitte
Audit services	2.2
Other assurance services	0.2
Total	2.5

39. Going concern

As of December 31, 2025, the Group had a net current liability position of €3,422.1 million (mainly due to trade and other payables amounting to €4,956.7 million) and a negative working capital of €1,606.1 million. During the year ended December 31, 2025, the Group registered a net loss of €1,822.7 million and generated operating cash flows of €4,083.6 million.

The negative working capital position is structural and follows industry norms. Customers generally pay subscription revenues early or mid-month, with short days of sales outstanding and suppliers are paid under standard commercial terms, thus generating a negative working capital. This is evidenced by the difference in the level of trade and other receivables and trade and other payables: €3,049.1 million and €4,956.7 million for the year ended December 31, 2025. As of December 31, 2025, following the Transaction (Refer to Note 4.1 – *Agreement with creditors*) the Group’s short-term borrowings comprised mainly bonds and loans from financial institutions for a total amount of €611.9 million. The short-term obligations are expected to be covered by the operating cash flows of the operating subsidiaries.

Given the above, the Board of Directors has considered the following elements in determining that the use of the going concern assumption is appropriate:

- The Group’s performance on Adjusted EBITDA and operating cash flows.
- The Group had unrestricted cash reserves of €878.7 million as of December 31, 2025, compared to €2,867.1 million as of December 31, 2024, which would allow it to cover any urgent cash needs.

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- On October 1, 2025, the Group completed the Transaction reducing significantly the net financial debt (Refer to Note 4.1 – *Agreement with creditors*).
- Additionally, the Group also considers the potential monetization of part of the Group's infrastructure and assets at attractive valuation.

Management expects the available cash on hand at December 31, 2025 to be sufficient to continue the Group's operations and to repay all contractual obligations that fall due in the next 12 months. Accordingly, the Board of Directors is of the view that the Group will continue to act as a going concern for 12 months from the date of approval of these consolidated financial statements and has hence deemed it appropriate to prepare these consolidated financial statements using the going concern assumption.