



INVESTOR PRESENTATION

SILKNET

სილქნეტი

1H 2024 RESULTS AND SUBSEQUENT EVENTS

October 2024

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Business overview and 1H 24 highlights



Economic environment



Key segments



Appendix

Silknet at a glance

Overview

 **2,046 employees**¹

 **~1,400 Macro; ~400 Micro base stations**¹

 **99% 4G/LTE population coverage**
74% of homes passed¹ with FTTH

 **4,000+ km of fiber backbone length**

 **47 shops**¹

 **Moody's B1/stable; Fitch B+/stable**
Sustainalytics 26.0 ESG risk ratings

Financial performance

GEL m	2021	2022	2023	1H 23	1H 24
Commercial revenue	370	428	488	233	256
Carrier services	44	45	49	23	25
Total revenue	413	473	536	256	281
EBITDAaL ³	214	270	324	157	175
margin	52%	57%	60%	61%	62%
CAPEX ⁴	83	84	77	23	30
% of revenue	20%	18%	14%	9%	11%
OpFCF ⁵	131	186	247	134	146



1,932k subs¹
53% of revenue²
35% market share¹



347k subs¹
25% of revenue²
31% market share¹



254k subs¹
10% of revenue²
35% market share¹



146k subs¹
2% of revenue²
55% market share¹

Source: Company information, GNCC

Notes:

1 As of 30 June 2024.

2 As of 1H 24

3 EBITDAaL is defined as EBITDA less depreciation of right-of-use assets and less interest expenses on recognized lease liabilities. EBITDA is defined as Profit/(loss) and total comprehensive income/(loss) for the year plus Depreciation and amortization plus Change in fair value of investment property plus Finance costs less Finance income, plus Income tax expense/(benefit) plus Net change in fair value of financial instrument at FVTPL, plus Net foreign exchange gain/(loss), and specific items which have non-recurring and/or non-operating nature

4 Capital expenditures excl. telecom operating licences and right-of-use assets less material and non-recurring items

5 EBITDAaL less capital expenditures defined above

6 Certain figures included in this presentation may not be an arithmetic aggregation of the figures which precede them due to rounding

1H 24 highlights and subsequent events



+10% y/y growth in total revenue in **1H 24**
and **Q2 24**

see slide 6



+11% y/y growth in EBITDAaL in **1H 24**
and **Q2 24**

see slide 7

Continued to grow above key competitors in main segments:



73% and **45%** share of net adds¹ in **mobile** and **FTTH**, respectively

see slides 18-21



10.0% real GDP growth in 8M 24.

Inflation within the central bank's target – 1.1% average CPI in 9M 24.

see slides 15 and 16



Consent with respect to modification of Eurobonds
Restricted Payments covenant obtained in June

see slide 12



Hedged operational FC outflows until YE 2025

see slide 11



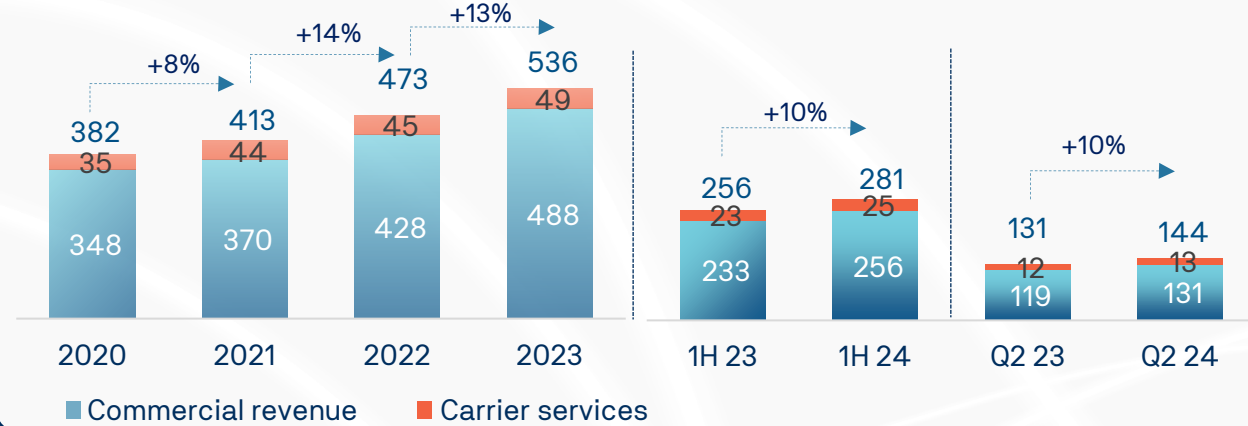
Orange and **Silknet** announce strategic alliance to enhance Silknet's B2C, B2B and ICT capabilities

see slide 30

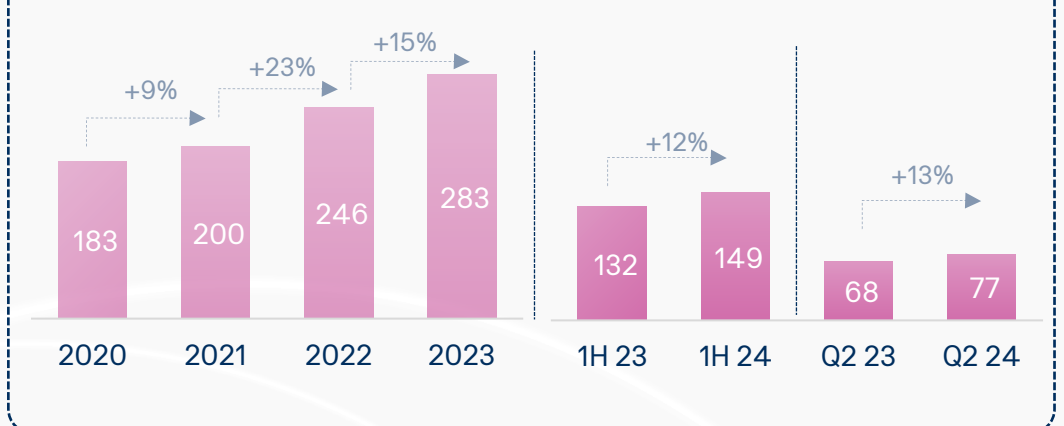
Note: ¹ calculated based on average subscribers for mobile and eop subscribers for FTTH
Source: Company information, NBG, Geostat

Persistent organic growth

Revenue evolution, GEL m



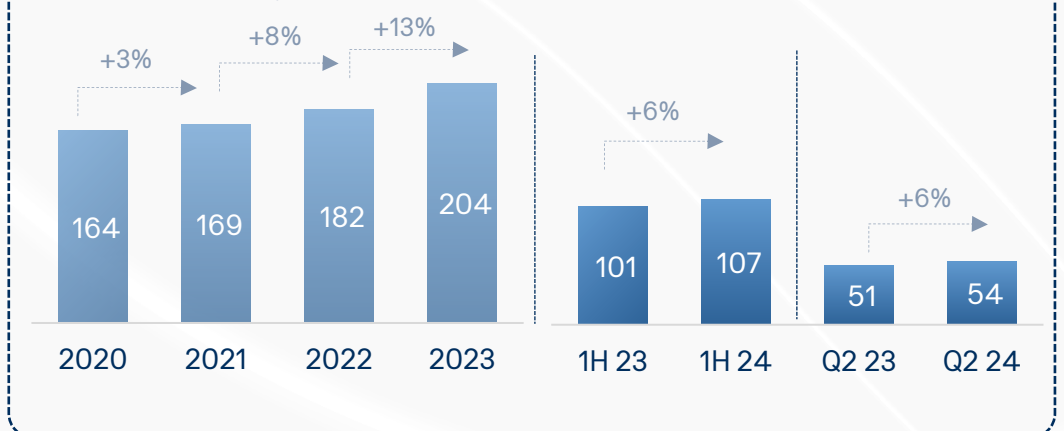
Mobile revenue, GEL m



Key takeaways

- Double-digit revenue growth continued in 2024, mostly attributable to organic commercial revenue growth (10% y/y both in 1H 24 and Q2 24)
- Mobile revenue is the main driver of commercial revenue growth, mainly fueled by increased mobile data consumption (29% y/y in 1H 24) as well as higher average subscriber base (+87K or 5% y/y in 1H 24)
- Growth in fixed revenue is mostly driven by increased number of subscribers by 17K or 5% y/y in fixed broadband and by 10K or 4% y/y in pay TV in 1H 24

Fixed revenue, GEL m

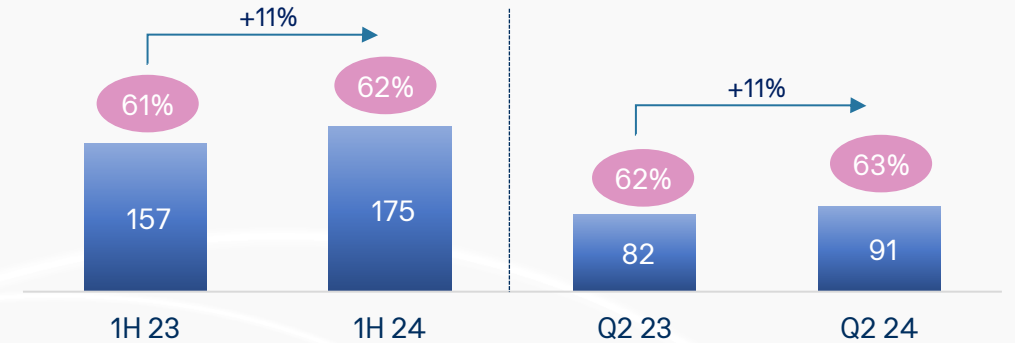
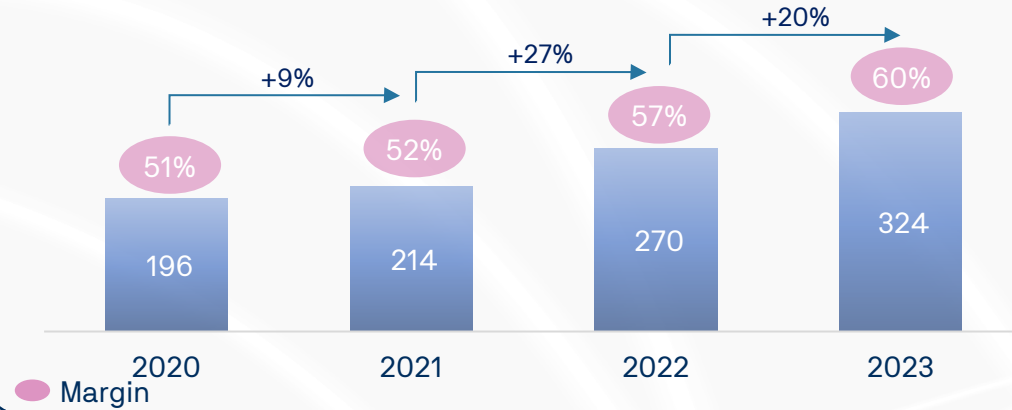


Source: Company information

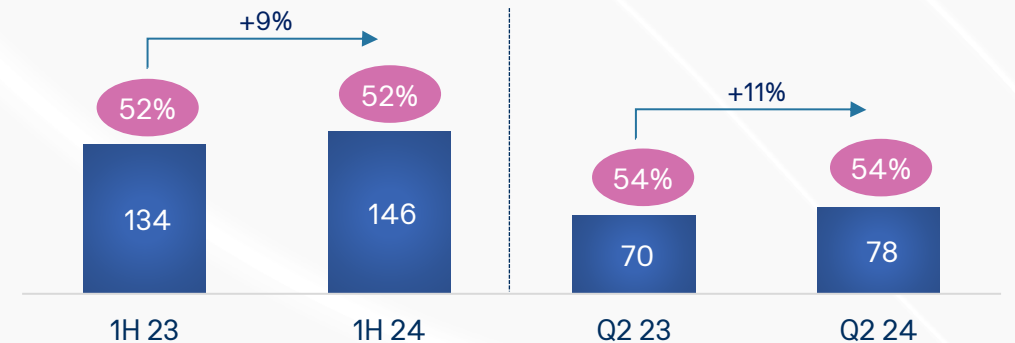
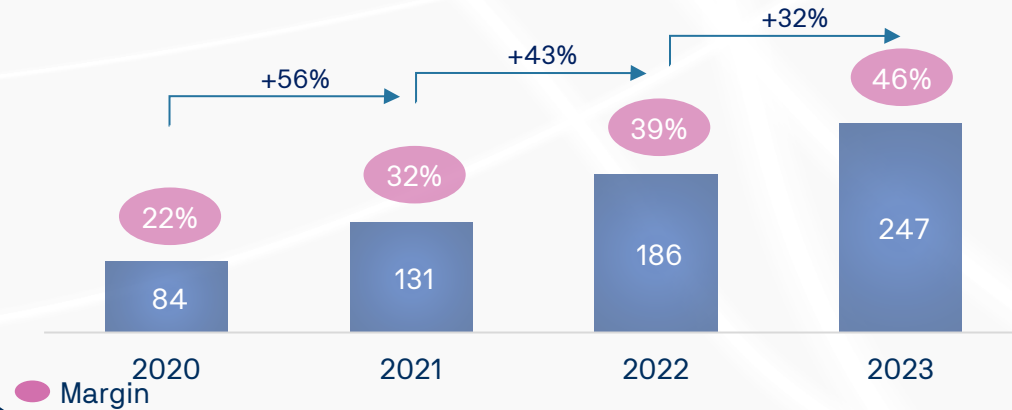
Note: Certain figures included in this presentation may not be an arithmetic aggregation of the figures which precede them due to rounding

Solid profitability and cash generation

EBITDAaL evolution, GELm



OpFCF evolution, GELm



Source: Company information

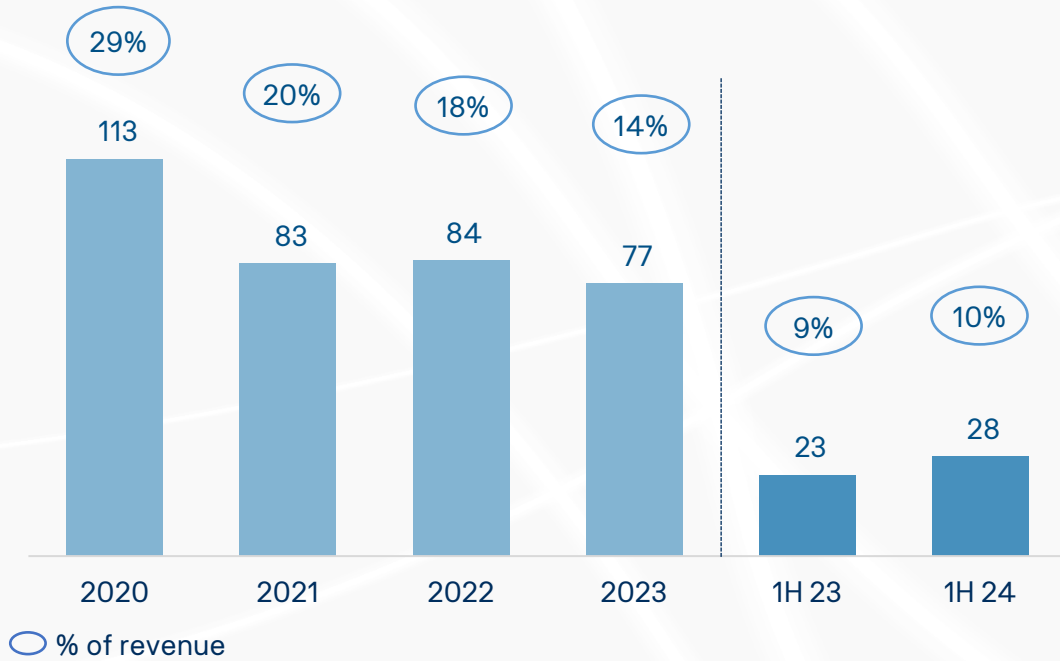
Notes:

- 1 EBITDAaL is defined as EBITDA less depreciation of right-of-use assets and less interest expenses on recognized lease liabilities
- 2 EBITDAaL less capital expenditures (see slide 8)
- 3 Certain figures included in this presentation may not be an arithmetic aggregation of the figures which precede them due to rounding

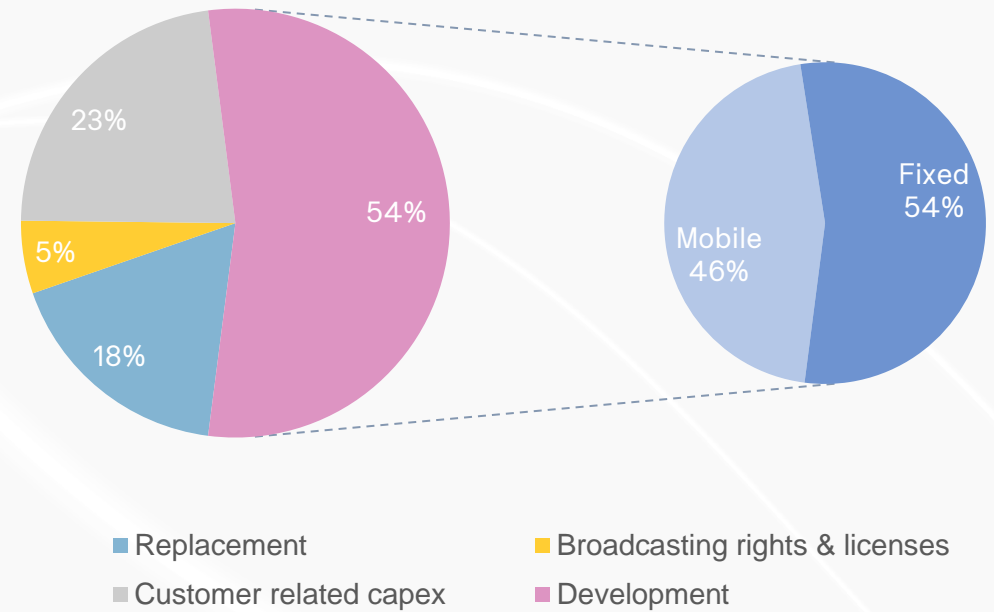
Continued investments in infrastructure

Capex¹ evolution and breakdown by category and segment

Evolution, GELm



1H 24 by category and segment

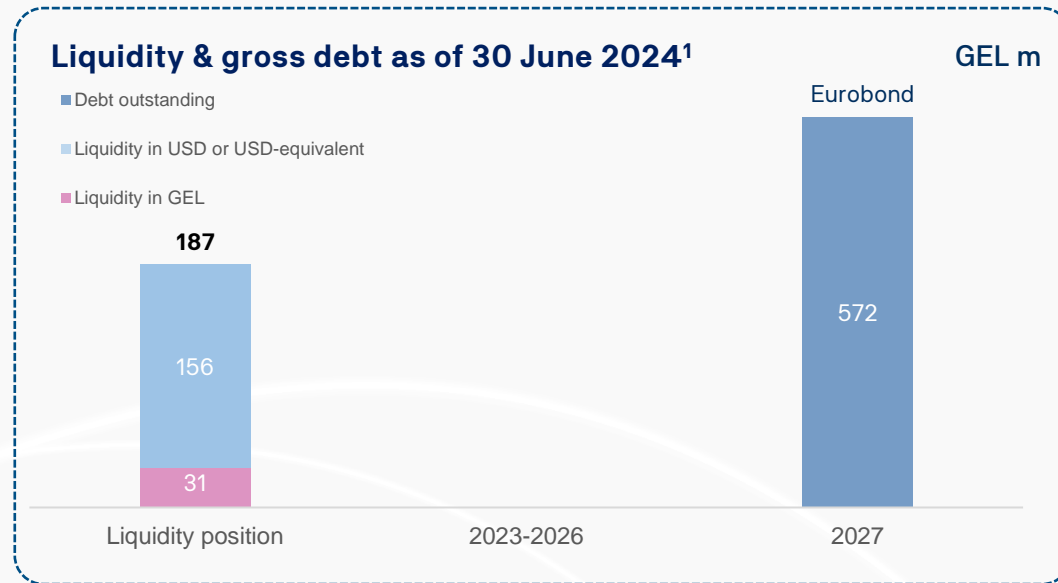
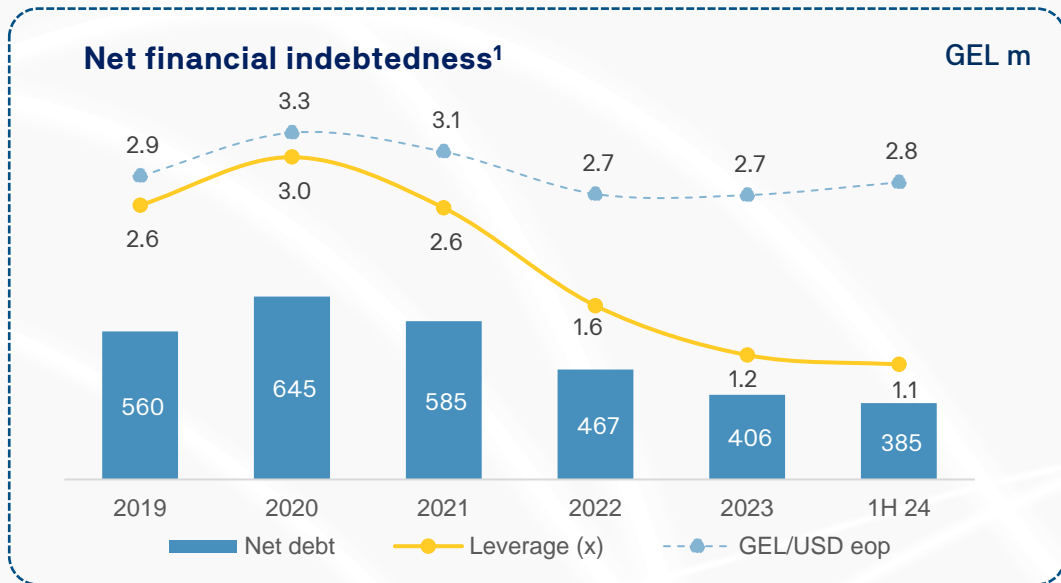


Source: Company information

Notes:

¹ Capital expenditures excl. telecom operating licences and right-of-use assets less material and non-recurring items
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Reduced leverage = financial resilience



- On 31 January 2022 we issued USD 300m 8.375% Eurobonds due 2027 and refinanced all outstanding debt instruments. We repurchased USD 50m of Eurobond 2022 substantially upon issuance and additional USD 50m on the open market throughout 2022, with USD 200m nominal amount outstanding as of now. The repurchased notes are not cancelled and are held by Silknet.
- We keep most of the liquidity in hard currencies, thus partially hedging the open FX position of Eurobonds and invest most of our liquidity in USD-linked instruments (see slide 10).
- Following the robust cash generation in the last two years and Lari appreciation, our leverage fell significantly.

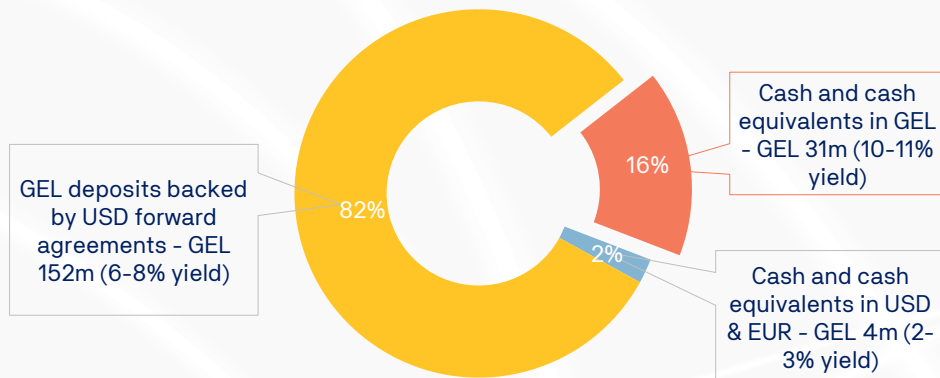
Source: Company information

Notes:
¹ Net Financial Indebtedness (defined as Loans and borrowings plus Subordinated loans less cash and Cash equivalents) and gross debt are based on the carrying amounts of loans and borrowings, with accrued interest. Leverage is calculated by dividing Net Financial Indebtedness by EBITDA. Other than the net financial indebtedness presented above, we have the letters of credits & guarantees with the aggregate amount of GEL 20.2m (most of these guarantees are part of the company's ordinary course of business and are already included in working capital (trade payables)). The calculation of Net Financial Indebtedness may differ from Indebtedness calculated in accordance with the Terms and Conditions of the Eurobond.

Robust cash position with hefty returns

Strong liquidity position and investment performance

Total liquidity as of 30 June 2024 - GEL187m

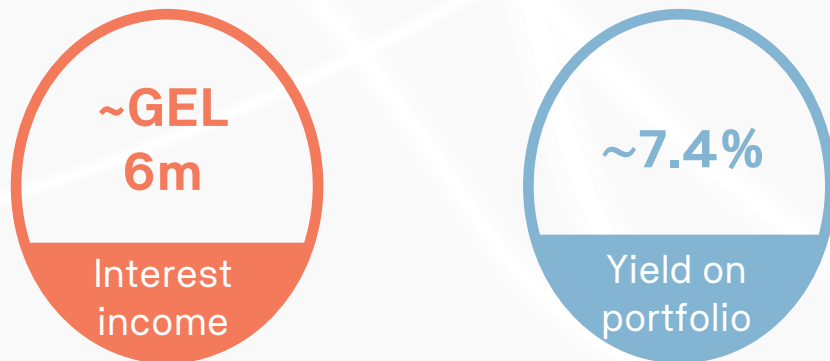


We keep most of the liquidity in hard currencies, thus partially hedging the open FX position of Eurobonds. As of 30 June 2024, GEL 156m (USD 56m equivalent), or 84% of cash and cash equivalents, was denominated in USD/EUR or USD-equivalent instruments, e.g.:

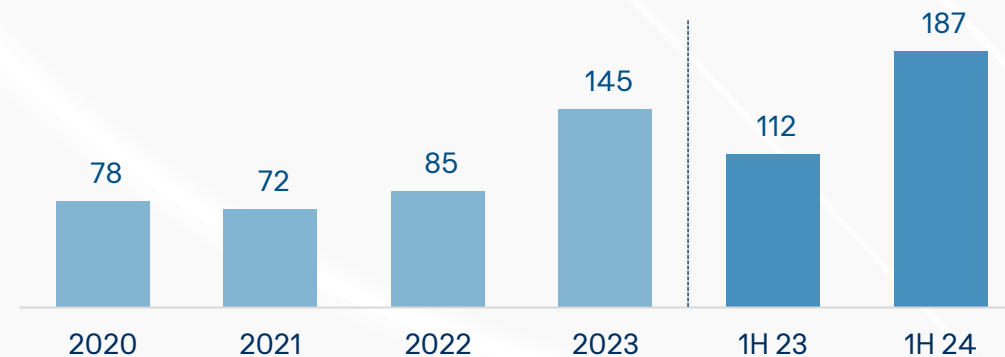
- GEL 152m in local bank deposits backed by USD forward agreements
- GEL 4m in USD and EUR deposits at local banks

Solid investment performance in 1H 24, supported by large position in local bank deposits backed by USD forward agreements, yielding competitive finance income among comparable instruments available in hard currencies

Finance income yield in 1H 24



Evolution of cash and cash equivalents, GELm



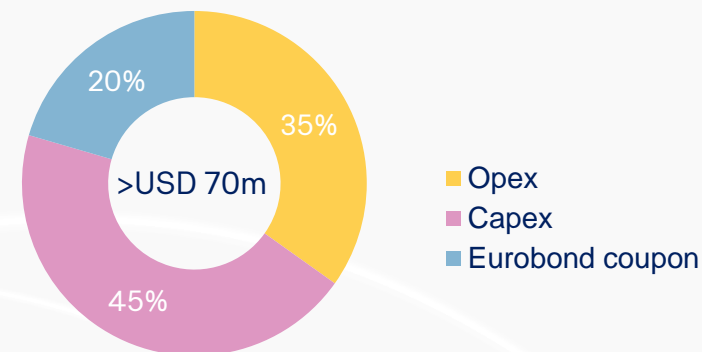
Source: Company information
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Hedging operational FX risk

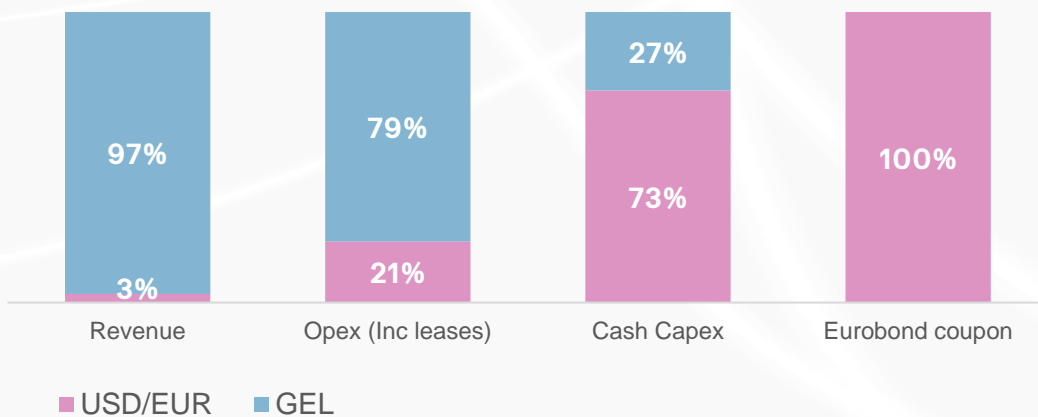
Operational hedge details

- In order to hedge the FX risk on our FC outflows, we decided to enter into forward agreements with the local banks
- Costs of the instruments range from 4% to 5%
- We have already hedged estimated FC outflows (opex, capex and coupon payment) from October 2024 until the YE 2025

FC exposure hedged (Oct 2024 – Dec 2025)



FX exposure and sensitivity analysis



Change in GEL m

	-10%	GEL/USD	+10%
Revenue	(2)		2
Operating expenses	4		(4)
EBITDAaL	2		(2)
CAPEX	7		(7)
OpFCF	9		(9)
Net debt service	4		(4)
FCF	13		(13)
Net income	41		(41)
Leverage (x)	(0.15)		0.15

FX sensitivity illustration on unhedged position¹

Source: Company information
Notes: 1 in 2024

Strong performance allows increased distributions

Dividend distributions and restrictions

	2022	2023	1H 24	Oct 24
Dividend distributions	GEL 31m ¹	GEL 128m ²	GEL 48m	GEL 54m
Dividend base	GEL 31m ¹	GEL 128m ²	GEL 49m	GEL 54m ³

Dividend restrictions

- Georgian legislation: new Law on Entrepreneurs, effective from January 2022, that allows dividend distributions up to the positive amount of retained earnings
- Eurobond covenant:
 - Jan 2022 (Eurobond issuance) – June 2024: Restricted Payments of 50% of cumulative net income from 2022, with certain carve-outs, including USD 15m basket fully utilized in 2022 and 2023
 - In June 2024, Silknet implemented a consent solicitation³ to modify the terms and conditions of Eurobonds, increasing its distribution flexibility by introducing “leverage-based” basket in the Restricted Payments test, allowing the Company to proceed with Restricted Payments until its Consolidated Leverage Ratio reaches 1.75x.

Notes:

1 GEL 31m dividend was declared in December 2021, before the new Law of Entrepreneurs came in force, out of which GEL 30m (USD 10m) was paid in 2022

2 GEL 128m was declared and fully paid in 2023 in addition to GEL 2m dividend payable

3 In connection with consent solicitation process, the Company incurred expenses of GEL 3.9m. These costs were recognised as an adjustment to the carrying amount of Eurobonds liability and is amortised over the remaining term of the modified instrument using the revised effective interest rate.

Key regulatory developments

5G spectrum

The regulator launched new spectrum action for 5G auction in August 2023. The terms of this auction were commercially unattractive due to stringent license obligations. Magticom also chose not to participate, leaving Cellfie (formerly Veon Georgia) as the only one of Georgia's three mobile network operators to take part in the auctions.

Despite not obtaining new spectrum, Silknet pioneered 5G in Georgia in December 2023, having launched the service in the center of Tbilisi utilizing its existing spectrum.

In August 2024, the GNCC initiated a new public consultation on the 5G spectrum auctions. The regulator changed the method of calculating the value of the frequencies, thereby substantially increasing the reserve price of the licenses. The GNCC failed to justify and explain this change.

Wholesale network access

In 2024 The GNCC conducted reviews of the following two product markets with the assistance of experts commissioned under the EU funded Project:

1. Wholesale market of local and central access provided at a fixed location;
2. Wholesale market of mobile network access.

In August 2024, the GNCC published its final decisions, designating Magticom as the single SMP operator in the above markets and imposed certain remedies.

Along with the adoption of these wholesale access regulations, the GNCC has annulled its previous decisions, which had designated Silknet (together with other operator(s)) as having joint SMP in the wholesale mobile access market and the retail mobile and fixed broadband markets.



Business overview and 1H 24 highlights



Economic environment



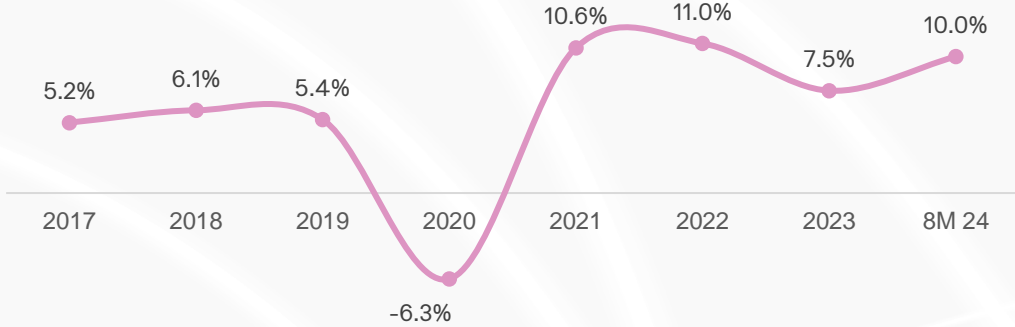
Key segments



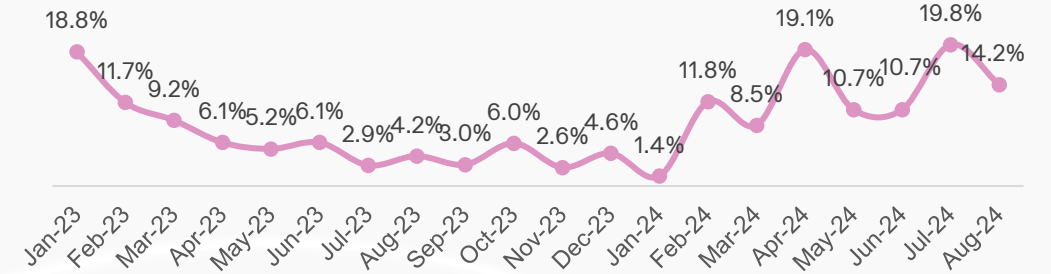
Appendix

Economy growing above the expectations, inflation below target

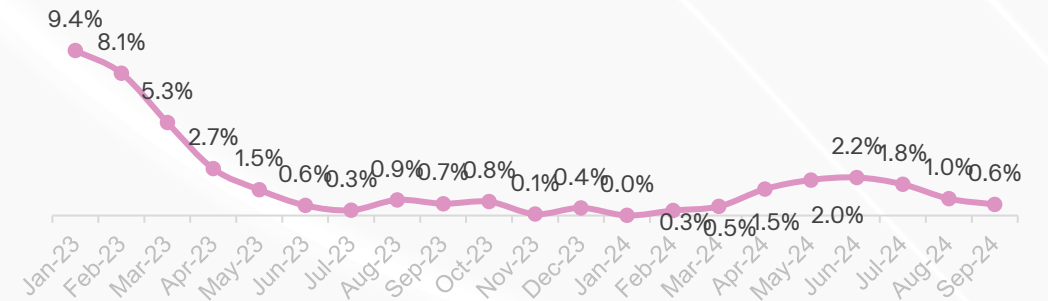
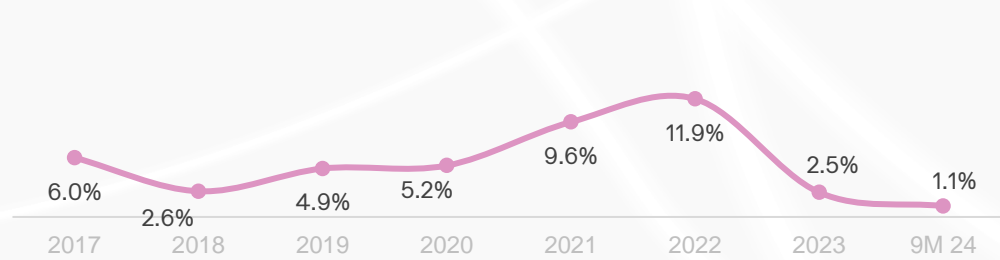
Real GDP growth



VAT turnover (y/y change)



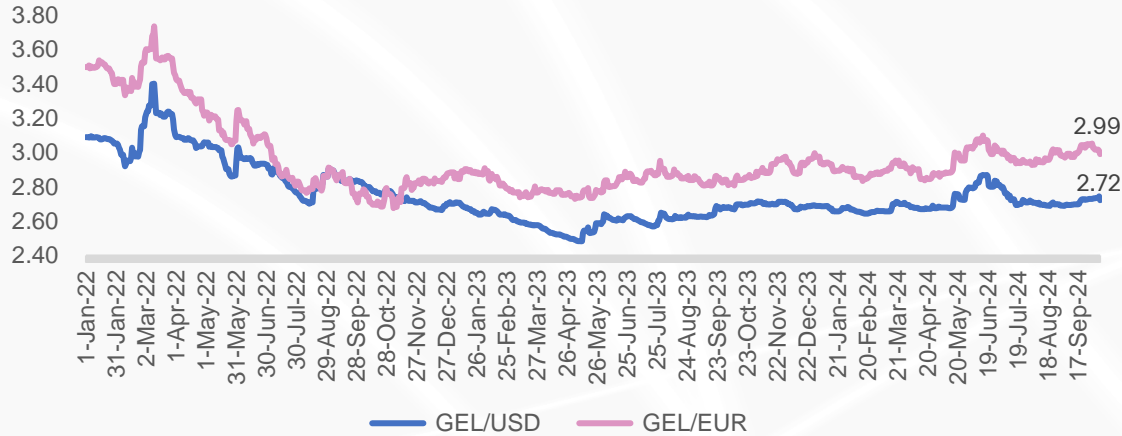
Average inflation (CPI)



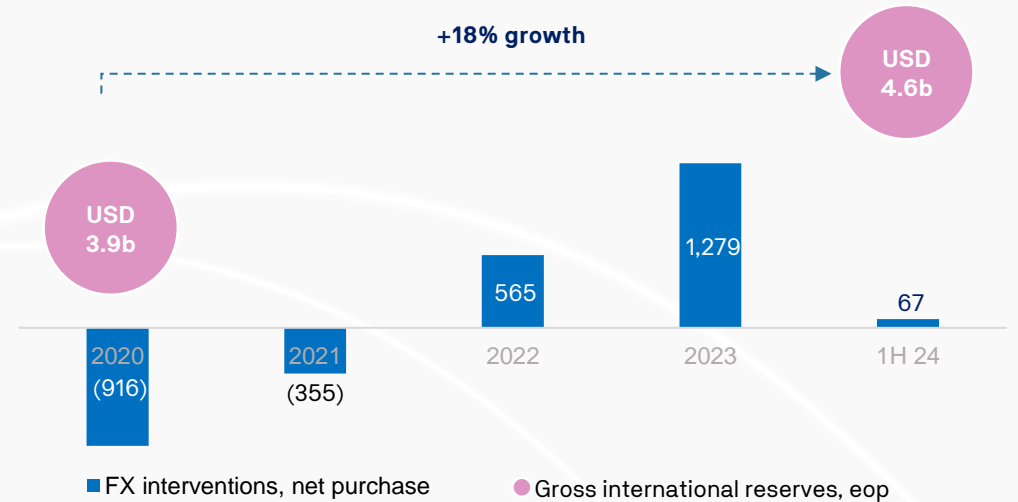
Source: GeoStat, NBG

FX broadly stable despite slight upticks, backed by NBG reserves

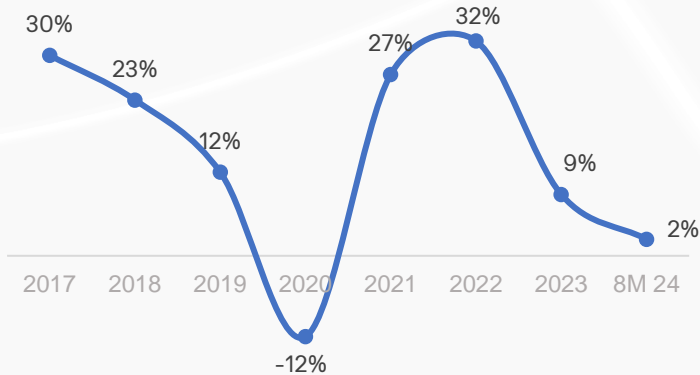
GEL exchange rate evolution



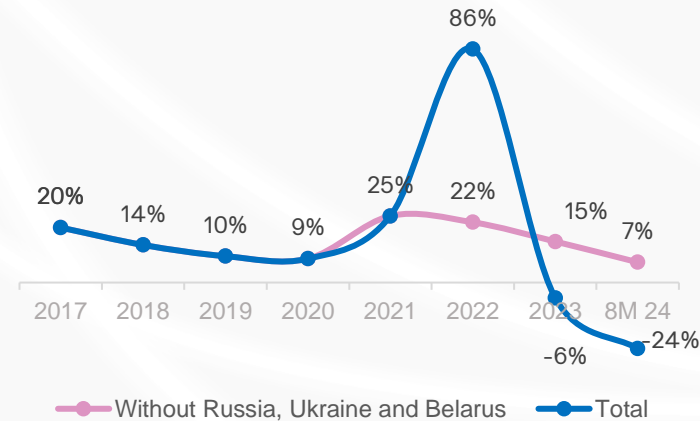
International reserves and the central bank's FX interventions (USD m)



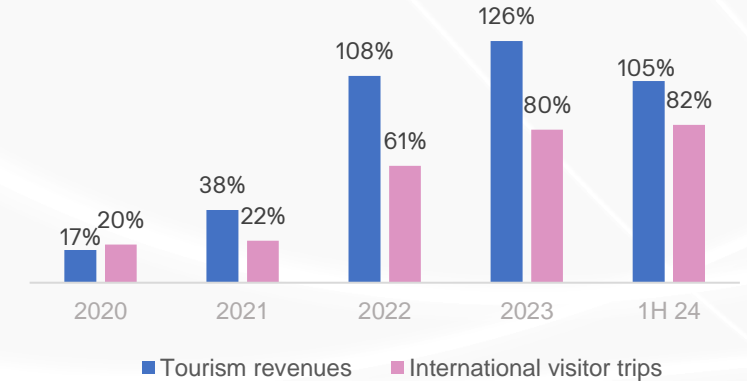
Exports (y/y change)



Remittances (y/y change)



Tourism indicators¹ as % of 2019



Source: GeoStat, NBG, GNTA, BOG

Note:

1 Tourism indicators in 2022, 2023 and 1H 24 include the impact of migrants from Russia, Ukraine and Belarus



Business overview and 1H 24 highlights



Economic environment



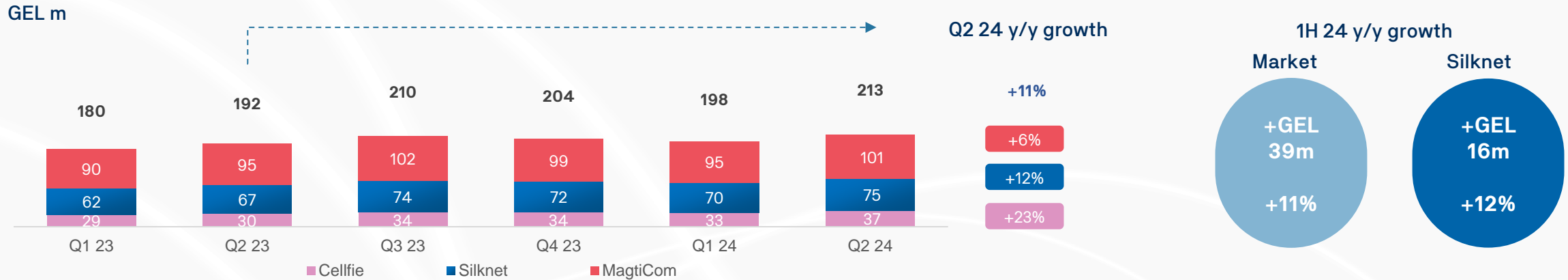
Key segments



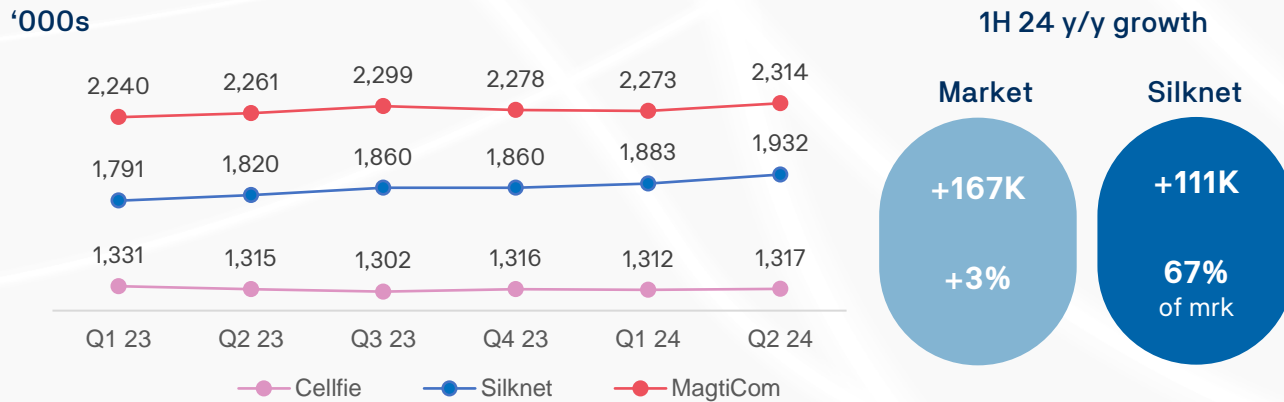
Appendix

Mobile

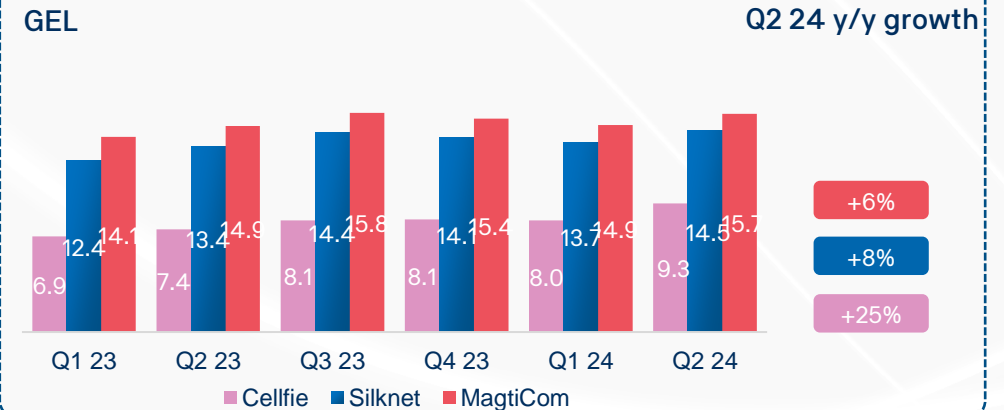
MNO's retail revenue evolution



Evolution of mobile subscribers¹



Evolution of mobile B2C ARPU



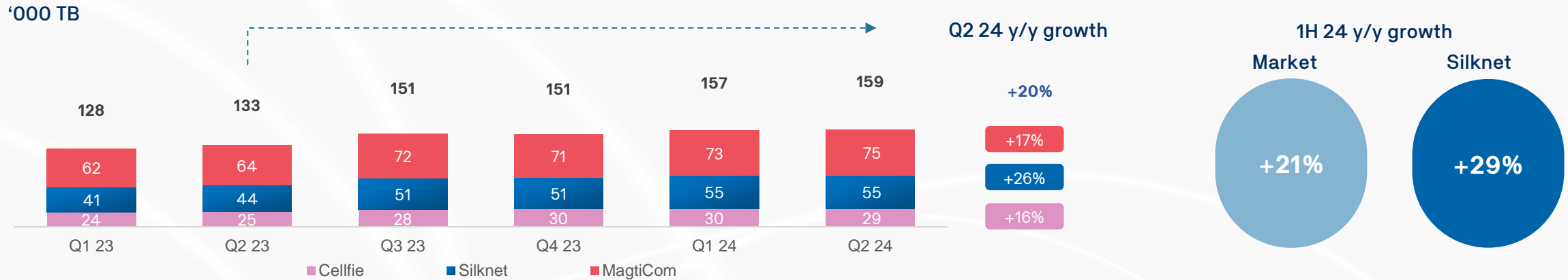
Source: GNCC

Notes: 1 Number of subscribers (SIM cards) at the end of the period;

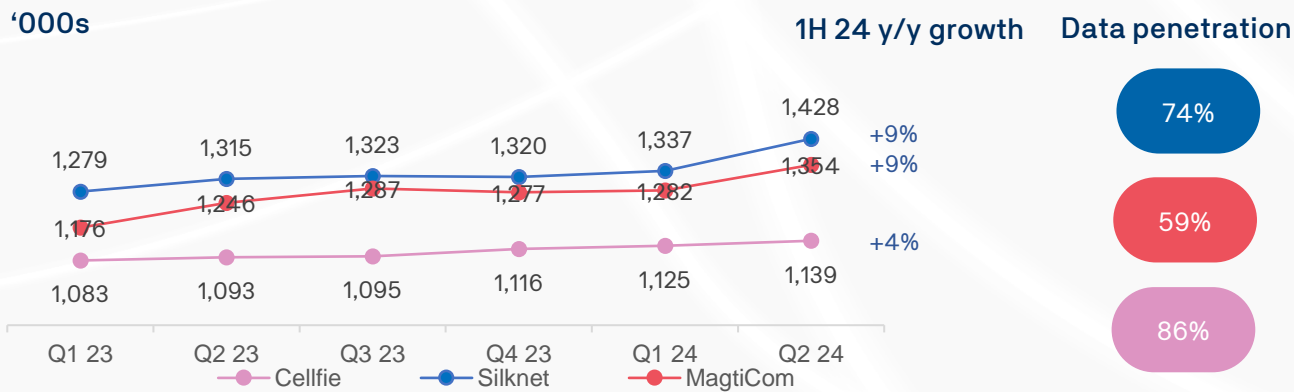
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Mobile data

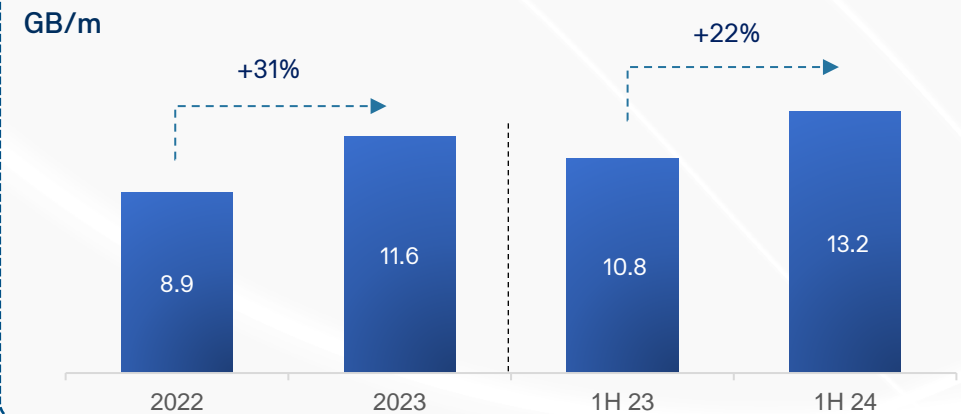
Evolution of mobile data usage



Evolution of mobile internet subscribers¹



Evolution of Silknet's data usage per subscriber



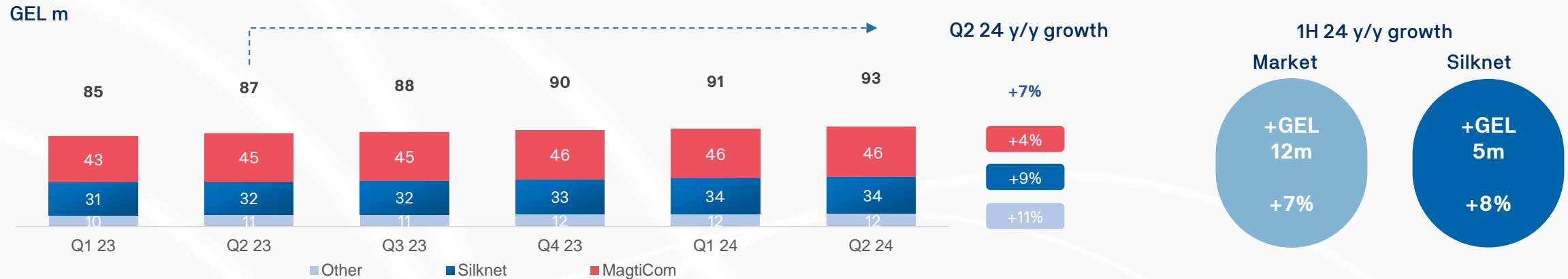
Source: GNCC

Notes: 1 Number of subscribers at the end of the period;

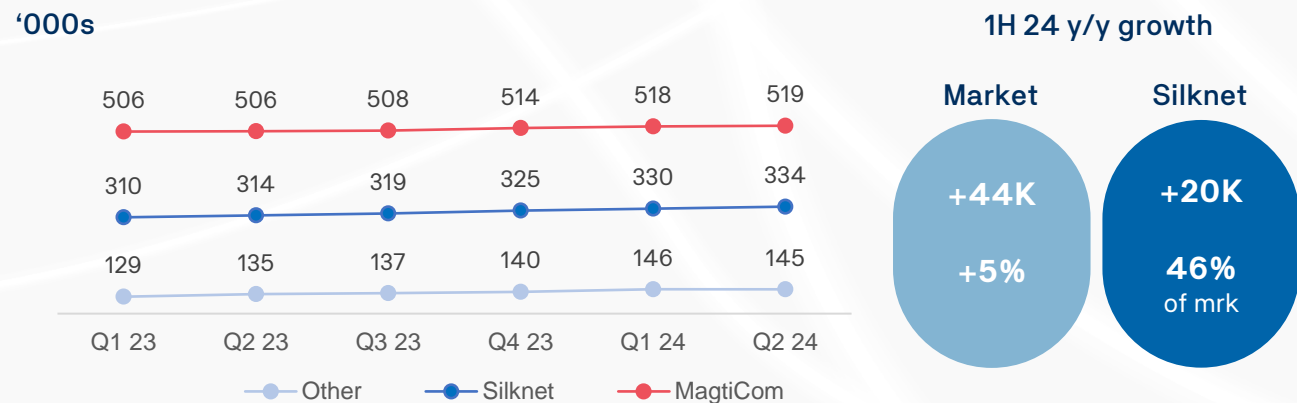
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FTTH

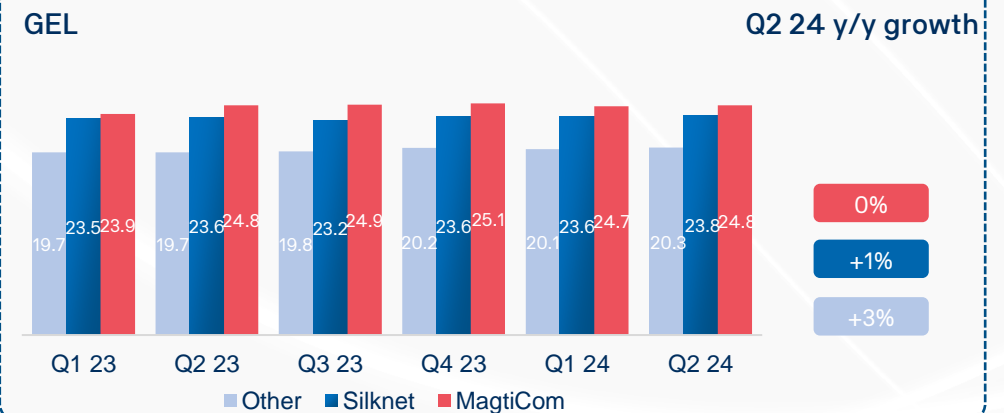
FTTH revenue evolution



Evolution of FTTH subscribers¹



Evolution of FTTH B2C ARPU



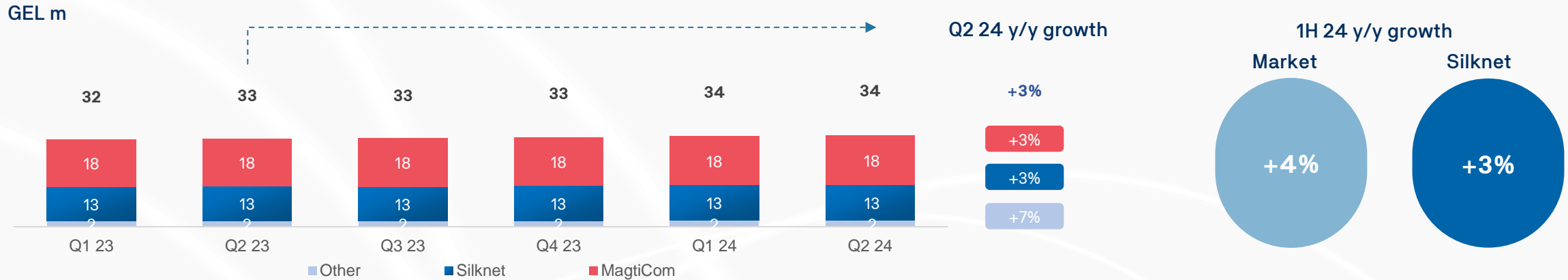
Source: GNCC

Notes: 1 Number of subscribers at the end of the period;

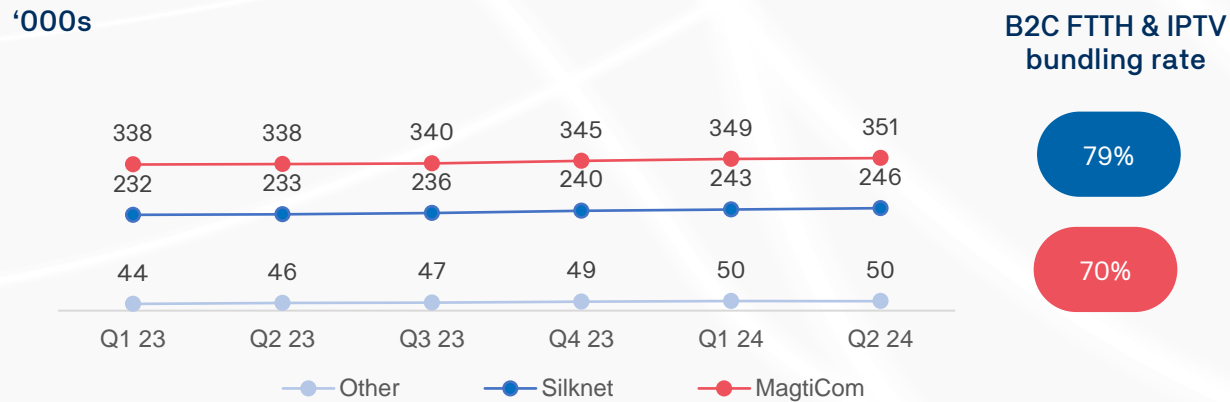
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IPTV

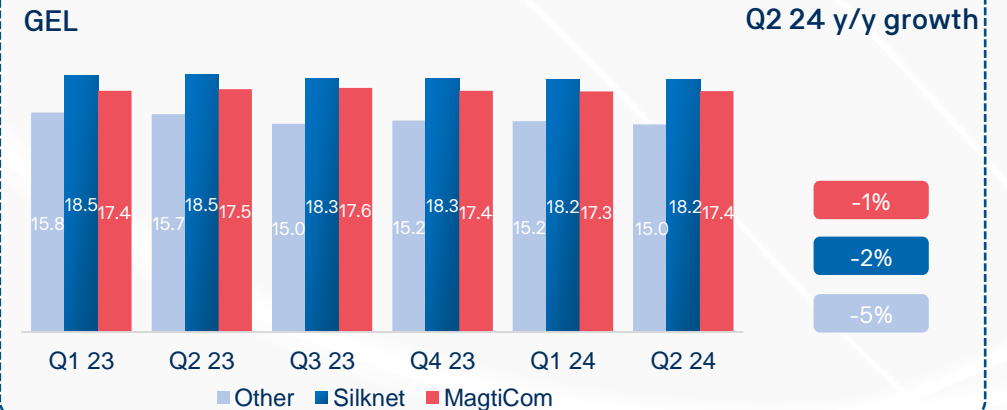
IPTV revenue evolution



Evolution of IPTV subscribers¹



Evolution of IPTV ARPU



Source: GNCC

Notes: 1 Number of subscribers at the end of the period;

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Business overview and 1H 24 highlights



Economic environment



Key segments



Appendix

Statement of profit or loss

GEL m	1H 23	1H 24	Y/Y %	Q2 23	Q2 24	Y/Y %
Revenues:	256.3	280.7	10%	130.9	144.1	10%
Commercial revenue	233.5	255.9	10%	119.0	131.1	10%
Carrier services	22.8	24.8	9%	11.9	13.0	9%
Costs and expenses:						
Depreciation and amortisation	(59.3)	(57.3)	-3%	(29.8)	(28.2)	-5%
Salaries and benefits ¹	(33.0)	(41.4)	25%	(16.9)	(22.7)	34%
Purchased services ¹	(24.7)	(25.9)	5%	(13.5)	(11.6)	-14%
Other expenses	(11.1)	(13.3)	20%	(4.5)	(6.9)	54%
Network management and maintenance costs	(9.3)	(9.4)	2%	(4.6)	(4.7)	1%
Interconnect fees and roaming expense	(7.9)	(8.2)	3%	(4.1)	(3.9)	-4%
Pay TV content cost	(4.1)	(4.8)	18%	(2.2)	(2.4)	9%
Infrastructure capacity rentals, IRU and lease expenses	(3.3)	(3.8)	15%	(1.5)	(1.9)	26%
Advertising and marketing	(3.2)	(2.8)	-13%	(1.0)	(1.3)	33%
Change in fair value of investment property	-	-	0%	-	-	0%
Costs of SIM cards, scratch cards and other cost of sales	(0.8)	(0.9)	11%	(0.4)	(0.5)	11%
Profit from operating activities	99.6	112.9	13%	52.4	60.1	15%
Finance income	4.1	8.9		2.6	3.4	
Finance costs	(26.3)	(28.5)		(13.0)	(14.1)	
Net change in fair value of financial instrument at FVTPL	-	-		-	-	
Net foreign exchange gain/(loss)	15.1	(18.5)		(9.7)	(17.0)	
Net finance costs	(7.1)	(38.1)		(20.0)	(27.7)	
Profit/(loss) before income tax	92.5	74.8		32.3	32.4	
Income tax (expense)/benefit	(0.1)	(0.1)		(0.1)	(0.0)	
Total profit/(Loss) for the period	92.4	74.7		32.31	32.4	

Source: Company information

Notes: 1 Includes one-time expenses - see slide 26

Certain figures included in this presentation may not be an arithmetic aggregation of the figures which precede them due to rounding

Statement of financial position

GEL m	31-Dec-23	30-Jun-24
ASSETS		
Non-current assets		
Property and equipment	348	341
Intangible assets	179	164
Investment property	70	71
Right-of-use assets	23	19
Other non-current assets	33	33
Prepayments related to IRU contracts	10	8
Total non-current assets	663	638
Current assets		
Inventories	11	10
Prepayments related to IRU contracts	2	2
Trade and other receivables	38	41
Investment securities	-	-
Cash and cash equivalents	145	187
Total current assets	196	240
TOTAL ASSETS	859	878

GEL m	31-Dec-23	30-Jun-24
EQUITY AND LIABILITIES		
Equity		
Share capital	84	84
Additional paid-in capital	-	-
Retained earnings / (accumulated losses)	28	54
Non-controlling interests	(0)	(0)
TOTAL EQUITY	112	138
LIABILITIES		
Non-current liabilities		
Loans and borrowings	530	553
Lease liabilities	15	10
Trade and other payables	40	36
Advances received from IRU contracts & subs.	12	12
Total non-current liabilities	597	611
Current liabilities		
Loans and borrowings	21	19
Lease liabilities	13	14
Trade and other payables	89	67
Advances received from IRU contracts & subs.	26	29
Total current liabilities	150	129
TOTAL LIABILITIES	747	740
TOTAL LIABILITIES AND EQUITY	859	878

Source: Company information

Note: Certain figures included in this presentation may not be an arithmetic aggregation of the figures which precede them due to rounding

Statement of cash flow

GEL m	1H 23	1H 24	Q2 23	Q2 24
Cash flows from operating activities				
Cash received from subscribers	274	300	142	155
Cash received from other telecom operators and for IRU contracts	14	17	7	10
Salaries and benefits paid to and on behalf of employees	(35)	(40)	(17)	(19)
Interconnection fees and expenses paid	(5)	(5)	(3)	(2)
Purchase of inventory	(6)	(6)	(3)	(3)
Taxes paid other than on income	(36)	(42)	(21)	(24)
Income tax paid	(0)	(0)	(0)	0
Network management and maintenance costs paid	(8)	(7)	(4)	(4)
Other operating expenses paid	(43)	(51)	(21)	(24)
Net cash from operating activities	156	164	81	89
Cash flows from investing activities				
Acquisition of property and equipment and intangible assets	(45)	(52)	(22)	(22)
Purchase of investment property	-	-	-	-
Proceeds from disposals of property and equipment	0	1	0	0
Purchase of Other Non-current assets	-	-	1	-
Interest received	3	7	2	4
Acquisition of investment securities	(32)	-	(32)	-
Proceeds from sale of investment securities	-	-	-	-
Acquisition of subsidiary	(1)	-	(1)	-
Net cash used in investing activities	(75)	(44)	(52)	(19)
Cash flows from financing activities				
Interest paid on loans and borrowings and trade and other payables	(25)	(25)	(3)	(1)
Cost incurred on Eurobond covenant	-	(2)	-	(2)
Net payments of financial instruments at FVTPL	-	-	-	-
Repayment of lease liabilities	(5)	(6)	(3)	(3)
Dividends paid	54	(48)	(54)	(21)
Net cash (used in)/ from financing activities	(84)	(82)	(59)	(27)
Effect of exchange rate changes on cash and cash equivalents	(4)	4	0	4
Net (decrease)/increase in cash and cash equivalents	(7)	42	(30)	47
Cash and cash equivalents at the beginning of the period	85	145	108	140
Cash and cash equivalents at the end of the period	78	187	78	187

Source: Company information

Notes:

Certain figures included in this presentation may not be an arithmetic aggregation of the figures which precede them due to rounding

EBITDA & EBITDAaL reconciliation

GEL m	1H 23	1H 24	Q2 23	Q2 24
Profit/(loss) for the period	92.4	74.7	32.3	32.4
Depreciation and amortization	59.3	57.3	29.8	28.2
Finance costs	26.3	28.5	13.0	14.1
Finance income	(4.1)	(8.9)	(2.6)	(3.4)
Net foreign exchange loss	(15.1)	18.5	9.7	17.0
Income tax expense	0.1	0.1	0.1	0.0
Specific items ¹	5.2	10.7	3.0	5.6
EBITDA	164.1	180.9	85.2	93.9
EBITDA margin %	64%	64%	65%	65%
Depreciation of right-of-use asset	(5.1)	(5.4)	(2.6)	(2.7)
Interest Expense accrued on lease liabilities	(1.6)	(1.0)	(0.8)	(0.5)
EBITDAaL	157.5	174.5	81.8	90.7
EBITDAaL margin %	61%	62%	63%	63%

Source: Company information

Notes:

¹ Specific items in 1H 23 and 1H 24 include professional fees, one-time consulting expenses in the amount of GEL 4.6m and GEL 5.6m, respectively, that mainly consist of one-time consulting service related to the Company's long-term strategic plan, while 1H 24 also includes the key management one-time benefit in the amount of GEL 3.6m

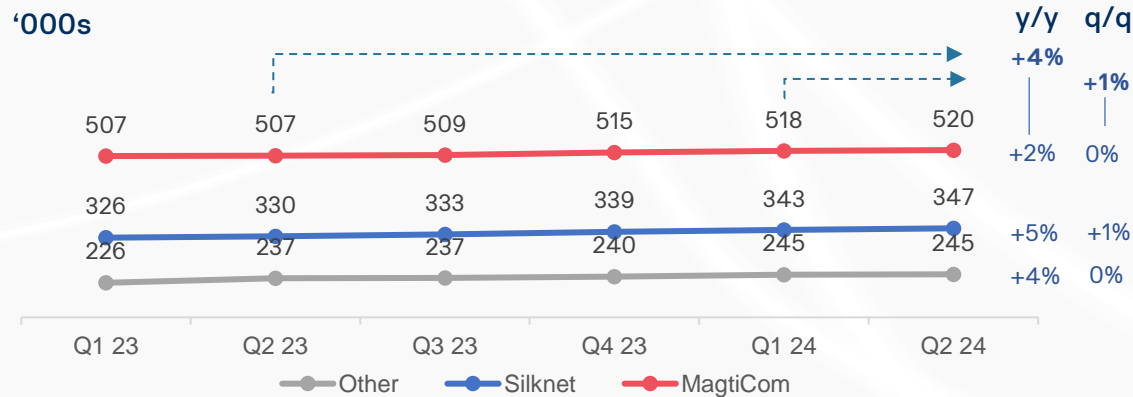
Certain figures included in this presentation may not be an arithmetic aggregation of the figures which precede them due to rounding

Fixed broadband market

Key takeaways

- c.95% household FBB penetration in Georgia (based on official HH data)¹. Urbanization likely to be key driver for further growth
- Silknet has the highest FBB/IPTV bundling rate on the market – 77% vs 69% with the peer operator¹
- In the 10 largest cities, where we focus, our FTTP B2C market share comprises 41%¹ and we have lead the net additions vs the peer operator in last two years and 1H 24
- Silknet’s subscriber market share in FBB increased by 0.6 percentage points as of June 2024 compared to June 2023

Subscribers evolution

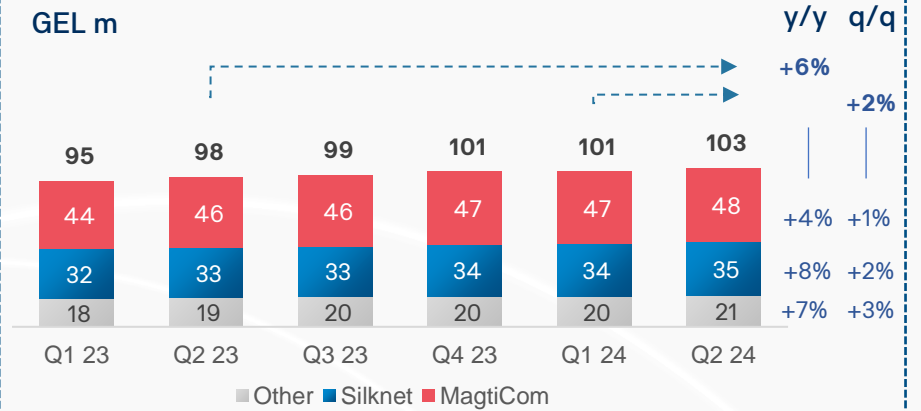


Source: GNCC

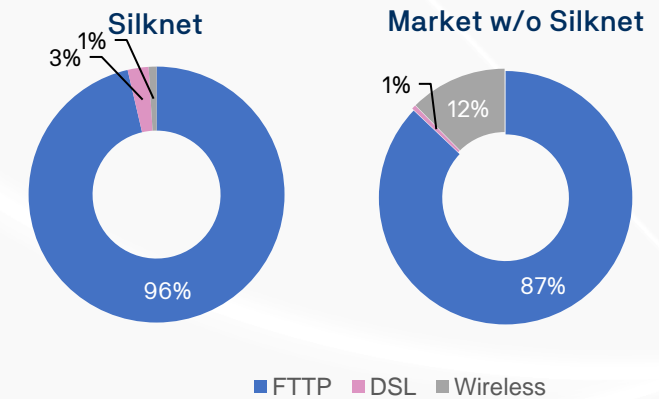
Notes:
1 As of 30 June 2024

Certain figures included in this presentation may not be an arithmetic aggregation of the figures which precede them due to rounding

Revenue evolution

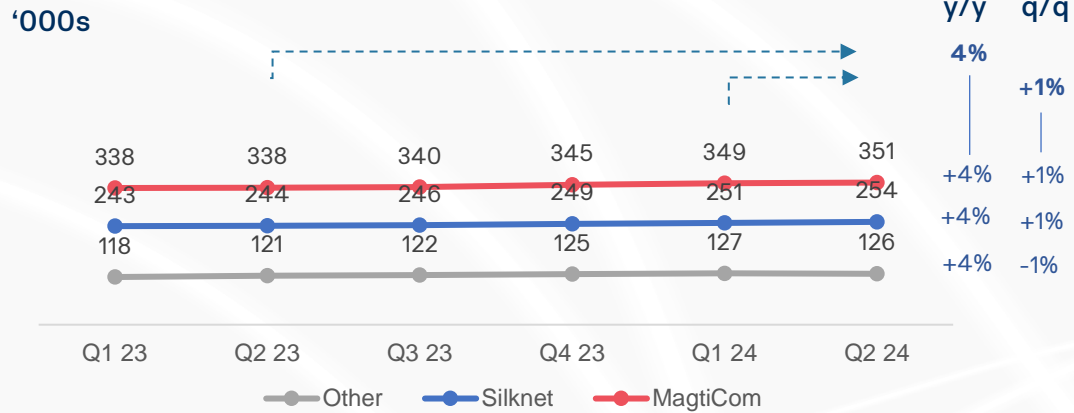


Subscribers by key technologies



Pay television market

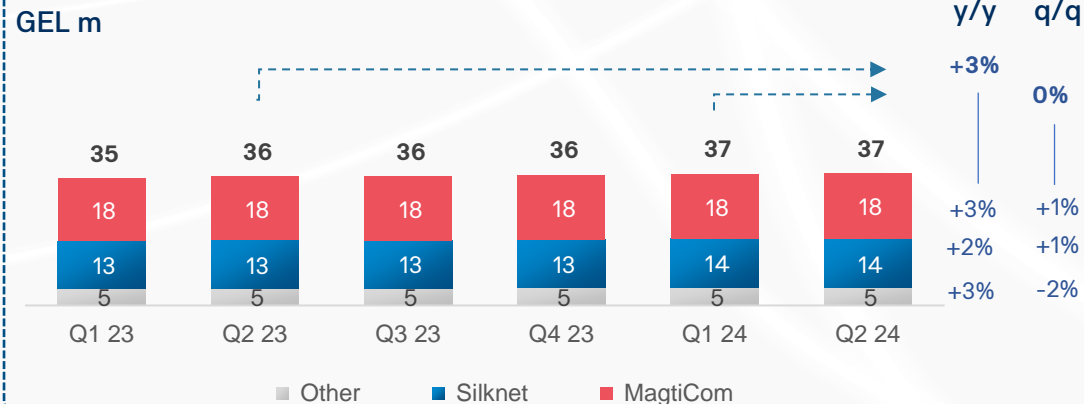
Total pay TV subscribers evolution²



Key takeaways

- c.66% household pay TV penetration (based on official HH data)¹
- Silknet holds 35% subscriber market share¹ compared to 31% in fixed broadband on the back of the superior content offering historically and successful service bundling

Total pay TV revenue



Source: GNCC

Notes: Pay TV subscribers excluding mobile streaming application subscribers

1 As of 30 June 2024

2 Number of subscribers at the end of the period

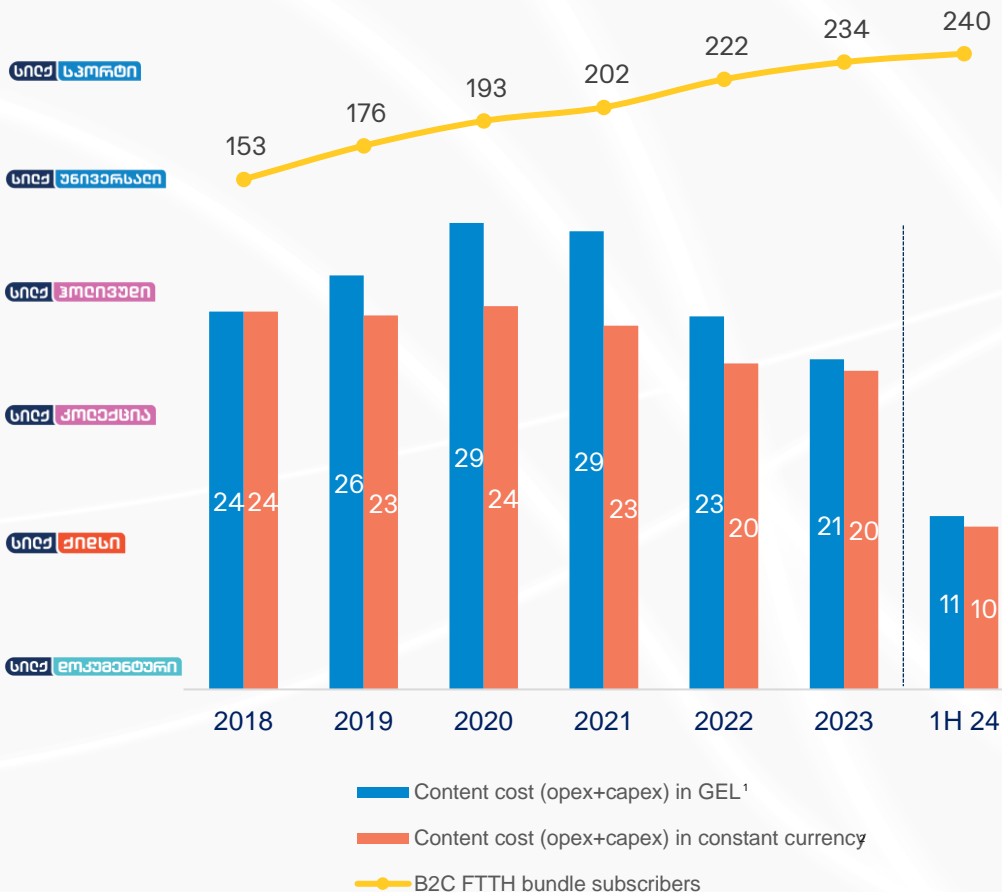
3 Certain figures included in this presentation may not be an arithmetic aggregation of the figures which precede them due to rounding

Solid content portfolio

Content cost and FTTH bundle subscribers evolution

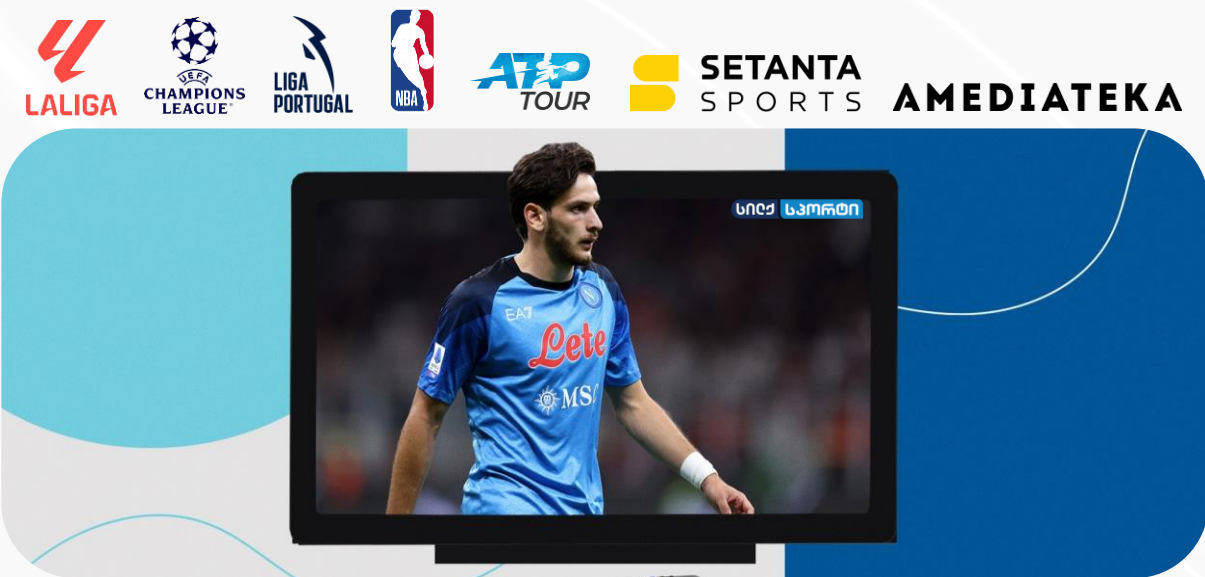
GEL m, '000s

SILK TV



Source: Company information
 Notes:
 1 C. 60% of content licenses, ones that are long-term and grant exclusive rights to Silknet, are capitalized as intangible assets. The rest are charged in the P&L;
 2 Calculations of content cost at constant currency are based on GEL/USD average rate in 2018 (2.53).
 3 GEL 2.5 without VAT

- Historically, our strategy was to have a unique TV content portfolio, with premium and exclusive sports content playing an important part in fixed subscriber acquisition. As a result, we have the highest FBB/IPTV bundling rate on the market – 79% vs 70% with the peer operator as of June 2024.
- As it had served its purpose, we started to gradually share a part of our exclusive sports content with other content providers.
- In August 2022, we spun off our proprietary sports channels from the most popular TV package as a separate GEL 3³ subscription per month. 62% of the subscribers retained this separate sports package as of July 2024.
- We believe that the current level of our content portfolio is still very competitive on the market.



Strategic alliance with Orange

What we gain

Silknet's strategic partnership under the Orange Alliance program, effective from 3 June 2024, is set to enhance Silknet's capabilities in the B2C, B2B and ICT sectors, leveraging Orange's extensive expertise and innovative solutions.

The Orange Alliance program develops partnerships between Orange and selected telecommunications operators outside of Orange footprint.

Through this partnership, Silknet will benefit from Orange's experience as one of the world's leading operators in three key areas:

- Expertise and know-How: Silknet will gain access to Orange's reservoir of knowledge and experience in the telecom and ICT sectors.
- B2B ICT Services: One of the initial focuses of this alliance will be on enhancing B2B ICT services, helping to drive the digital transformation in Georgia.
- Innovative Solutions and platforms: Silknet will gain access to Orange's comprehensive portfolio of B2C products and services, including its platforms and applications.

Platform approach

- Network effect: the more members in the alliance, the more experience and know-how is shared
- Future platforms will be developed for larger number of customers, allowing to invest more to be competitive in the changing telecoms and technology landscape.

Our contribution to sustainable development

Environmental care

- Georgia is actively developing its **environmental framework**, including within the requirements of the EU-Georgia Association Agreement, and we are making the necessary changes to adapt to the new rules.
- While Silknet is a relatively heavy user of electricity, in 2022, **76% of electricity generated in Georgia came from renewable sources** (mostly hydropower).
- When we acquired Geocell in 2018, 77 mobile sites were not connected to the electricity grid and relied solely on diesel generators for their operation. Since then, **we have connected 48 mobile sites to the grid**, thereby reducing the usage of diesel generators. 29 sites in remote areas where connection to the grid is impractical have yet to be connected.
- We have approved a **waste management plan**, which covers the management of the waste generated during the Company's activity.

Social responsibility

- **Empowering our people:** We are one of the **top 20 employers** in the country. We practice transparent hiring and aim to promote people from within the company: in 2022, **143 employees were promoted** and **21 out of 111 vacancies were filled internally**. We ensure that our salaries remain competitive and **provide benefits above what is required by legislation**.
- **Culture of equity and inclusion:** We stand for creating equal opportunities and practicing inclusion and non-discrimination. We **actively cooperate with UN Women and the UN Global Compact Office in Georgia**. Our management is well diversified, with **women making up 63% of the top management**. We have **quite low salary gender pay gap**: the median salary of female employees stood at GEL 1,200 GEL as of 31 December 2022, compared to GEL 1,400 for male. In 2022, **out of 143 promoted employees, 97, or 68%, were women**.
- **Occupational health and safety:** A guiding principle in all our operations is to **protect the health and safety of everyone who works for or with us**. We aim to provide a safe and healthy workplace and regularly improve it by ensuring our work environment and processes prevent and react to conditions causing ill health appropriately
- **Customer privacy and data security:** As a telecommunications company, it is essential to strictly **protect the confidentiality and integrity of the personal data of our customers, employees, business partners and other third parties**. We monitor legislation changes and modify internal regulations and business conduct accordingly.
- **Supporting our communities:** We acknowledge our responsibility towards the community we operate in and take active steps to support its development. The main strategic directions of our efforts in this regard include **education, culture, and sports**.

High standards of corporate governance

- Board of Directors comprises 8 members (including **3 independent members**).
- Both, Audit Committee and Compliance Committee, is **chaired by independent director**.
- All of the senior members of the Company's Supervisory Board and executive team have extensive knowledge of the telecommunications sector in Georgia and bring with them significant experience in leading telecommunications institutions. Senior executives of the Company have an average of approximately eight years' experience in the telecommunications industry.
- The Audit Committee ensures the functioning of the Group's internal control system, its objectivity and accuracy, while Compliance Committee makes recommendations on the improvement of the Company's management and submits them to the Supervisory Board and Shareholder(s) and prepares recommendations for implementing the Ethics and Compliance Programme at Silknet and monitoring the progress of the programme.
- We are in the process of drafting, refining, and implementing a complete set of **E&C policies and instructions**.
- We strive to improve our transparency: since 2020, we issue **annual reports** with detailed update on the Company's performance and have regular communications with our investors, along with **quarterly updates and presentations**. We are **rated by two credit rating agencies – Moody's and Fitch** and in 2021, we **obtained our first ESG rating from Sustainalytics**. We have **consolidated IFRS reporting** since 2010 (with Big-4 auditing, currently KPMG).



Source: Company information



25.8 ESG Risk Rating



a Morningstar company

RATED





FOR MORE INFORMATION PLEASE E-MAIL
ir@silknet.com