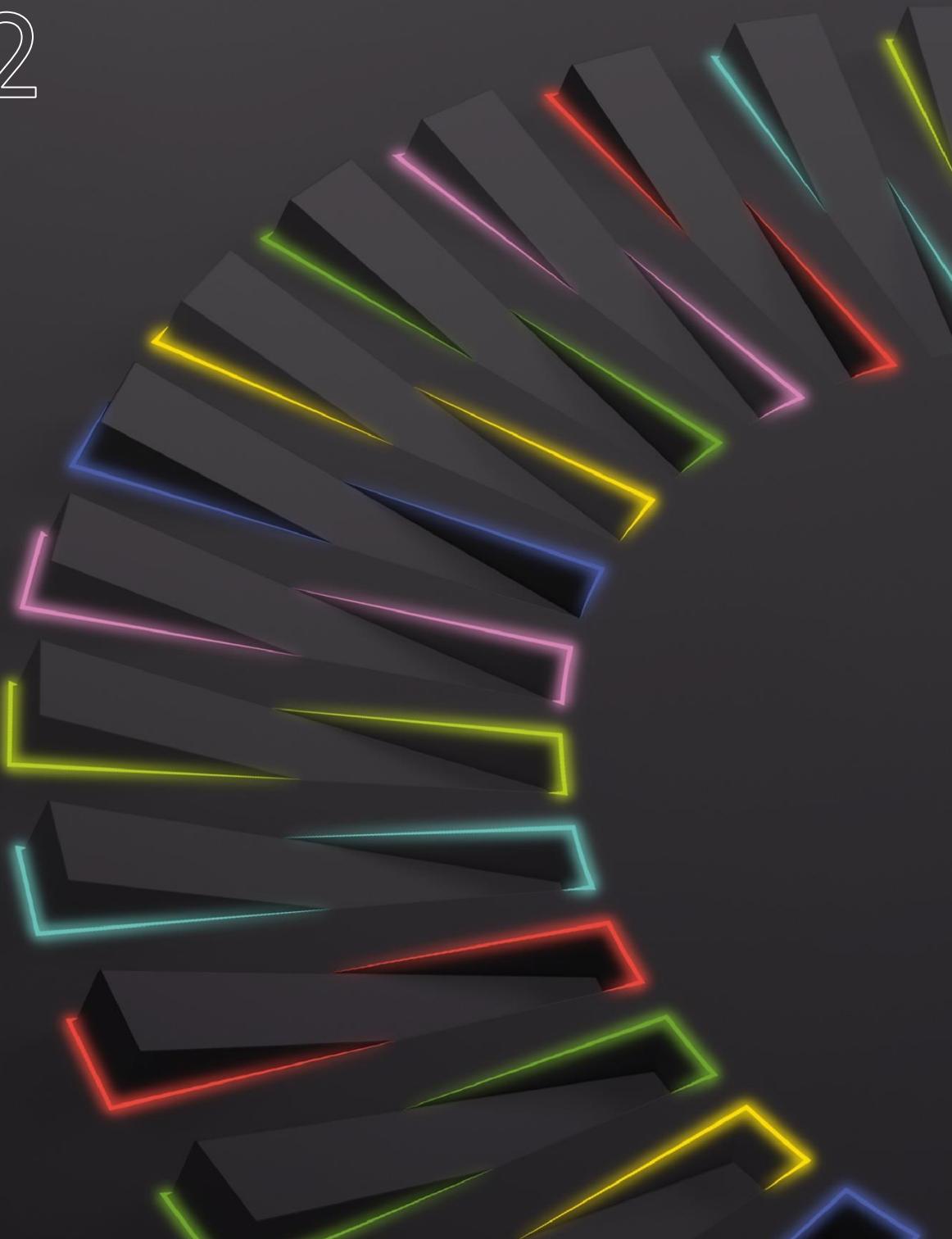




# EARNINGS ANNOUNCEMENT

4Q22



Lisbon, 7 March 2022

## 4Q22 HIGHLIGHTS

Table 1.

4Q22 Highlights	4Q21	4Q22	4Q22 / 4Q21	FY21	FY22	FY22 / FY21
<b>Operating Highlights ('000)</b>						
Total RGUs	10,305.5	10,782.3	4.6%	10,305.5	10,782.3	4.6%
Mobile RGUs	5,349.9	5,733.8	7.2%	5,349.9	5,733.8	7.2%
Fixed Pay TV RGUs	1,392.8	1,434.3	3.0%	1,392.8	1,434.3	3.0%
Convergent + Integrated Customers	1,020.8	1,089.0	6.7%	1,020.8	1,089.0	6.7%
Fixed Convergent + Integrated Customers as % of Fixed Access Customers	64.4%	67.2%	2.8pp	64.4%	67.2%	2.8pp
Residential ARPU / Unique Subscriber With Fixed Access (Euros) <sup>(1)</sup>	48.0	48.4	0.8%	47.3	48.0	1.4%
Homes Passed	5,096.8	5,284.0	3.7%	5,096.8	5,284.0	3.7%
% FttH	53.4%	63.4%	9.9pp	53.4%	63.4%	9.9pp
<b>Financial Highlights (Millions of Euros)</b>						
Consolidated Revenues	385.4	397.5	3.1%	1,430.3	1,521.0	6.3%
Consolidated EBITDA	140.2	150.9	7.6%	618.0	651.1	5.4%
Consolidated EBITDA Margin	36.4%	38.0%	1.6pp	43.2%	42.8%	(0.4pp)
Consolidated EBITDA - Consolidated CAPEX Excluding Leasings, Spectrum License & Other Contractual Rights	28.0	19.2	(31.2%)	195.6	155.1	(20.7%)
Telco Revenues	372.3	380.2	2.1%	1,401.5	1,469.2	4.8%
Telco EBITDA	126.8	137.8	8.7%	574.4	606.0	5.5%
Telco EBITDA Margin	34.1%	36.2%	2.2pp	41.0%	41.2%	0.3pp
Telco EBITDA - Telco CAPEX Excluding Leasings, Spectrum License & Other Contractual Rights	21.2	12.1	(42.8%)	168.8	133.0	(21.2%)

(1) Fixed residential ARPU reestimated from 1Q19 to include Revenues of SIM cards integrated in residential bills

***Success of leading 5G strategy reflected in accelerated mobile momentum and continued recognition of superior network, service and product quality by independent specialist and consumer groups.***

- NOS was recognized by Portuguese consumers (Deco) as the best mobile broadband provider for the second time in a row, and also leads the Open Signal Mobile Experience Awards, reinforcing independent recognition of technological leadership and service quality.
- Another quarter of RGU growth with a total of 117.1 thousand net additions driven primarily by mobile services which grew by 91.5 thousand subscribers (89% post-paid contracts), bringing the total mobile subscriber to 5.734 million subscribers.
- Consumers recognize the superior value proposition of convergent bundles as can be seen in the 17.9 thousand customer net adds in 4Q22, bringing the total number of convergent customers to 1.089 million customers, over 67% of NOS' residential customer base.
- Cinema ticket sales continue to post improving yoy trends, increasing by 15.9% to 1.891 million tickets in 4Q22, benefiting from exhibition of more blockbuster movies during the quarter which also drove growth in revenues from movie distribution in the Audiovisuals' division.

**Financial performance driven by strength of Telco operating momentum together with ongoing recovery in cinema**

- Consolidated revenues grew 3.1% yoy to 397.5 million euros in 4Q22 and by 6.3% in FY22 to 1,521 million euros, with EBITDA growth of 7.6% to 150.9 million euros in 4Q22 and of 5.4% to 651.1 million euros in FY22.
- Telco revenues increased 2.1% to 380.2 million euros in 4Q22 and 4.8% in FY22 to 1,469.2 million euros. Telco revenues would have grown 4.2% in 4Q22 if adjusted for the significant level of low margin B2B resale revenues booked in 4Q21. Telco EBITDA increased by 8.7% in 4Q22 to 137.8 million euros, and by 5.5% yoy to 606.0 million euros, reflecting continued cost discipline and efficiency improvements that mitigated inflationary pressures which continue to affect us in areas like energy, terminal equipment and salaries.
- Audiovisual and Cinema revenues amounted to 27.1 million euros in 4Q22, up by 8.9% yoy, and grew 33.7% in FY22 to 89.6 million euros. EBITDA in this division posted a decline yoy of 2.4% in 4Q22 to 13.1 million euros explained primarily by a change in accounting of Covid related rent concessions and general inflationary pressure on the cost base.

- Net Income amounted to 33.3 million euros in 4Q22, bringing total Net Income to 224.6 million euros for FY22. The significant increase yoy is impacted by the capital gain from the sale of a portfolio of towers to Cellnex under the long-term partnership announced in April 2020, and further detailed in the additional tower sale announcement in April 2022 ([link](#)). For FY22, the capital gain amounted to 100.6 million euros of which 74.7 million euros was recorded in 3Q22 and the remaining 26 million euros in 4Q22.
- Excluding the net impact of the tower transaction, Net Income in 4Q22 was 10 million euros and 138.5 million euros for FY22, declining yoy 58.4% and 4.0% respectively.
- Total CAPEX excluding leasing contracts, spectrum license & other contractual rights grew to 131.7 million euros in 4Q22 and to 495.9 million euros in FY22, an increase explained primarily by our strategic decision to accelerate 5G deployment which is already close to conclusion with 87% of the population covered by the end of 2022.
- Total Free Cash-Flow Before Dividends, Financial Investments and Own Shares Acquisition in 4Q22 amounted to 9.5 million and to 193 million euros in FY22. Total FCF in the year was positively impacted by the net cash received from the Cellnex deal of approximately 163 million euros, of which 118 million euros received in 3Q22 and 45 million euros received in 4Q22.

## OPERATING AND FINANCIAL REVIEW

The Consolidated Financial Statements for 2022 have been audited.

Table 2.

Profit and Loss Statement (Millions of Euros)	4Q21	4Q22	4Q22 / 4Q21	FY21	FY22	FY22 / FY21
Operating Revenues	385.4	397.5	3.1%	1,430.3	1,521.0	6.3%
Telco	372.3	380.2	2.1%	1,401.5	1,469.2	4.8%
Consumer Revenues	258.5	269.1	4.1%	1,002.0	1,033.4	3.1%
Business Revenues	90.6	82.7	(8.8%)	316.5	336.5	6.3%
Wholesale and Others	23.2	28.4	22.6%	82.9	99.3	19.8%
Audiovisuals & Cinema <sup>(1)</sup>	24.9	27.1	8.9%	67.0	89.6	33.7%
Others and Eliminations	(11.8)	(9.8)	(16.7%)	(38.2)	(37.8)	(0.9%)
Operating Costs Excluding D&A	(245.1)	(246.6)	0.6%	(812.3)	(869.9)	7.1%
Telco	(245.5)	(242.4)	(1.3%)	(827.1)	(863.2)	4.4%
Audiovisuals & Cinema <sup>(1)</sup>	(11.4)	(14.0)	22.3%	(23.4)	(44.6)	90.0%
Others and Eliminations	11.8	9.8	16.7%	38.2	37.8	(0.9%)
EBITDA <sup>(2)</sup>	140.2	150.9	7.6%	618.0	651.1	5.4%
EBITDA Margin	36.4%	38.0%	1.6pp	43.2%	42.8%	(0.4pp)
Telco	126.8	137.8	8.7%	574.4	606.0	5.5%
EBITDA Margin	34.1%	36.2%	2.2pp	41.0%	41.2%	0.3pp
Cinema Exhibition and Audiovisuals	13.4	13.1	(2.4%)	43.6	45.1	3.4%
EBITDA Margin	54.1%	48.5%	(5.6pp)	65.0%	50.3%	(14.7pp)
Depreciation and Amortization	(106.7)	(135.3)	26.9%	(419.5)	(480.9)	14.6%
(Other Expenses) / Income	(2.4)	23.7	1065.7%	(9.8)	100.0	1116.9%
Operating Profit (EBIT) <sup>(3)</sup>	31.1	39.3	26.1%	188.7	270.2	43.2%
Share of profits (losses) of associates and joint ventures	(1.1)	5.1	(551.9%)	3.6	22.1	514.3%
(Financial Expenses) / Income	(9.9)	(9.5)	(4.4%)	(36.6)	(35.2)	(3.8%)
Leases Financial Expenses	(6.3)	(7.3)	15.5%	(25.6)	(25.9)	1.3%
Funding & Other Financial Expenses	(3.6)	(2.2)	(39.3%)	(11.0)	(9.3)	(15.6%)
Income Before Income Taxes	20.1	35.0	73.9%	155.6	257.1	65.2%
Income Taxes	3.9	(1.7)	143.1%	(11.8)	(32.7)	177.2%
Net Income Before Associates & Non-Controlling Interests	25.2	28.1	11.8%	140.3	202.3	44.3%
Net income	24.0	33.3	38.5%	143.9	224.4	56.0%
Net income attributable to Non-controlling interests	0.1	0.0	(81.5%)	0.3	0.1	(57.6%)
Net Income attributable to NOS shareholders	24.1	33.3	37.9%	144.2	224.6	55.8%
Net Income attributable to NOS shareholders excluding gain from tower sale	24.1	10.0	(58.4%)	144.2	138.5	(4.0%)

(1) Includes cinema operations in Mozambique.

(2) EBITDA = Operating Profit + Depreciation and Amortization + Integration Costs + Net Losses/Gains on Disposal of Assets + Other Non-Recurrent Losses/Gains

(3) EBIT = Income Before Financials and Income Taxes.

## Revenues

Consolidated revenues grew by 3.1% yoy to 397.5 million euros in 4Q22 and by 6.3% in FY22 to 1,521.0 million. Telco revenues were 2.1% higher yoy in 4Q22 and 4.8% in FY22, reaching 380.2 million euros and 1,469.2 million euros respectively. Telco revenues would have grown 4.2% in the quarter if adjusted for the significant level of low margin B2B resale revenues booked in 4Q21. Growth in the B2C segment accelerated in 4Q22 to 4.1% yoy reflecting continued operating momentum in terms of RGU growth and proactive management of the customer value mix. In B2B, revenues posted a yoy decline of 8.8% in 4Q22 which as referred should be adjusted for the significant level of lower margin software and IT resale revenues recorded in 4Q21 and, as such, underlying growth in B2B revenues was -1.3%. Wholesale and other revenues grew by 22.6% yoy in 4Q22 reinforcing the trend of previous quarters with the continued yoy recovery in roaming in revenues and a pickup in the quarter of low margin mass calling services.

Audiovisual distribution and Cinema exhibition revenues grew by 8.9% in 4Q22 to 27.1 million euros and by 33.7% in FY22 to 89.6 million euros, consolidating the progressive recovery in cinema sales over the past quarters after the elimination of pandemic related restrictions. Ticket sales are directly linked to the success and number of blockbuster movies on show in the theatres with 4Q22 being a good quarter with films such as "Black Panther – Wakanda forever", "Black Adam" and already in late December the premiere of "Avatar – The way of water" with record box office numbers extending to 1Q23.

## OPEX, EBITDA and Net Results

Consolidated EBITDA grew by 7.6% to 150.9 million euros and in FY22 grew by 5.4% yoy to 651.1 million euros representing a 42.8% margin as a proportion of Consolidated Revenues. Telco EBITDA posted a strong yoy increase of 8.7% to 137.8 million euros in 4Q22 and of 5.5% in FY22 to 606.0 million euros, representing a margin as a percentage of revenues of 41.2% in 2022, slightly higher than that of the previous year. Audiovisual and Cinema EBITDA posted a decline yoy of 2.4% in 4Q22 to 13.1 million euros. Consolidated OPEX increased 0.6% to 246.6 million euros, driven primarily by the increase in the Audiovisuals and Cinema OPEX to 14.0 million euros, explained by generalized inflationary environment in costs and the accounting change in 3Q22 of Covid related rent concessions, which incorporated the end of the application of the IFRS16 addenda. Adjusting for this accounting change, in 4Q21 EBITDA from Audiovisuals and Cinemas would have recorded an increase of 9.1%, and Consolidated EBITDA of 8.7%.

Performance in other OPEX aggregates reflects continued efforts to contain costs where possible, thereby supporting a positive margin trajectory despite global inflationary pressures which continue to affect us in areas like energy, terminal equipment and salaries both in own headcount and outsourcing services. Specifically, regarding electricity costs, and as discussed in previous disclosures, NOS has successfully locked in the price of approximately a third of its consumption through a long-term power purchasing agreement (PPA) agreed in 2021, well before the current energy crisis, entailing the construction of a wind farm in Iberia injecting new renewable electricity into the grid. Out of the remaining electricity requirements, NOS can source alternatively from the regulated market with controlled prices or from the spot market, depending on the level of prices.

Consolidated Net Income of 37.9% to 33.3 million euros was led primarily by a 26-million-euro capital gain from the sale of a portfolio of towers to Cellnex, in addition the 74.7 million euros recorded in 3Q22. Total after tax contribution to Net Income of the capital gain recorded in 2022 was 86.1 million euros (62.9 million euros in 3Q22 and 23.3 million euros in 4Q22). Results from Associates also made a positive contribution in 5.1 million euros to Consolidated Net Results mainly due to the contribution of ZAP still benefitting from positive operational momentum and FX context. Tax provision in 4Q22 was 1.7 million euros and 32.7 million euros in FY22, the latter representing 12.7% of pre-tax income. The higher tax provision in 4Q22 versus 4Q21 is essentially due to a lower level of tax incentives yoy.

## CAPEX

Total CAPEX excluding leasing contracts, spectrum license & other contractual rights increased 17.3% to 131.7 million euros and, for FY22, amounted to 495.9 million euros, +17.4% yoy. The intensification of CAPEX in 2022 is explained by the strategic option to accelerate 5G deployment which is now close to completion with over 87% population covered by the end of the year. This investment schedule is visible in the yoy increase in network expansion and modernization projects of 45.2% in FY22 to 163.9 million euros. In addition, we continued to deploy FttH throughout the year reaching 63% of our total fixed Gigabit footprint with FttH access technology.

Table 4.

CAPEX (Millions of Euros) <sup>(1)</sup>	4Q21	<b>4Q22</b>	4Q22 / 4Q21	FY21	<b>FY22</b>	FY22 / FY21
Total CAPEX Excluding Leasing Contracts, Spectrum license & Other Contractual Rights	112.3	131.7	17.3%	422.3	495.9	17.4%
Telco	105.6	125.7	19.0%	405.6	473.0	16.6%
% of Telco Revenues	28.4%	33.1%	4.7pp	28.9%	32.2%	3.3pp
o.w. Technical CAPEX	70.9	87.1	22.8%	255.5	325.1	27.2%
% of Telco Revenues	19.1%	22.9%	3.8pp	18.2%	22.1%	3.9pp
Baseline Telco	39.4	42.6	8.0%	142.6	161.3	13.1%
Network Expansion / Substitution and Integration Projects and Others	31.5	44.5	41.3%	112.9	163.9	45.2%
o.w. Customer Related CAPEX	34.7	38.6	11.4%	150.1	147.9	(1.5%)
% of Telco Revenues	9.3%	10.2%	0.8pp	10.7%	10.1%	(0.6pp)
Audiovisuals and Cinema Exhibition	6.7	6.0	(10.0%)	16.7	22.9	37.2%
Leasing Contracts & Other Contractual Rights	11.0	80.5	634.2%	36.2	129.9	258.9%
Spectrum licenses	151.3	0.0	(100.0%)	151.3	0.0	(100.0%)
<b>Total Group CAPEX</b>	<b>274.5</b>	<b>212.2</b>	<b>(22.7%)</b>	<b>609.8</b>	<b>625.8</b>	<b>2.6%</b>

(1) CAPEX = Increase in Tangible and Intangible Fixed Assets, Contract Costs and Rights of Use

On the commercial front, investment in Telco customer acquisition and retention reached 38.6 million euros in 4Q22, up by 11.3% yoy led by strong commercial momentum and continued modernization of customer premise terminal equipment as well as some inflation in unit prices also driven by the negative USD / EUR yoy evolution. For FY22, Telco customer related investment was marginally lower yoy by 1.5%, amounting to 147.9 million euros, positively impacted by lower churn and continued improvement in customer experience.

Audiovisuals and Cinema CAPEX was down in the quarter by 10.0% at 6.0 million euros however the FY22 investment in this division was higher at 22.9 million euros, +37.2%, led by the recovery in operating performance post COVID.

## Cash Flow

Table 5.

Cash Flow (Millions of Euros)	4Q21	4Q22	4Q22 / 4Q21	FY21	FY22	FY22 / FY21
EBITDA	140.2	150.9	7.6%	618.0	651.1	5.4%
Total CAPEX Excluding Leasings, Spectrum License & Other Contractual Rights	(112.3)	(131.7)	17.3%	(422.3)	(495.9)	17.4%
EBITDA - Total CAPEX Excluding Leasings, Spectrum License & Other Contractual Rights	28.0	19.2	(31.2%)	195.6	155.1	(20.7%)
% of Revenues	7.3%	4.8%	(2.4pp)	13.7%	10.2%	(3.5pp)
Non-Cash Items Included in EBITDA - CAPEX and Change in Working Capital	(1.5)	0.5	(131.4%)	(5.9)	2.9	(149.2%)
Leasings (Capital & Interest) <sup>(1)</sup>	(28.4)	(31.2)	9.6%	(99.0)	(103.3)	4.3%
Operating Cash Flow	(2.0)	(11.5)	467.9%	90.7	54.7	(39.7%)
Interest Paid	(0.7)	(1.8)	154.1%	(10.9)	(10.5)	(3.7%)
Income Taxes Paid	14.5	(10.1)	(169.3%)	(0.7)	(29.4)	4025.1%
Disposals	0.2	43.9	19542.4%	1.8	165.7	9308.3%
Other Cash Movements <sup>(2)</sup>	(1.0)	(11.1)	(954.2%)	(9.4)	12.5	233.8%
Spectrum licenses	(151.3)	0.0	(100.0%)	(151.3)	0.0	(100.0%)
Total Free Cash-Flow Before Dividends, Financial Investments and Own Shares Acquisition	(140.3)	9.5	(106.8%)	(79.8)	193.0	(341.9%)
Financial Investments	(0.6)	0.3	(143.1%)	(0.4)	(1.6)	301.0%
Acquisition of Own Shares	0.0	0.0	n.a.	(2.1)	(7.1)	242.6%
Dividends	0.0	0.0	n.a.	(142.4)	(142.3)	(0.0%)
Free Cash Flow	(141.0)	9.8	106.9%	(224.6)	42.0	(118.7%)
Debt Variation Through Financial Leasing, Accruals & Deferrals & Others	(2.9)	(2.5)	(15.1%)	(5.0)	(2.5)	(50.0%)
Change in Net Financial Debt	143.9	(7.3)	(105.1%)	229.7	(39.5)	(117.2%)

(1) Includes Long Term Contracts.

(2) Includes Cash Restructuring Payments and Other Cash Movements.

In 4Q22, EBITDA – total CAPEX excluding leases, spectrum license & other contractual rights amounted to 19.2 million euros with higher EBITDA yoy being offset by increased yoy CAPEX, due to the peak in network CAPEX as explained above.

In 2Q22 NOS announced the monetization of additional up to 350 mobile towers (within the context of a global agreement originally announced in 2020) for which the first 118.3 million euros cash proceeds were received in 3Q22. In 4Q22 NOS completed execution of the transaction with additional cash proceeds of 44.9 million euros bringing total proceeds for the asset disposal announced in 2022 to 163.3 million euros. The negative 11.1 million euros of "Other cash movements" in 4Q22 includes the combined effect of the VAT associated with the towers disposal which was returned to the Tax Authorities of 27.2 million plus (3Q22 sale) plus the VAT received from the second closing of 10.3 million euros (4Q22 sale).

Total FCF before dividends, Financial Investments and Own Shares Acquisitions was 9.5 million euros in 4Q22, and amounted to 193.2 million euros in FY22, representing 13% of Consolidated Revenues.

## Consolidated Balance Sheet

Table 6.

Balance Sheet (Millions of Euros)	4Q21	4Q22	4Q22 / 4Q21
Non-current Assets	2,752.9	2,925.6	6.3%
Current Assets	506.5	537.7	6.2%
Total Assets	3,259.4	3,463.3	6.3%
Total Shareholders' Equity	963.0	1,052.3	9.3%
Non-current Liabilities	1,406.4	1,343.9	(4.4%)
Current Liabilities	890.0	1,067.1	19.9%
Total Liabilities	2,296.4	2,411.0	5.0%
Total Liabilities and Shareholders' Equity	3,259.4	3,463.3	6.3%

## Capital Structure and Funding

Table 7.

Net Financial Debt (Millions of Euros)	4Q21	4Q22	4Q22 / 4Q21
Short Term	235.7	353.0	49.7%
Medium and Long Term	806.9	654.5	(18.9%)
Total Debt	1,042.6	1,007.4	(3.4%)
Cash and Short Term Investments	10.9	15.2	39.6%
Net Financial Debt <sup>(1)</sup>	1,031.7	992.2	(3.8%)
Net Financial Debt / EBITDA after lease payments (last 4 quarters) <sup>(2)</sup>	1.99x	1.81x	(0.09pp)
Leasings and Long Term Contracts	534.0	630.2	18.0%
Net Debt	1,565.7	1,622.4	3.6%
Net Debt / EBITDA	2.53x	2.49x	(0.02pp)
Net Financial Gearing <sup>(3)</sup>	61.9%	60.7%	-2.0%

(1) Net Financial Debt = Borrowings - Leasings - Cash  
 (2) EBITDA After Lease Payments = EBITDA - Lease Cash Payments (Capital & Interest)  
 (3) Net Financial Gearing = Net Debt / (Net Debt + Total Shareholders' Equity).

At the end of 4Q22, total net debt, including leasings and long-term contracts (according to IFRS16) amounted to 1,622.4 million euros. Net financial debt stood at 992.2 million euros with a cash and short-term investment position on the balance sheet of 15.2 million euros. At the end of 4Q22, NOS also had 307,5 million euros in unissued commercial paper programmes. Net financial debt / EBITDA after lease payments stood at 1.81x in 2022, slightly below NOS' target leverage ratio of around 2x net financial debt / EBITDA after lease payments, following the cash proceeds received from Cellnex tower sale in 4Q22.

The all-in average cost of debt stood at 1.8% for 4Q22, which compares to 1.3% in 4Q21, reflecting the significant increase in Euribor rates. For FY22, the all-in average cost of debt, adjusted for interest rate hedging contracted, was 1.4%, which compares to 1.4% in FY21.

Taking into account loans issued at a fixed rate and interest rate hedging operations in place, as at 31 December 2022, the proportion of NOS' issued debt paying interest at a fixed rate was approximately 62%.

At the end of 4Q22, the average maturity of NOS debt was 2.2 years.

In January 2023, NOS secured 350 million euros in sustainable financing lines, through bank loans structured as bond issues and commercial paper programmes with maturity in 2028, with five

financial institutions – Banco BPI, Caixa Geral de Depósitos, Millennium bcp, Santander and Sabadell. These bank loans are supported by NOS' Sustainability-Linked Financing Framework and are linked to the Sustainability Performance Targets of the Group's Greenhouse gas (GHG) emission (Scope 1 and 2), establishing a reduction of at least 80% by 2025, compared to 2019.

NOS continues to strengthen its commitment to achieve best-in-class target in ESG (Environmental, Social and Corporate Governance) indicators, namely through new sustainable financing lines. NOS now holds more than 55% of its contractual debt linked to sustainability indicators and targets. These lines also contribute positively towards maintaining NOS's low average cost of debt and towards diversifying instruments and extending maturities.

## Shareholder Remuneration

On 7 March 2023, the Board of Directors approved a proposal to the next AGM of an ordinary dividend payment of 27.8c per share, in line with the last 3 years, representing a dividend yield of approximately 6.6%.

Following the completion of the tower sale transaction closed in 2022, and considering the conservative capital structure of the company, the Board of Directors also approved a proposal to the next AGM of an extraordinary dividend of 15.2c per share, linked to the capital gain and FCF generated by this non recurrent transaction.

Upon payment of this dividend, NOS will maintain a solid capital structure, remaining below its target net debt ratio of 2x NFD / EBITDA AL. NOS remains robustly positioned to meet future investments and committed to continuing to distribute an attractive level of dividends whilst maintaining a strategic focus on preserving a strong capital structure to support continued delivery of sustainable value creation for shareholders.

## APPENDIX

Table 8.

Telco - operating indicators <sup>(1)</sup> ('000)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	2021	2022
Homes Passed	4,908.3	4,987.5	5,068.9	5,096.8	5,134.4	5,176.4	5,216.6	5,284.0	5,096.8	5,284.0
Total RGUs	9,901.2	9,999.3	10,146.1	10,305.5	10,393.3	10,523.6	10,665.2	10,782.3	10,305.5	10,782.3
o.w. Consumer RGUs	8,370.4	8,459.8	8,591.2	8,725.7	8,797.8	8,907.6	9,024.7	9,122.0	8,725.7	9,122.0
o.w. Business RGUs	1,530.7	1,539.4	1,554.9	1,579.8	1,595.5	1,616.0	1,640.4	1,660.2	1,579.8	1,660.2
Mobile RGUs	4,992.1	5,084.9	5,209.9	5,349.9	5,423.5	5,529.0	5,642.3	5,733.8	5,349.9	5,733.8
Pre-Paid	1,937.0	1,957.5	2,004.4	2,058.8	2,076.3	2,096.5	2,102.6	2,112.2	2,058.8	2,112.2
Post-Paid	3,055.1	3,127.3	3,205.5	3,291.1	3,347.2	3,432.5	3,539.7	3,621.6	3,291.1	3,621.6
Pay TV Fixed Access <sup>(2)</sup>	1,362.4	1,369.4	1,381.6	1,392.8	1,401.8	1,411.3	1,424.1	1,434.3	1,392.8	1,434.3
Pay TV DTH	275.7	268.7	260.6	252.8	246.0	241.0	235.3	229.9	252.8	229.9
Fixed Voice	1,770.9	1,770.4	1,775.7	1,782.5	1,784.8	1,792.0	1,799.3	1,808.7	1,782.5	1,808.7
Broadband	1,461.8	1,466.5	1,478.2	1,485.8	1,492.3	1,501.5	1,513.5	1,523.5	1,485.8	1,523.5
Others and Data	38.3	39.4	40.2	41.6	44.8	48.6	50.8	51.9	41.6	51.9
3,4&5P Subscribers (Fixed Access)	1,234.8	1,246.5	1,269.3	1,287.2	1,300.6	1,314.1	1,330.2	1,344.8	1,287.2	1,344.8
% 3,4&5P (Fixed Access)	90.6%	91.0%	91.9%	92.4%	92.8%	93.1%	93.4%	93.8%	92.4%	93.8%
Convergent + Integrated RGUs	5,002.0	5,060.5	5,146.3	5,231.6	5,319.6	5,417.9	5,538.7	5,645.1	5,231.6	5,645.1
Convergent + Integrated Customers	985.8	993.8	1,005.8	1,020.8	1,036.2	1,052.1	1,071.2	1,089.0	1,020.8	1,089.0
Fixed Convergent + Integrated Customers as % of Fixed Access Customers	62.9%	63.4%	63.9%	64.4%	65.2%	65.8%	66.5%	67.2%	64.4%	67.2%
% Convergent + Integrated Customers	60.1%	60.7%	61.2%	62.0%	62.9%	63.7%	64.6%	65.4%	62.0%	65.4%
Residential ARPU / Unique Subscriber With Fixed Access (Euros) <sup>(3)(4)</sup>	46.4	47.1	47.6	48.0	47.1	47.9	48.5	48.4	47.3	48.0
<b>Net Adds</b>										
Homes Passed	101.6	79.2	81.4	27.9	37.6	42.0	40.1	67.5	290.1	187.2
Total RGUs	(16.6)	98.1	146.9	159.3	87.8	130.2	141.6	117.1	387.7	476.8
o.w. Consumer RGUs	(20.3)	89.4	131.4	134.5	72.1	109.7	117.2	97.3	334.9	396.3
o.w. Business RGUs	3.7	8.7	15.5	24.9	15.7	20.5	24.4	19.8	52.8	80.4
Mobile	(15.7)	92.8	125.0	140.0	73.6	105.5	113.3	91.5	342.1	384.0
Pre-Paid	(54.7)	20.5	46.9	54.4	17.5	20.3	6.0	9.6	67.1	53.4
Post-Paid	39.0	72.3	78.1	85.6	56.1	85.2	107.2	81.9	275.0	330.5
Pay TV Fixed Access <sup>(2)</sup>	1.0	7.0	12.1	11.3	9.0	9.5	12.7	10.3	31.4	41.5
Pay TV DTH	(4.0)	(7.0)	(8.1)	(7.8)	(6.9)	(5.0)	(5.7)	(5.3)	(26.8)	(22.9)
Fixed Voice	(3.3)	(0.5)	5.3	6.8	2.3	7.2	7.3	9.4	8.3	26.1
Broadband	4.2	4.7	11.7	7.6	6.5	9.2	11.9	10.1	28.2	37.7
Others and Data	1.1	1.0	0.8	1.4	3.3	3.8	2.1	1.2	4.4	10.4
3,4&5P Subscribers (Fixed Access)	5.5	11.7	22.8	17.9	13.3	13.5	16.2	14.5	58.0	57.5
Convergent + Integrated RGUs	45.9	58.6	85.8	85.2	88.0	98.4	120.8	106.4	275.5	413.5
Convergent + Integrated Customers	9.0	8.1	12.0	14.9	15.4	15.9	19.1	17.9	44.0	68.3

(1) Operações Portuguesas

(2) Subscretores de Fixo Fijo incluem os clientes servidos pelas redes de HFC, FTTH e ULL, e clientes de acesso indireto.

(3) O ARPU Residencial foi reexpresso desde 1Q19 para incluir receitas de cartão SIM integradas nas contas residenciais.

(4) Os números do trimestre atual são estimativas sujeitas a possível revisão após a determinação das alocações finais.

Nota: No 1T21 os subscritores Móveis Pós-Pagos foram reexpressos, ajustando-se para os planos de banda larga móvel subsidios, E-Escolas, que passam a não estar incluídos nos números reportados.

Table 9.

Cinemas - operating indicators ('000)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	2021	2022
Revenue per Ticket (Euros)	5.5	5.4	5.3	5.6	5.5	5.7	5.5	5.9	5.5	5.9
Tickets Sold - NOS	15.9	551.8	1,251.9	1,631.1	987.6	1,596.6	1,786.0	1,890.8	3,450.7	6,261.0
Tickets Sold - Total Portuguese Market	26.9	865.9	2,595.9	2,586.8	1,552.3	2,440.9	2,720.1	2,841.5	6,075.5	9,554.9
Screens (units)	208.0	208.0	208.0	208.0	208.0	208.0	214.0	214.0	208.0	214.0

**Table 10.**

Profit and Loss Statement (Millions of Euros)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	<b>4Q22</b>	2021	2022
<b>Operating Revenues</b>	337.4	341.0	366.5	385.4	373.4	368.6	381.5	<b>397.5</b>	1,430.3	1521.0
Telco	335.7	336.7	356.8	372.3	365.8	355.6	367.6	<b>380.2</b>	1,401.5	1469.2
<b>Consumer Revenues<sup>(1)</sup></b>	244.1	246.9	252.6	258.5	247.8	253.1	263.4	<b>269.1</b>	1,002.0	1033.4
<b>Business Revenues<sup>(1)</sup></b>	73.1	73.3	79.5	90.6	97.1	79.3	77.4	<b>82.7</b>	316.5	336.5
<b>Wholesale and Others<sup>(1)</sup></b>	18.5	16.5	24.8	23.2	21.0	23.2	26.8	<b>28.4</b>	82.9	99.3
<b>Audiovisuals &amp; Cinema<sup>(2)</sup></b>	9.7	13.4	19.1	24.9	16.6	22.4	23.4	<b>27.1</b>	67.0	89.6
<b>Others and Eliminations</b>	(8.0)	(9.1)	(9.4)	(11.8)	(9.1)	(9.5)	(9.5)	<b>(9.8)</b>	(38.2)	(37.8)
<b>Operating Costs Excluding D&amp;A</b>	(185.3)	(186.6)	(195.3)	(245.1)	(213.9)	(205.8)	(203.7)	<b>(246.6)</b>	(812.3)	(869.9)
Telco	(192.2)	(191.8)	(197.6)	(245.5)	(216.1)	(204.4)	(200.3)	<b>(242.4)</b>	(827.1)	(863.2)
<b>Audiovisuals &amp; Cinema<sup>(2)</sup></b>	(1.1)	(3.8)	(7.1)	(11.4)	(6.8)	(10.8)	(12.9)	<b>(14.0)</b>	(23.4)	(44.6)
<b>Others and Eliminations</b>	8.0	9.1	9.4	11.8	9.1	9.5	9.5	<b>9.8</b>	38.2	37.8
<b>EBITDA<sup>(3)</sup></b>	152.2	154.4	171.1	140.2	159.4	162.8	177.8	<b>150.9</b>	618.0	651.1
<b>EBITDA Margin</b>	45.1%	45.3%	46.7%	36.4%	42.7%	44.2%	46.6%	<b>38.0%</b>	43.2%	42.8%
Telco	143.5	144.9	159.2	126.8	149.6	151.2	167.3	<b>137.8</b>	574.4	606.0
<b>EBITDA Margin</b>	42.8%	43.0%	44.6%	34.1%	40.9%	42.5%	45.5%	<b>36.2%</b>	41.0%	41.2%
<b>Cinema Exhibition and Audiovisuals</b>	8.7	9.5	12.0	13.4	9.8	11.6	10.5	<b>13.1</b>	43.6	45.1
<b>EBITDA Margin</b>	89.1%	85.1%	62.6%	54.1%	58.9%	51.7%	44.9%	<b>48.5%</b>	65.0%	50.3%
<b>Depreciation and Amortization</b>	(101.4)	(103.4)	(108.0)	(106.7)	(110.4)	(110.9)	(124.2)	<b>(135.3)</b>	(419.5)	(480.9)
<b>(Other Expenses) / Income</b>	(4.3)	(1.7)	(1.4)	(2.4)	2.7	(0.5)	74.3	<b>23.7</b>	(9.8)	100.0
<b>Operating Profit (EBIT)<sup>(4)</sup></b>	46.4	49.3	61.8	31.1	51.8	51.4	127.8	<b>39.3</b>	188.7	270.2
<b>Share of profits (losses) of associates and joint ventures</b>	2.8	(0.5)	2.4	(1.1)	5.3	5.1	6.6	<b>5.1</b>	3.6	22.1
<b>(Financial Expenses) / Income</b>	(9.2)	(8.7)	(8.9)	(9.9)	(9.1)	(8.9)	(7.9)	<b>(9.5)</b>	(36.6)	(35.2)
<b>Leases Financial Expenses</b>	(6.5)	(6.4)	(6.3)	(6.3)	(6.2)	(6.2)	(6.2)	<b>(6.2)</b>	(25.6)	(24.8)
<b>Funding &amp; Other Financial Expenses</b>	(2.7)	(2.2)	(2.5)	(3.6)	(2.8)	(2.6)	(1.7)	<b>(3.2)</b>	(11.0)	(10.4)
<b>Income Before Income Taxes</b>	40.1	40.2	55.3	20.1	48.0	47.6	126.5	<b>35.0</b>	155.6	257.1
<b>Income Taxes</b>	(9.5)	3.0	(9.2)	3.9	(6.9)	(3.4)	(20.6)	<b>(1.7)</b>	(11.8)	(32.7)
<b>Net Income Before Associates &amp; Non-Controlling Interests</b>	27.7	<b>43.7</b>	<b>43.7</b>	25.2	35.8	39.1	99.3	<b>28.1</b>	140.3	202.3
<b>Net Income</b>	30.5	<b>43.2</b>	<b>46.1</b>	24.0	41.1	44.2	105.9	<b>33.3</b>	143.9	224.4
<b>Net income attributable to Non-controlling interests</b>	0.0	0.1	0.0	0.1	0.0	(0.0)	0.1	<b>0.0</b>	0.3	0.1
<b>Discontinued Operations</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>	0.0	0.0
<b>Net Income attributable to NOS shareholders</b>	30.5	<b>43.3</b>	<b>46.1</b>	24.1	41.1	44.2	106.0	<b>33.3</b>	144.2	224.6

(1) Current quarter figures are estimates subject to possible review after final allocations determined.

(2) Includes cinema operations in Mozambique.

(3) EBITDA = Operating Profit + Depreciation and Amortization + Integration Costs + Net Losses/Gains on Disposal of Assets + Other Non-Recurrent Losses/Gains

(4) EBIT = Income Before Financials and Income Taxes.

**Table 11.**

CAPEX <sup>(1)</sup> (Millions of Euros)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	<b>4Q22</b>	2021	2022
<b>Total CAPEX Excluding Leasing Contracts &amp; Other Contractual Rights</b>	96.0	104.1	110.0	112.3	131.4	112.6	120.2	<b>131.7</b>	422.3	495.9
Telco	93.2	101.2	105.7	105.6	125.6	107.7	114.0	<b>125.7</b>	405.6	473.0
<b>% of Telco Revenues</b>	27.8%	30.0%	29.6%	28.4%	34.3%	30.3%	31.0%	<b>34.2%</b>	28.9%	32.2%
<b>o.w. Technical CAPEX</b>	49.0	65.4	70.2	70.9	89.4	72.8	75.9	<b>87.1</b>	255.5	325.1
<b>% of Telco Revenues</b>	14.6%	19.4%	19.7%	19.1%	24.4%	20.5%	20.7%	<b>23.7%</b>	18.2%	22.1%
<b>Baseline Telco</b>	38.6	34.0	30.6	39.4	39.0	40.1	39.5	<b>42.6</b>	142.6	161.3
<b>Network Expansion / Substitution and Integration Projects and Others</b>	10.4	31.4	39.6	31.5	50.4	32.6	36.4	<b>44.5</b>	112.9	163.9
<b>o.w. Customer Related CAPEX</b>	44.2	35.8	35.5	34.7	36.2	35.0	38.1	<b>38.6</b>	150.1	147.9
<b>% of Telco Revenues</b>	13.2%	10.6%	9.9%	9.3%	9.9%	9.8%	10.4%	<b>10.2%</b>	10.7%	10.1%
<b>Audiovisuals and Cinema Exhibition</b>	2.7	3.0	4.3	6.7	5.8	4.8	6.2	<b>6.0</b>	16.7	22.9
<b>Leasing Contracts &amp; Other Contractual Rights</b>	2.9	9.8	12.5	11.0	11.8	21.0	16.6	<b>80.5</b>	36.2	129.9
<b>Spectrum licenses</b>	0.0	0.0	0.0	151.3	0.0	0.0	0.0	<b>0.0</b>	151.3	0.0
<b>Total Group CAPEX</b>	98.8	114.0	122.5	274.5	143.3	133.6	136.8	<b>212.2</b>	609.8	625.8

(1) CAPEX = Increase in Tangible and Intangible Fixed Assets, Contract Costs and Rights of Use

**Table 12.**

Cash Flow (Millions of Euros)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	<b>4Q22</b>	2021	2022
EBITDA	152.2	154.4	171.1	140.2	159.4	162.8	177.8	<b>150.9</b>	618.0	651.1
Total CAPEX Excluding Leasings & Other Contractual Rights	(96.0)	(104.1)	(110.0)	(112.3)	(131.4)	(112.6)	(120.2)	(131.7)	(422.3)	(495.9)
EBITDA - Total CAPEX Excluding Leasings & Other Contractual Rights	56.2	50.3	61.2	28.0	28.0	50.3	57.6	<b>19.2</b>	195.6	155.1
% of Revenues	16.7%	14.7%	16.7%	7.3%	7.5%	13.5%	15.4%	<b>5.2%</b>	13.7%	10.2%
Non-Cash Items Included in EBITDA - CAPEX and Change in Working Capital	(3.2)	9.3	(10.4)	(1.5)	1.9	11.9	(11.4)	<b>0.5</b>	(5.9)	2.9
Leasings (Capital & Interest) <sup>(1)</sup>	(21.1)	(24.3)	(25.2)	(28.4)	(21.9)	(25.3)	(25.0)	(31.2)	(99.0)	(103.3)
Operating Cash Flow	31.9	35.2	25.6	(2.0)	8.1	36.9	21.2	(11.5)	90.7	54.7
Interest Paid	(3.5)	(4.4)	(2.3)	(0.7)	(3.2)	(4.0)	(1.5)	(1.8)	(10.9)	(10.5)
Income Taxes Paid	(1.5)	0.1	(13.8)	14.5	(0.2)	(0.7)	(18.4)	(10.1)	(0.7)	(29.4)
Disposals	0.2	1.0	0.4	0.2	0.5	0.2	121.1	<b>43.9</b>	1.8	165.7
Other Cash Movements <sup>(2)</sup>	(5.9)	(1.9)	(0.4)	(1.0)	(1.0)	(1.8)	26.4	(11.1)	(9.4)	12.5
Spectrum licenses	0.0	0.0	0.0	(151.3)	0.0	0.0	0.0	0.0	(151.3)	0.0
Total Free Cash-Flow Before Dividends, Financial Investments and Own Shares Acquisition	21.2	29.9	9.4	(140.3)	4.1	30.6	148.8	<b>9.5</b>	(79.8)	193.0
Financial Investments	0.2	0.2	(0.2)	(0.6)	0.2	(0.4)	(1.6)	0.3	(0.4)	(1.6)
Acquisition of Own Shares	(2.1)	0.0	0.0	0.0	(2.9)	(3.4)	(0.8)	0.0	(2.1)	(7.1)
Dividends	0.0	(142.4)	0.0	0.0	0.0	(142.3)	0.0	0.0	(142.4)	(142.3)
Free Cash Flow	19.3	(112.2)	9.2	(141.0)	1.4	(115.5)	146.3	<b>9.8</b>	(224.6)	42.0
Debt Variation Through Financial Leasing, Accruals & Deferrals & Others	(0.7)	0.6	(2.0)	(2.9)	(0.2)	0.8	(0.7)	(2.5)	(5.0)	(2.5)
Change in Net Financial Debt	(18.7)	111.6	(7.2)	143.9	(1.2)	114.7	(145.7)	(7.3)	229.7	(39.5)

<sup>(1)</sup> Includes Long Term Contracts.

<sup>(2)</sup> Includes Cash Restructuring Payments and Other Cash Movements.

**Table 13.**

Net Financial Debt (Millions of Euros)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	<b>4Q22</b>	2021	2022
Short Term	249.6	187.3	169.3	235.7	99.1	458.4	500.8	<b>353.0</b>	235.7	99.1
Medium and Long Term	705.0	737.1	762.0	806.9	947.0	699.6	649.4	<b>654.5</b>	806.9	947.0
Total Debt	954.6	924.4	931.2	1,042.6	1,046.0	1,158.0	1,150.2	<b>1,007.4</b>	1,042.6	1,046.0
Cash and Short Term Investments	171.2	29.4	43.4	10.9	15.5	12.8	150.6	<b>15.2</b>	10.9	15.5
Net Financial Debt <sup>(1)</sup>	783.4	895.0	887.8	1,031.7	1,030.5	1,145.2	999.5	<b>992.2</b>	1,031.7	1,030.5
Net Financial Debt / EBITDA after lease payments (last 4 quarters) <sup>(2)</sup>	1.50x	1.75x	1.73x	1.99x	1.96x	2.15x	1.85x	<b>1.81x</b>	1.99x	1.96x
Leasings and Long Term Contracts	560.4	551.5	543.5	534.0	528.8	525.4	562.3	<b>630.2</b>	534.0	528.8
Net Debt	1,343.8	1,446.5	1,431.3	1,565.7	1,559.3	1,670.6	1,561.8	<b>1,622.4</b>	1,565.7	1,559.3
Net Debt / EBITDA	2.23x	2.41x	2.35x	2.53x	2.49x	2.64x	2.44x	<b>2.49x</b>	2.53x	2.49x
Net Financial Gearing <sup>(3)</sup>	57.6%	61.9%	60.4%	61.9%	60.8%	64.7%	60.3%	<b>60.7%</b>	61.9%	60.8%

<sup>(1)</sup> Net Financial Debt = Borrowings - Leasings - Cash

<sup>(2)</sup> EBITDA After Lease Payments = EBITDA - Lease Cash Payments (Capital & Interest)

<sup>(3)</sup> Net Financial Gearing = Net Debt / (Net Debt + Total Shareholders' Equity).

## DISCLAIMER

This presentation contains forward looking information, including statements which constitute forward looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These statements are based on the current beliefs and assumptions of our management and on information available to management only as of the date such statements were made. Forward-looking statements include: (a) information concerning strategy, possible or assumed future results of our operations, earnings, industry conditions, demand and pricing for our products and other aspects of our business, possible or future payment of dividends and share buyback program; and (b) statements that are preceded by, followed by or include the words "believes", "expects", "anticipates", "intends", "is confident", "plans", "estimates", "may", "might", "could", "would", and the negatives of such terms or similar expressions. These statements are not guarantees of future performance and are subject to factors, risks and uncertainties that could cause the assumptions and beliefs upon which the forward-looking statements were based to substantially differ from the expectation predicted herein. These factors, risks and uncertainties include, but are not limited to, changes in demand for the company's services, technological changes, the effects of competition, telecommunications sector conditions, changes in regulation and economic conditions. Further, certain forward looking statements are based upon assumptions as to future events that may not prove to be accurate. Therefore, actual outcomes and results may differ materially from the plans, strategy, objectives, expectations, estimates and intentions expressed or implied in such forward-looking statements. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments or to provide reasons why actual results may differ. You are cautioned not to place undue reliance on any forward-looking statements. NOS is exempt from filing periodic reports with the United States Securities and Exchange Commission ("SEC") pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934, as amended. Under this exemption, NOS is required to post on its website English language translations of certain information that it has made or is required to make public in Portugal, has filed or is required to file with the regulated market Eurolist by Euronext Lisbon or has distributed or is required to distribute to its security holders. This document is not an offer to sell or a solicitation of an offer to buy any securities.

## ENQUIRIES

**Chief Financial Officer:** José Pedro Pereira da Costa  
Phone: (+351) 21 799 88 19

**Analysts/Investors:** Maria João Carrapato  
Phone: (+351) 21 782 47 25 / E-mail: [ir@nos.pt](mailto:ir@nos.pt)

**Press: Margarida Nápoles**  
Phone: (+351) 21 782 48 07 / E-mail: [comunicacao.corporativa@nos.pt](mailto:comunicacao.corporativa@nos.pt)

Conf. Call - 08 March - 12:00pm	Webcast - 08 March - 12:00pm
<p><b>Participant Details:</b> <a href="https://register.vevent.com/register/B17ab9f10f617148cb8d9405a2bf6a6e3d">https://register.vevent.com/register/B17ab9f10f617148cb8d9405a2bf6a6e3d</a></p> <p>1. Participants are required to register in advance of the conference using the link provided above. Upon registering, each participant will be provided with Participant Dial In Numbers, and a unique Personal PIN.</p> <p>2. In the 10 minutes prior to the call start time, participants will need to use the conference access information provided in the e-mail received at the point of registering. Participants may also use the call me feature instead of dialing the nearest dial in number.</p> <p>A recording of the conference call will be available <a href="#">here</a>.</p>	<p><b>Participant Details:</b> <a href="https://edge.media-server.com/mmc/p/cezk7j23">https://edge.media-server.com/mmc/p/cezk7j23</a></p> <p>1. Participants must register for the webcast, using the link provided above.</p> <p>2. In the 10 minutes prior to call start time, participants must access the webcast using the link provided above.</p>



RUA ACTOR ANTÓNIO SILVA, N°9,  
CAMPO GRANDE, 1600-404 LISBOA.

[www.nos.pt/ir](http://www.nos.pt/ir)