Report for the first half and second quarter 2026

Highlights

Revenues:	+4.2% versus Q2 2025, driven by service and equipment revenues
Service revenues:	+3.5% in Q2; strong growth in CEE overcompensates decline in Austria
Core OPEX:	Strong savings in Austria fully mitigate cost increases in CEE in Q2 2026
EBITDA:	+4.3% in Q2 excluding restructuring, growth in all markets except Croatia
Austria:	Positive core OPEX development versus PY mitigates top-line challenges
Net result:	15.4% higher in H1 2026 due to solid operative performance
CAPEX:	3.6% lower yoy in H1 2026, inreases in Q2 2026
Free Cashflow:	Stable in H1 2026 as better operational result offsets frequency payment
Dividend:	EUR 0.42/share (in total EUR 279 mn) paid to shareholders in July 2026
Rating:	In June 2026, Fitch confirmed its credit rating for Telekom Austria AG with 'A-'
Outlook confirmed:	Total revenue growth of 2-3%, CAPEX ex. spectrum of around EUR 750 mn

In this report, rounding differences may occur in the summing of rounded amounts due to the use of automatic calculation tools. 'International' comprises the segments Bulgaria, Croatia, Belarus, Slovenia, Serbia and North Macedonia and since Q1 2025 also includes A1 Digital.

Contents

Key Financial Data

in EUR million	Q2 2026	Q2 2025	Δ	H1 2026	H1 2025	Δ
Total revenues	1,429	1,370	4.2%	2,795	2,685	4.1%
Service revenues	1,185	1,145	3.5%	2,328	2,253	3.3%
Equipment revenues	221	201	10.0%	424	389	9.0%
Other operating income	23	25	-7.3%	43	43	-0.2%
Wireless revenues	839	810	3.6%	1,645	1,587	3.7%
Service revenues	657	642	2.3%	1,290	1,257	2.6%
Equipment revenues	182	168	8.6%	355	330	7.6%
Wireline revenues	566	536	5.7%	1,107	1,055	4.9%
Service revenues	528	503	4.9%	1,038	996	4.2%
Equipment revenues	39	33	17.4%	69	59	17.2%
EBITDA[1] excl. restructuring	562	539	4.3%	1,098	1,053	4.2%
EBITDA excl. restructuring margin	39.3%	39.3%	0.0pp	39.3%	39.2%	0.1pp
EBITDA[1]	544	521	4.3%	1,044	999	4.4%
EBITDA margin	38.1%	38.0%	0.0pp	37.3%	37.2%	0.1pp
EBITDAaL [2]	434	414	4.9%	825	785	5.1%
EBITDAaL margin	30.4%	30.2%	0.2pp	29.5%	29.2%	0.3pp
Depreciation, amortization, impairments	305	304	0.2%	607	599	1.4%
EBIT [3]	239	217	10.1%	436	401	8.9%
EBIT margin	16.7%	15.8%	0.9pp	15.6%	14.9%	0.7pp
Net result	176	151	16.0%	319	277	15.4%
Net margin	12.3%	11.1%	1.2pp	11.4%	10.3%	1.1pp
Capital expenditures	210	166	26.8%	374	387	-3.6%
Free cash flow	100	179	-44.3%	335	333	0.7%

	Jun. 30, 2026	Dec. 31, 2025	Δ
Net debt / EBITDA (12 months)	0.7	0.9	-0.2x
Net debt (excl. leases) / EBITDAaL (12 months)	-0.2	0.0	-0.2x

Customer indicators (thousand)	Jun. 30, 2026	Jun. 30, 2025	Δ
Mobile subscribers	32,122	28,306	13.5%
Postpaid	28,628	24,701	15.9%
Prepaid	3,494	3,605	-3.1%
RGUs [4]	6,540	6,395	2.3%

	Q2 2026	Q2 2025	Δ	H1 2026	H1 2025	Δ
ARPU (in EUR) [5]	6.9	7.6	-9.2%	6.9	7.6	-8.6%
ARPL (in EUR) [6]	25.9	26.5	-2.2%	25.7	26.6	-3.3%
Mobile churn	0.9%	1.0%	-0.1pp	0.9%	1.1%	-0.2pp

Workforce	Jun. 30, 2026	Jun. 30, 2025	Δ
Employees (full-time equivalent)	16,616	16,825	-1.2%

[1] Earnings Before Interest, Tax, Depreciation and Amortization
[2] EBITDA after Leases: EBITDA – depreciation of lease assets according to IFRS 16 – interest expenses pursuant to IFRS 16
[3] Operating income according to IFRS
[4] Revenue Generating Unit
[5] Average Revenue Per User incl. M2M Subscriber
[6] Average Revenue Per Line

Notes:
n.m. – not meaningful; used for changes >300% and for other changes that are not meaningful.
n.a. – not applicable, e.g. for divisions by zero.

Summary for Q2 2026

In Q2 2026, total revenues increased on the back of higher service and equipment revenues. Service revenue growth was mainly driven by higher ICT revenues, upselling measures as well as growth in fixed-line RGUs in the international markets. All CEE markets contributed both to total revenue and service revenue growth. In Austria, losses in service revenues were only partly mitigated by higher equipment revenues.

Effects impacting Q2 and H1 results:

- Positive FX effects of EUR 7 mn in total revenues and EUR 3 mn in EBITDA in Q2 2026. (EUR 10 mn and EUR 4 mn in H1 2026).
- Restructuring charges amounted to EUR 18 mn in both Q2 2026 and Q2 2025 (EUR 54 mn and EUR 53 mn in H1 2026 and H1 2025).
- There were no one-off effects recorded.

Total OPEX increased to a large extent driven by higher equipment costs. Core OPEX[1] decreased slightly in Q2 2026 versus last year mainly due to lower costs for advertising, commissions and lower network maintenance costs. That compensated for higher electricity and product-related costs like content and licenses. Total workforce costs remained largely stable.
The equipment margin affected the EBITDA negatively, especially in Austria and Bulgaria.

EBITDA excluding restructuring increased by 4.3% with growth in all markets except for Croatia.

CAPEX increased by 27% in Q2 2026 versus last year, partly due to the extension of frequencies in the 2.6 GHz band in Austria in April 2026 for approximately EUR 11 mn.

The Annual General Meeting on June 24, 2026 approved a dividend of EUR 0.42 per share (+5% year-on-year). On July 1 2026, Telekom Austria AG paid a total dividend of EUR 279 mn to its shareholders. For more information please see https://a1.group/investor-relations/shareholders-meetings/

In June 2026, Fitch confirmed its credit rating for Telekom Austria AG with 'A-' (stable). For more information please see https://a1.group/investor-relations/debt/)

Mobile Subscribers and Fixed-line RGUs

In mobile communications, the number of subscribers rose by 13.5% to a total of around 32.1 mn. As in previous quarters, the growth was driven by the strong increase in the Machine-to-Machine (M2M) business. Excluding M2M customers, the number of subscribers increased by 1.8%.

In the fixed-line business, the number of revenue generating units (RGUs) increased by 2.3% year-on-year to a total of over 6.5 mn. While the number of voice RGUs decreased, the number of broadband RGUs and TV RGUs increased. The RGU growth in international operations, especially in Bulgaria, Belarus and Serbia more than compensated for the decline in Austria.

The internet@home[2] customer base increased by 6.1% to 4.2 mn in the Group, driven both by the increase in broadband RGUs and mobile WiFi routers. Broadband RGUs increased in all markets except for Austria and Slovenia, while the number of mobile WiFi routers rose in all markets except for Croatia and North Macedonia.

Outlook for the Financial Year 2026

The management board confirms the guidance for the financial year 2026 (total revenues +2-3% year-on-year, CAPEX excluding frequencies and M&A of around EUR 750 mn).

1) Core OPEX is defined as total operating expense excluding cost of equipment, interconnection and roaming costs
2) Internet@home included fixed broadband and mobile WiFi-router (postpaid and prepaid)

Group Results for Q2 and the First Half 2026

Macroeconomic and Competitive Environment

The **Austrian economic environment** continues to be characterised by subdued growth expectations and easing, albeit still elevated inflation. According to the European Commission, economic growth in Austria is expected to amount to around 0.6% in 2026[1], reflecting a modest recovery amid heightened geopolitical uncertainty and higher energy prices. Inflation has declined from the peaks observed in late 2025 but increased again in early 2026. The harmonised inflation rate stood at around 3.1%[2] year-on-year in June 2026, following 3.7%[3] in May 2026, reflecting easing pressure from energy prices. In this challenging environment, A1 Group continues to navigate macroeconomic headwinds through a customer-centric approach, targeted strategic market investments and stringent cost control.

The **telecommunications market in Austria** remained highly competitive in the first half of 2026. In the mobile market, competitive intensity increased further in the low-value segment, where new providers entered the market with aggressive offerings in spring 2026. At the same time, the market dynamics in the high-value segment remained rather stable in Q2. Price increases for new mobile customers were implemented in Q1, alongside additional value-protecting measures (+2.9% linked to 2025 CPI) starting with April 2026. We responded to ongoing competitive pressure with selective strategic market investments and a focused multi-brand strategy. Price-sensitive segments were addressed through targeted initiatives under the brand “YESSS”, while high-value customers were approached via the A1 brand through loyalty programs, household bundles and subsidies. The latter, however, were lower compared to elevated levels in Q2 2025. As part of our portfolio simplification strategy, we integrated the no-frills brand “bob” and all its customers in Austria into the A1 brand as of mid-July 2026, enhancing customer access to services while reducing operational complexity.

The fixed-line market continued to be characterized by high promotional activity and sustained market investments across all players. To defend our position in the Internet@home market, we maintained promotional activity, continued to pursue a technology-agnostic approach and further advanced the fiber roll-out to support upselling.

In contrast, **CEE markets**, including Bulgaria, Croatia, Belarus, Slovenia, Serbia, and North Macedonia, are experiencing a more favourable economic climate. Growth expectations across the region are generally positive. At the same time, the competitive environment remained largely unchanged in the major CEE markets. International markets, while diverse in dynamics, generally benefited from solid demand for high-speed broadband, ICT solutions, entertainment and security products, supporting revenue growth.

Across the Group, differentiation was reinforced through additional B2C non-core services like value-added services, entertainment and security solutions.

In Q2 2026, the Belarusian Ruble appreciated against the Euro by 5.0% year-on-year, with a period average exchange rate of 3.27 in Q2 2026 and 3.44 in Q2 2025.

As reported in previous financial reports, the Federal Chamber of Labor (BAK) filed a class action lawsuit in January 2024 in connection with recurring charges, demanding that A1 no longer use certain clauses or rely on them; BAK has since withdrawn its claims for automatic reimbursement. The first-instance judgment in favor of BAK was appealed and the second instance decided partially in favor of A1 and partially in favor of BAK; this judgment is not yet legally binding. A1 continues to seek to convince the courts, up to the Supreme Court, of the legality of these clauses, especially as the telecommunications regulatory authority has regularly reviewed and accepted these clauses since 2011. In addition, there are specific legal provisions in the telecommunications sector, including those arising from European law, which support the use of such clauses. Since February 2024, these clauses have no longer been agreed with customers. In this context, provisions have been booked. The key developments in the pending legal proceedings are disclosed in the notes to the condensed consolidated interim financial statements.

[1] https://economy-finance.ec.europa.eu/economic-surveillance-eu-member-states/country-pages-including-country-reports/austria/economic-forecast-austria_en
[2] https://tradingeconomics.com/austria/harmonised-inflation-rate-yoy
[3] https://tradingeconomics.com/austria/harmonised-inflation-rate-yoy

Revenue Development

Group total revenues increased by 4.2% in Q2 and 4.1% in H1, driven by both higher service and equipment revenues. Service revenues benefitted from growth in the ICT and the retail mobile business. Retail fixed revenues came in stable in the second quarter and declined in H1 versus last year. All markets contributed positively to service revenue growth in both Q2 and H1, with Austria being the only exception. Equipment revenues increased across all markets in both periods, except in Bulgaria, where Q2 2025 benefited from large ICT deals. The strongest positive contributions came from Austria and Belarus.

Total revenues in **Austria** decreased by 1.1% in Q2 and by 2.0% in H1. The decline in service revenues eased (-2.5% in Q2 versus -3.4% in H1 yoy) thanks to higher growth in the ICT business, as well as slightly better results in the retail fixed-line business. In the retail mobile market, service revenues declined despite a higher subscriber base, impacted by promotional activities and lower incoming ARPU. In contrast, solutions and connectivity revenues grew, driven by IT services, security, and value-added services.

A1 Group's **international operations** continued to deliver a strong financial performance, with total revenues increasing by 9.1% in Q2 and 9.9% in H1. Again, in Q2, all markets contributed to service revenue growth supported by continued upselling, strong demand for high-speed broadband, and the expansion of ICT and connectivity services as well as our B2C non-core portfolio. Service revenues increased by 9.5% and 10.5% in Q2 and H1 respectively. The highest contributions came from Belarus, Bulgaria and Serbia. In Bulgaria, service revenue growth benefitted from up- and cross selling, subscriber growth in the mobile and the fixed-line business as well as entertainment solutions. As large ICT deals benefited Q2 2025 results, ICT service revenue growth slowed in Q2 2026 but remained strong in H1 2026 thanks to a beneficial development in Q1 2026.

OPEX and EBITDA

At **Group** level, total operating expenses (OPEX) increased in both Q2 and H1 2026, driven by higher equipment costs related to rising equipment revenues as well as higher cost of services. Core OPEX declined slightly in Q2 2026, while increasing marginally in H1 2026 compared to the prior year. In Q2 2026, as noted above, core OPEX benefited from stringent cost control and ongoing transformation measures. Lower advertising and maintenance costs as well as reduced commissions more than offset higher electricity and product-related costs, while total workforce costs remained stable.

Restructuring charges remained stable compared to last year and amounted to EUR 54 mn in H1 2026 (EUR 53 mn in H1 2025) and to EUR 18 mn in Q2 both in 2026 and 2025.

In **Austria, total OPEX** increased due to higher equipment costs related to higher equipment revenues. Core OPEX declined significantly in both Q2 and H1 2026. The decrease was primarily driven by lower workforce costs and, particularly in Q2, by a softer comparison base following intensified advertising and customer acquisition efforts in Q2 2025. Lower network maintenance costs and commissions also contributed to the reduction in core OPEX in both periods.

The increase in **total OPEX in international markets** was driven by higher cost of services and higher cost of equipment. Core OPEX increased in both periods mainly due to higher total workforce costs as well as product-related costs like licenses and software for resale as well as content costs. Electricity costs also rose.

Group EBITDA excluding restructuring grew by 4.3% in Q2 2026 and 4.2% in H1 2026. In Q2, EBITDA grew in all markets except Croatia, which was negative due to higher core OPEX. In H1, all CEE markets posted growth.

In **Austria, EBITDA** excluding restructuring increased by 2.0% in Q2 2026 and remained stable in H1 2026. In Q2 2026, the increase resulted from lower core OPEX compared to Q2 2025 which was characterized by intensified commercial activities. That overcompensated the decline in service revenues and the lower equipment margin.

In **international markets, EBITDA** increased by 6.3% and 7.9% in Q2 and H1 2026, thanks to service revenue increase in all CEE markets. EBITDA also profited from positive FX effects as explained above.

EBIT and Net Result

Depreciation and amortization increased only slightly in H1 and was stable in the second quarter compared to the previous year. In Q2, **EBIT** rose by 10.1% in Q2 and by 8.9% in the first half of 2026. The **financial result** improved due to lower interest expense on financial liabilities. **Income taxes** increased due to the higher taxable income. Consequently, the **net result** rose by 16.0% in Q2 and 15.4% in H1 2026.

Capital Expenditures

A1 Group focused on expanding its fiber roll-out and 5G networks both in Austria and internationally. In Q2 2026 capital expenditures ('CAPEX') increased by 26.8%. Nevertheless, in H1 2026, CAPEX decreased by 3.6% to EUR 374 mn. The decrease in the first half of 2026 was mostly attributable to lower CAPEX in Austria. CAPEX for spectrum were rather stable: In Austria, around EUR 11 mn were invested in frequencies in H1 2026 compared to EUR 10 mn in Bulgaria in Q1 2025. CAPEX excluding spectrum decreased by 4.1% to EUR 362 mn in H1 2026.

Free Cashflow

In the first half of 2026, free cash flow remained stable versus the same period last year (EUR 335 mn versus EUR 333 mn in H1 2025). The better operational performance, lower social plan funding, net interest improvement and lower CAPEX compensated for the less favorable development in working capital and other changes, higher payments for income taxes and leases. Working capital and other changes were mainly impacted by the EUR 50 mn payment of the second tranche for the 5G spectrum acquired in December 2025 in Serbia.

in EUR million	**Q2 2026**	Q2 2025	**Δ**	**H1 2026**	H1 2025	**Δ**
EBITDA	544	521	4.3%	1,044	999	4.4%
Restructuring charges and cost of labor obligations	18	18	-0.1%	55	55	-0.4%
Lease paid (principal, interest and prepayments)	-105	-101	4.4%	-214	-205	4.5%
Income taxes paid	-42	-33	27.7%	-61	-50	23.4%
Net interest paid	15	4	n.m.	23	9	144.9%
Change working capital and other changes	-121	-41	192.2%	-126	-51	147.9%
Capital expenditures	-210	-166	26.8%	-374	-387	-3.6%
Social plans new funded	0	-24	n.a.	-12	-39	-69.4%
FCF after social plans new	**100**	**179**	**-44.3%**	**335**	**333**	**0.7%**

Balance Sheet and Net Debt

As of June 30, 2026, total assets amounted to EUR 10,610 mn, up 3.7% compared to year-end 2025. Total current assets increased, mainly driven by higher cash and cash equivalents, while non-current assets declined slightly as depreciation and amortization exceeded CAPEX, primarily related to right-of-use assets.

The increase in current liabilities was mainly attributable to the dividend of EUR 279 mn, which had been declared but not yet paid as of the reporting date and was subsequently paid in July 2026. Non-current liabilities declined, primarily due to lower lease liabilities. Total stockholders' equity increased slightly, as net income generation more than offset the declared dividend. During the first half of 2026, higher cash and cash equivalents contributed to a reduction in net debt. Together with higher EBITDAaL, this resulted in a leverage ratio of -0.2x (excl. leases). In addition, long-term lease liabilities decreased, leading to a reduction in the net debt including leases-to-EBITDA ratio to 0.7x, compared to 0.9x per year-end 2025.

in EUR million	Jun 30, 2026	Dec 31, 2025	Δ
Long-term debt	38	-	n.a.
Lease liability long-term	1,419	1,513	-6.2%
Short-term debt	757	754	0.5%
Lease liability short-term	365	342	6.7%
Cash and cash equivalents	-710	-362	96.3%
Investments marketable	-339	-318	6.4%
Net debt (incl. leases)	1,530	1,928	-20.6%
Net debt (incl. leases) / EBITDA	0.7	0.9	-0.2x
Net debt (excl. leasing)	-254	74	n.m.
Net debt excl leasing / EBITDAaL	-0.2	0.0	-0.2x

The definition of net debt was revised in 2025 and includes both short-term and long-term marketable financial investments.

Underlying Performance – Group

in EUR million	Q2 2026	Q2 2025	Δ	H1 2026	H1 2025	Δ
Total revenues	**1,429**	**1,370**	**4.2%**	**2,795**	**2,685**	**4.1%**
Service revenues	1,185	1,145	3.5%	2,328	2,253	3.3%
Equipment revenues	221	201	10.0%	424	389	9.0%
Other operating income	23	25	-7.3%	43	43	-0.2%
EBITDA	**544**	**521**	**4.3%**	**1,044**	**999**	**4.4%**
Restructuring	18	18	3.0%	54	53	1.0%
EBITDA excl. restructuring	**562**	**539**	**4.3%**	**1,098**	**1,053**	**4.2%**

One-off effects and restructuring: A positive value in the table means a negative impact and vice versa

Underlying Performance – Austria

in EUR million	Q2 2026	Q2 2025	Δ	H1 2026	H1 2025	Δ
Total revenues	**678**	**685**	**-1.1%**	**1,335**	**1,362**	**-2.0%**
Service revenues	591	607	-2.5%	1,169	1,210	-3.4%
Equipment revenues	72	64	14.0%	138	124	11.4%
Other operating income	14	15	-5.1%	28	28	1.2%
EBITDA	**254**	**249**	**2.0%**	**476**	**476**	**-0.1%**
Restructuring	18	18	3.0%	54	53	1.0%
EBITDA excl. restructuring	**272**	**266**	**2.0%**	**530**	**530**	**0.1%**

Underlying Performance – 'International'

in EUR million	Q2 2026	Q2 2025	Δ	H1 2026	H1 2025	Δ
Total revenues	**765**	**702**	**9.1%**	**1,488**	**1,354**	**9.9%**
Service revenues	607	554	9.5%	1,184	1,071	10.5%
Equipment revenues	148	137	8.3%	285	264	7.9%
Other operating income	11	11	-5.1%	19	19	1.2%
EBITDA	**297**	**279**	**6.3%**	**580**	**538**	**7.9%**

Condensed Consolidated Interim Financial Statements

Condensed Consolidated Statement of Comprehensive Income

in EUR million, except per share information	Q2 2026 unaudited	Q2 2025 unaudited	H1 2026 unaudited	H1 2025 unaudited
Service revenues	1,185	1,145	2,328	2,253
Equipment revenues	221	201	424	389
Other operating income	23	25	43	43
Total revenues (incl. other operating income)	**1,429**	**1,370**	**2,795**	**2,685**
Cost of service	-379	-363	-756	-717
Cost of equipment	-226	-198	-430	-391
Selling, general & administrative expenses	-275	-283	-559	-572
Other expenses	-5	-4	-7	-6
Total cost and expenses	**-885**	**-849**	**-1,751**	**-1,685**
Earnings before interest, tax, depreciation and amortization – EBITDA	**544**	**521**	**1,044**	**999**
Depreciation and amortization	-212	-216	-424	-422
Depreciation of right-of-use assets	-93	-89	-183	-177
Operating income – EBIT	**239**	**217**	**436**	**401**
Interest income	10	9	19	16
Interest expense	-22	-26	-44	-50
Interest on employee benefits and restructuring and other financial items, net	-4	-5	-6	-9
Foreign currency exchange differences, net	-1	2	-1	2
Equity interest in net income of associated companies	0	1	1	1
Financial result	**-15**	**-20**	**-30**	**-40**
Earnings before income tax – EBT	**224**	**197**	**406**	**361**
Income tax	-48	-46	-87	-84
Net result	**176**	**151**	**319**	**277**
Attributable to:				
Equity holders of the parent	176	151	319	276
Non-controlling interests	0	0	0	0
Earnings per share attributable to equity holders of the parent in euro*	**0.26**	**0.23**	**0.48**	**0.42**
Other comprehensive income items:				
Items that may be reclassified to profit or loss:				
Effect of translation of foreign entities	10	-11	13	10
Unrealized result on debt instruments at fair value, net of tax	0	0	-1	0
Realized result on debt instruments at fair value, net of tax	0	0	0	-0
Items that will not be reclassified to profit or loss:				
Remeasurement of defined benefit obligations, net of tax	-0	-1	-0	-2
Total other comprehensive income (loss)	**10**	**-11**	**12**	**9**
Total comprehensive income (loss)	**186**	**140**	**331**	**286**
Attributable to:				
Equity holders of the parent	186	140	331	286
Non-controlling interests	0	0	0	0

* Basic and diluted, weighted-average number of ordinary shares outstanding was constantly 664,084,841

Condensed Consolidated Statement of Financial Position

in EUR million	Jun. 30, 2026 unaudited	Dec. 31, 2025 audited
Current assets		
Cash and cash equivalents	710	362
Short-term investments	388	398
Accounts receivable: Subscribers, distributors and other, net	1,102	1,021
Receivables due from related parties	30	11
Inventories, net	165	119
Income tax receivable	0	2
Other current assets, net	317	276
Contract assets	87	93
Total current assets	**2,799**	**2,283**
Non-current assets		
Property, plant and equipment, net	3,239	3,213
Right-of-use assets, net	1,724	1,820
Intangibles, net	1,435	1,509
Goodwill	1,098	1,092
Investments in associated companies	5	3
Long-term investments	211	215
Deferred income tax assets	65	62
Other non-current assets, net	34	31
Total non-current assets	**7,811**	**7,945**
TOTAL ASSETS	**10,610**	**10,228**
Current liabilities		
Short-term debt	757	754
Lease liabilities short-term	365	342
Accounts payable	1,136	1,023
Accrued liabilities and current provisions	253	274
Income tax payable	103	73
Payables due to related parties	291	46
Contract liabilities	257	255
Total current liabilities	**3,161**	**2,766**
Non-current liabilities		
Long-term debt	38	0
Lease liabilities long-term	1,419	1,513
Deferred income tax liabilities	62	66
Other non-current liabilities	10	10
Asset retirement obligation and restructuring	360	366
Employee benefits	154	155
Total non-current liabilities	**2,044**	**2,109**
TOTAL LIABILITIES	**5,205**	**4,875**
STOCKHOLDERS' EQUITY		
Common stock	1,449	1,449
Treasury shares	-8	-8
Additional paid-in capital	1,100	1,100
Retained earnings	3,592	3,552
Other comprehensive income (loss) items	-731	-743
Equity attributable to equity holders of the parent	**5,403**	**5,351**
Non-controlling interests	3	3
TOTAL STOCKHOLDERS' EQUITY	**5,405**	**5,353**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**10,610**	**10,228**

Condensed Consolidated Statement of Cash Flows

in EUR million	Q2 2026 unaudited	Q2 2025 unaudited	H1 2026 unaudited	H1 2025 unaudited
Earnings before income tax – EBT	**224**	**197**	**406**	**361**
Depreciation	142	141	283	278
Amortization of intangible assets	71	75	141	144
Depreciation of right-of-use assets	93	89	183	177
Equity interest in net income of associated companies	-0	-1	-1	-1
Result on sale/measurement of investments	-0	1	-2	0
Result on sale of property, plant and equipment	0	-1	1	-0
Net period cost of labor obligations and restructuring	22	22	61	62
Foreign currency exchange differences, net	1	-2	1	-2
Interest income	-10	-9	-19	-16
Interest expense	22	27	45	52
Other adjustments	-0	-1	-1	-1
Non-cash and other reconciliation items	**339**	**341**	**692**	**693**
Accounts receivable: Subscribers, distributors and other, net	-72	-2	-77	12
Prepaid expenses	2	8	-3	4
Due from related parties	-1	-0	-0	0
Inventories	-21	8	-45	-34
Other assets	-4	-23	-21	-25
Contract assets	5	-8	7	-6
Accounts payable and accrued liabilities	31	31	95	25
Due to related parties	-3	-0	-4	-0
Contract liabilities	-4	-10	2	9
Working capital changes	**-67**	**2**	**-47**	**-15**
Employee benefits and restructuring paid	-31	-39	-62	-74
Interest received	16	7	24	15
Income taxes paid	-42	-33	-61	-50
Net cash flow from operating activities	**438**	**476**	**953**	**930**
Capital expenditures paid	-261	-200	-448	-410
Proceeds from sale of property, plant and equipment	1	2	2	4
Purchase of investments	-91	-329	-202	-364
Proceeds from sale of investments	91	47	218	79
Acquisition of businesses, net of cash acquired	-5	-4	-5	-8
Net cash flow from investing activities	**-265**	**-485**	**-435**	**-699**
Long-term debt obtained	45	0	45	0
Interest paid	-18	-22	-36	-43
Repayments of short-term debt	0	0	-4	0
Issuance of short-term debt	-6	230	0	230
Dividends paid	-0	-266	-0	-266
Lease principal paid	-87	-81	-177	-165
Net cash flow from financing activities	**-66**	**-139**	**-173**	**-244**
Adjustment to cash flows due to exchange rate fluctuations, net	2	-2	3	1
Net change in cash and cash equivalents	**110**	**-150**	**348**	**-12**
Cash and cash equivalents beginning of period	600	505	362	367
Cash and cash equivalents end of period	710	355	710	355

Condensed Consolidated Statement of Changes in Stockholders' Equity

in EUR million (unaudited)	Common stock	Treasury shares	Additional paid-in capital	Retained earnings	Other comprehen-sive items	Total	Non-controlling interests	Total stock-holders' equity
At January 1, 2026	**1,449**	**-8**	**1,100**	**3,552**	**-743**	**5,351**	**3**	**5,353**
Net Result	0	0	0	319	0	319	0	319
Other comprehensive income (loss)	0	0	0	0	12	12	0	12
Total comprehensive income (loss)	**0**	**0**	**0**	**319**	**12**	**331**	**0**	**331**
Distribution of dividends	0	0	0	-279	0	-279	-0	-279
At June 30, 2026	**1,449**	**-8**	**1,100**	**3,592**	**-731**	**5,403**	**3**	**5,405**
At January 1, 2025	**1,449**	**-8**	**1,100**	**3,208**	**-763**	**4,986**	**2**	**4,989**
Net Result	0	0	0	276	0	276	0	277
Other comprehensive income (loss)	0	0	0	0	9	9	0	9
Total comprehensive income (loss)	**0**	**0**	**0**	**276**	**9**	**286**	**0**	**286**
Distribution of dividends	0	0	0	-266	0	-266	-0	-266
At June 30, 2025	**1,449**	**-8**	**1,100**	**3,219**	**-754**	**5,006**	**2**	**5,009**

Condensed Operating Segments

					H1 2026				
in EUR million (unaudited)	Austria	Bulgaria	Croatia	Belarus	Slovenia	Serbia	North Macedonia	Other*	Consoli-dated
Total revenues (incl. other operating income)	**1,335**	**438**	**297**	**286**	**119**	**224**	**90**	**6**	**2,795**
Earnings before interest, tax, depreciation and amortization – EBITDA	**476**	**195**	**122**	**120**	**29**	**82**	**32**	**-12**	**1,044**
Earnings before income tax – EBT	**98**	**114**	**58**	**104**	**-6**	**28**	**15**	**-5**	**406**
Capital expenditures	215	51	42	16	10	21	11	7	374

					H1 2025				
in EUR million (unaudited)	Austria	Bulgaria	Croatia	Belarus	Slovenia	Serbia	North Macedonia	Other*	Consoli-dated
Total revenues (incl. other operating income)	**1,362**	**404**	**286**	**245**	**114**	**200**	**85**	**-11**	**2,685**
Earnings before interest, tax, depreciation and amortization – EBITDA	**476**	**178**	**120**	**110**	**23**	**77**	**31**	**-15**	**999**
Earnings before income tax – EBT	**98**	**101**	**53**	**85**	**-13**	**31**	**13**	**-7**	**361**
Capital expenditures	230	60	40	16	7	21	7	7	387

* Other includes: Corporate, Other & Eliminations

Selected Explanatory Notes to the Consolidated Interim Financial Statements

Basis of Presentation

The consolidated interim financial statements as of June 30, 2026 and for the first six months of 2026 (“H1 2026”) include, in the opinion of Management, all adjustments necessary for a fair presentation of the financial position and performance and are not audited or reviewed and should be read in connection with the audited A1 Group’s annual consolidated financial statements according to IFRS for the year ended December 31, 2025. The consolidated results for the interim periods are not necessarily indicative of results for the full year.

The use of automated calculation systems may give rise to rounding differences. Values of 0/-0 shown in tables may result from amounts lower than EUR 0.5/-0.5 million.

The preparation of the interim financial statements in conformity with IAS 34 “Interim Financial Reporting” requires making estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The significant judgments and the key sources of estimation uncertainty are the same as those described in the latest annual financial statements. Actual results could differ from these estimates.

Compared to other economic sectors, the telecommunications industry is in general less cyclical. Within the telecommunication sector, the seasonality of the A1 Group’s segments shows the same pattern as other European incumbents, having lower margins in the year-end quarter due to Christmas promotions and increases in sales commissions.

Changes in Accounting Policies

New currently effective accounting standards

The A1 Group has applied the same accounting policies and methods of computation in the interim financial statements as in the annual financial statements as of and for the year ended December 31, 2025, except the following amendments to stane dards which are effective from January 1, 2026:

IFRS 7 and 9	Amendments: Contracts Referencing Nature-dependent Electricity
IFRS 7 and 9	Amendments: Classification and Measurement of Financial Instruments
IFRS 1; 7; 9; 10 and IAS 7	Annual Improvements - Volume 11

The amendments to the standards do not have a material impact on the condensed consolidated interim financial statements.

Accounting standards issued but not yet effective

In April 2024, the IASB published IFRS 18, “Presentation and Disclosure of Financial Statements,” which was endorsed by the EU in February 2026. IFRS 18 amends several other standards and replaces IAS 1, “Presentation of Financial Statements.” The new standard retains most of the existing requirements and introduces new ones to enhance the transparency and comparability of financial statements. Among others, IFRS 18 requires the income statement to be structured into the three newly defined categories operating, investing, and financing as well as mandates the subtotals “operating profit” and “profit before financing and income taxes.” IFRS 18 also introduces expanded rules on aggregation and disaggregation, requiring in particular a stricter, materiality-based breakdown of items in the income statement, statement of financial position and the notes. The standard clarifies that goodwill must be reported separately in the statement of financial position. In addition, expanded disclosures for company-specific key performance measures are provided for. IFRS 18 is effective for annual periods beginning on or after January 1, 2027. The A1 Group does not early adopt the standard and is currently implementing IFRS 18. In this context, the Group is also analyzing the effects of IFRS 18.

Primary financial statements
A detailed review is currently conducted regarding the new categories and the new subtotals in the income statement to ensure that items are properly classified and that the subtotals comply with the requirements of IFRS 18. Analyses have already shown that the A1 Group does not have any specified main business activities within the meaning of IFRS 18.

In the statement of cash flows, the A1 Group expects adjustments due to the changed method of deriving cash flow from operating activities. Going forward, operating income will be the starting point for calculating operating cash flow using the indirect method. In addition, there are specific requirements for the presentation of interest received and paid, as well as dividends received.

Notes to the primary financial statements
Regarding the new requirements of IFRS 18 for reporting on so-called "management-defined performance indicators" (MPMs), the A1 Group currently assumes that, to date, only a few key performance indicators that meet the definition of an MPM have been reported. Information on the composition of these indicators has already been provided in other sections of the corporate reporting; this information must be expanded in accordance with the disclosure requirements of IFRS 18. The analysis of the performance indicators has not yet been completed.

In addition, IFRS 18 requires extended disclosure in the notes when applying the cost of sales method. This applies in particular to the reporting of certain cost types by functional area, which imposes new requirements for data collection. Data collection will already be adjusted for the comparative period 2026.

Estimated impact
The implementation of IFRS 18 will not result in any changes to the previous accounting and measurement methods and will have no impact on net assets, financial position and result of operations. The A1 Group estimates that the major impact of the adoption of IFRS 18 will be a reclassification from the financial result according to IAS 1 into the new IFRS 18 categories investing and financing.

Related Party Transactions

The following lease payments were made to the EuroTeleSites ("ETS") Group:

in EUR million (unaudited)	H1 2026	H1 2025
Lease principal paid	102	93
Lease interest paid	24	28
Lease paid to ETS Group total	**126**	**121**

Bonds held by the A1 Group that were issued by the ETS Group as a private placement:
- bond with a face value of EUR 180 million, a term until July 2028 and a variable interest rate based on the 3 months' EURIBOR plus a margin of 1.05 percentage points, acquired in July 2024 and reported in long-term investments
- bond with a face value of EUR 255 million, a term until November 2026 and a fixed interest rate of 3.029%, acquired in April 2025 and reported in short-term investments

In H1 2026, the A1 Group recognized interest income of EUR 7 million (H1 2025: EUR 5 million) relating to these bonds.

The payables due to related parties include a dividend payable of EUR 250 million, see also Stockholders' Equity.

Revenues

The following table shows the revenues per segment:

in EUR million (unaudited)	Austria	Bulgaria	Croatia	Belarus	Slovenia	Serbia	North Macedonia	Other*	Consoli-dated
					H1 2026				
Service revenues	1,169	358	247	207	94	173	72	9	2,328
Equipment revenues	138	74	47	72	25	50	18	0	424
Other operating income	28	5	3	8	1	1	0	-3	43
Total revenues (incl. other operating income)	**1,335**	**438**	**297**	**286**	**119**	**224**	**90**	**6**	**2,795**
					H1 2025				
Service revenues	1,210	321	238	178	88	157	69	-9	2,253
Equipment revenues	124	77	44	60	24	43	16	1	389
Other operating income	28	6	3	7	1	1	1	-3	43
Total revenues (incl. other operating income)	**1,362**	**404**	**286**	**245**	**114**	**200**	**85**	**-11**	**2,685**

* Other includes: Corporate, Other & Eliminations

Cost and Expenses

The cost of equipment corresponds to material expense. Inventory valuation and employee expenses are shown in the following table:

in EUR million (unaudited)	H1 2026	H1 2025
Write-down/ reversals of write-down of inventories	-4	-0
Employee expenses, including benefits and taxes	-536	-532

Cash and Cash Equivalents and Investments

In Q2 2024, the Belarusian government imposed temporary restrictions on payment of dividends to foreign investors residing in the European Union and other countries considered “unfriendly”. As of June 30, 2026, cash and cash equivalents of the Belar-usian subsidiaries amount to EUR 154 million (December 31, 2025: EUR 92 million). Furthermore, short-term investments in Belarus amounting to EUR 84 million are subject to these restrictions at June 30, 2026 (December 31, 2025: EUR 64 million).

Intangibles and Property, Plant and Equipment

In Q2 2026, A1 Austria acquired 2 x 25 MHz in the frequency band 2600 MHz FDD for a total of EUR 11 million in an auction, valid from 2027 to 2046.

In Q2 2026, A1 Serbia paid the second installment amounting to EUR 50 million for the frequencies acquired in Serbia in Q4 2025.

In Q1 2025, A1 Bulgaria acquired concessions for cellular network licenses in the 900 MHz and 2100 MHz range for a total of EUR 10 million and a period of 10 years.

Provisions and Accrued Liabilities

Restructuring

The provision for restructuring (employees who will no longer provide services) and social plans as well as for civil servants who voluntarily changed to the Austrian government to take on administrative tasks and the discount rates applied are disclosed in the following table:

in EUR million	Jun. 30, 2026 unaudited	Dec. 31, 2025 audited
Restructuring and social plans	314	315
Civil servants transferred to the government	3	3
Total restructuring	**317**	**318**

Discount rate	Jun. 30, 2026 unaudited	Dec. 31, 2025 audited
Employees permanently leaving the service process	3.25%	3.00%
Social plans	3.00%	2.75%
Civil servants transferred to the government	3.25%	3.00%

In H1 2026, the usage of the provision for restructuring was essentially offset by additions due to new social plans. The change in discount rates at June 30, 2026 resulted in a decrease of the provision of EUR 3 million which was mostly offset by accretion expense and releases.

Employee benefit obligations

The following table discloses the discount rates applied to measure employee benefit obligations:

Discount rate	Jun. 30, 2026 unaudited	Dec. 31, 2025 audited
Service awards	3.00%	2.75%
Severance	3.75%	3.75%
Pensions	3.50%	3.50%

Asset retirement obligation

In H1 2026, the parameters used for calculating the asset retirement obligation were adjusted to current market expectations in each operative segment and are summarized in the following table:

	Jun. 30, 2026 unaudited	Dec. 31, 2025 audited
Discount rate	3.1%–24.3%	3.5%-25.0%
Inflation rate	2.2%–5.6%	2.1%-6.1%

The change in the specified parameters as well as the change in the estimated outflow of resources resulted in a decrease in the obligation with no impact on income due to an adjustment in the carrying amount of the related item of property, plant and equipment of EUR 3 million (H1 2025: decrease of EUR 3 million).

Legal

The Federal Chamber of Labor ("BAK") filed a class action lawsuit in January 2024 in connection with recurring charges, demanding that A1 no longer use certain clauses or rely on them; BAK has since withdrawn its claims for automatic reimbursement. The first-instance judgment in favor of BAK was appealed and the second instance decided partially in favor of A1 and partially in favor of BAK; this judgment is not yet legally binding. A1 continues to seek to convince the courts, up to the Supreme Court, of the legality of these clauses, especially as the telecommunications regulatory authority has regularly reviewed and accepted these clauses since 2011. In addition, there are specific legal provisions in the telecommunications sector, including those arising from European law, which support the use of such clauses. Since February 2024, these clauses have no longer been agreed with customers. In this context, provisions have been booked.

Income Taxes

	H1 2026 unaudited	H1 2025 unaudited
Effective income tax rate	21.4%	23.3%

When determining the effective income tax rate, the global minimum top-up tax related to Bulgaria and North Macedonia, where the statutory tax rates are 10% each, was taken into account. The effective tax rate applied during the year is based on full year planning assumptions. The change is primarily due to shifts in the relative weighting of segment results that are subject to different tax rates.

Stockholders' Equity

The following dividends were declared by the shareholders at the Annual General Meeting and distributed by Telekom Austria AG:

	H1 2026	H1 2025
Date of Annual General Meeting	Jun. 24, 2026	Jun. 3, 2025
Dividend per share in euro	0.42	0.40
Total dividend paid in EUR million	279	266
Date of payment	Jul. 1, 2026	Jun. 11, 2025

The declared dividend payable to the main shareholders América Móvil and Österreichische Beteiligungs AG amounts to EUR 250 million and at June 30, 2026, it is reported in payables due to related parties. The remaining dividend of EUR 29 million due to the owners of the free floated shares is reported in accounts payable.

Other comprehensive income (loss) items in the Condensed Consolidated Statements of Changes in Stockholders' Equity include the remeasurement of defined benefit obligations (IAS 19 reserve), the remeasurement of investments at fair value through other comprehensive income (FVOCI reserve) and the translation reserve. In H1 2026, EUR 14 million of the effect of translation of foreign entities in other comprehensive income relate to the appreciation of the Belarusian ruble (H1 2025: appreciation of EUR 12 million).

Share-based Compensation

On June 1, 2026, the 17th tranche of the long-term incentive program (LTI 2026) was granted. LTI 2026 has a performance period from January 1, 2026 to December 31, 2028 and a corridor for target achievement from 0% to 200%. The target values for the key indicators were determined by the Supervisory Board and are the following:

- EBITDA growth, weighted at 40%
- Growth and simplification improvement in A1 Austria, weighted at 15%
- Revenue market share growth, weighted at 15%
- Two Environmental, Social & Corporate Governance ("ESG") goals: reduction of gender pay gap and reduction of carbon footprint, each weighted at 15%

Financial Instruments

The following tables show the classification as well as the carrying amounts and fair values of financial assets and financial liabilities (debt). Fair values are not disclosed in case the carrying amount is a reasonable approximation of the fair value.

	Jun. 30, 2026		Dec. 31, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
in EUR million	unaudited	unaudited	audited	audited
Cash and cash equivalents	710	n.a.	362	n.a.
Accounts receivable: Subscribers, distributors and other	1,102	n.a.	1,021	n.a.
Receivables due from related parties	30	n.a.	11	n.a.
Other current financial assets	40	n.a.	44	n.a.
Other non-current financial assets	6	n.a.	5	n.a.
Investments at amortized cost	567	570	565	568
Financial assets at amortized cost	**2,455**	**n.a.**	**2,009**	**n.a.**
Equity instruments at fair value through profit or loss*	3	3	3	3
Debt instruments at fair value through other comprehensive income*	28	28	41	41
Debt instruments at fair value through profit or loss*	1	1	4	4
Financial assets at fair value	**32**	**32**	**48**	**48**

* mandatory
n.a. - Not applicable as the practical expedient of IFRS 7.29 (a) was applied.

The investments at amortized cost include fixed term deposits and bonds. The fair values of the bonds equal the face value multiplied by the price quotations at the reporting date and are basically classified as level 1 of the fair value hierarchy. Bonds without an active market have to be classified as level 2. At June 30, 2026 and at December 31, 2025, this applies to the bonds issued by ETS Group and bonds held in Belarus. For fixed deposits, the carrying amount approximates the fair value.

	Jun. 30, 2026		Dec. 31, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
in EUR million	unaudited	unaudited	audited	audited
Short-term bank debt	0	0	4	4
Bonds	750	746	749	744
Long-term bank debt	45	46	0	0
Payables due to related parties	291	n.a.	46	n.a.
Current financial liabilities	1,041	n.a.	950	n.a.
Other non-current financial liabilities	10	10	9	9
Financial liabilities at amortized cost	**2,136**	**n.a.**	**1,759**	**n.a.**
Lease liabilities	**1,784**	**n.a.**	**1,854**	**n.a.**

n.a. - Not applicable as the practical expedients of IFRS 7.29 (a) respectively IFRS 7.29 (d) for lease obligations were applied.

The fair value of the quoted bond equals the face value multiplied by the price quotation at the reporting date and is thus classified as level 1 of the fair value hierarchy. The fair values of the bank debt are measured at the present values of the cash flows associated with the debt, based on the applicable yield curve. The fair values of the other non-current financial liabilities are measured at the present values of the cash flows, discounted based on current interest rates, and are thus classified as level 2 of the fair value hierarchy.

The long-term bank debt relates to the financing of frequencies acquired in Serbia in Q4 2025.

For the increase in payables due to related parties in connection with the dividend distribution, see also Stockholders' Equity.

Contingent Liabilities

The tax proceedings relating to the reference date for salary increments of Austrian civil servants, disclosed in Note 35 to the 2025 Consolidated Financial Statements, were concluded in favor of A1 Group during H1 2026. Consequently, no additional tax payment became due.

The lawsuit filed in 2024 by the Association for Consumer Information (VKI) against the indexation clause used by A1 Austria is now pending at the Supreme Court.

Regarding the lawsuit filed by the Federal Chamber of Labor (BAK) against clauses related primarily to one-time charges, the Austrian Supreme Court (OGH) dismissed one of the claims and referred the matter of the activation fee to the Court of Justice of the European Union (CJEU).

Other Events

To further strengthen the A1 Group's information and communication technology ("ICT") strategy, DEX d.o.o., a provider of ICT services, was acquired in Serbia in H1 2026.

In May 2026, the previously announced transaction for the sale of A1 Bank AG was discontinued. The A1 Group is currently evaluating strategic options for the A1 Bank AG.

Vienna, July 21, 2026

The Management Board

Alejandro Plater m.p. CEO	Thomas Arnoldner m.p. Deputy CEO

Statement of Legal Representatives

Declaration of the Management Board according to §125 Para 1 Stock Exchange Act

We confirm to the best of our knowledge that the condensed interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the International Financial Reporting Standards (IFRS) and that the group management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the condensed interim financial statements and of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

Vienna, July 21 , 2026

The Management Board of Telekom Austria AG

Alejandro Plater m.p.	Thomas Arnoldner m.p.
CEO	Deputy CEO

Financial Calendar

Oct 20, 2026 Results Q3 / Q1-Q3 2026

Risks and Uncertainties

A1 Group faces various risks and uncertainties that could affect its results. For further details about these risks and uncertainties, please refer to the latest A1 Group Annual Financial Report.

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Disclaimer

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This document has been carefully prepared and all information has been carefully checked. Nevertheless, the possibility of layout and printing errors cannot be excluded. The use of automated calculation systems may result in rounding differences. The English version of this document is for convenience only; the German version is binding.

This report contains quarterly and year-to-date results that have not been audited or reviewed by a certified public accountant This document does not constitute a recommendation or invitation to buy or sell any A1 Group security.

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