

UPC BROADBAND SLOVAKIA, s.r.o.

Independent Auditors' Report
on the financial statement
and
Report on Other Legal
and Regulatory Requirements
and
Annual Report
as at 31 December 2023

Translation note:

This version of the accompanying financial statements and annual report is a translation from the original, which was prepared in Slovak. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of the financial statements and annual report takes precedence over this translation.

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Financial Statements as at 31 December 2023 consisting of:

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2. Annual Report for the year 2023



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Translation of the Independent Auditors' Report originally prepared in Slovak language

Independent Auditors' Report

To the Owners and Director of UPC BROADBAND SLOVAKIA, s.r.o.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of UPC BROADBAND SLOVAKIA, s.r.o. (the "Company"), which comprise:

- the balance sheet as at 31 December 2023;
- the income statement for the period then ended; and
- notes, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance for the period then ended in accordance with the Act No. 431/2002 Coll. on Accounting as amended ("the Act on Accounting").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements of the Act No. 423/2015 Coll. on statutory audit and on amendments to Act No. 431/2002 Coll. on accounting as amended ("the Act on Statutory Audit") including the Code of Ethics for an Auditor that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of the Statutory Body and Those Charged with Governance for the Financial Statements

The statutory body is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Act on Accounting, and for such internal control as the statutory body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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



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

Report on Other Legal and Regulatory Requirements

Reporting on other information in the Annual Report

The statutory body is responsible for the other information. The other information comprises the information included in the Annual Report prepared in accordance with the Act on Accounting but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information in the Annual Report.

In connection with our audit of the financial statements, our responsibility is to read the other information in the Annual Report that we have obtained prior to the date of the auditors' report on the audit of the financial statements, and, in doing so, consider whether the other information is materially inconsistent with the audited financial statements or our knowledge obtained in the audit of the financial statements, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

With respect to the Annual Report, we are required by the Act on Accounting to express an opinion on whether the other information given in the Annual Report is consistent with the financial statements prepared for the same financial year, and whether it contains information required by the Act on Accounting.

Based on the work undertaken in the course of the audit of the financial statements, in our opinion, in all material respects:

- the other information given in the Annual Report for the year ended 31 December 2023 is consistent with the financial statements prepared for the same financial year; and
- the Annual Report contains information required by the Act on Accounting.

In addition to this, in light of the knowledge of the Company and its environment obtained in the course of the audit of the financial statements, we are required by the Act on Accounting to report if we have identified material misstatements in the other information in the Annual Report. We have nothing to report in this respect.



Audit firm:
KPMG Slovensko spol. s r.o.
License SKAU No. 96

Responsible auditor:
Ing. Ľuboš Vančo
License SKAU No. 745

Bratislava, 28 June 2024

Úč POD

FINANCIAL STATEMENTS

of entrepreneurs maintaining accounts under the system of double entry bookkeeping

as of 31 Dec 2023

Tax identification number

2 0 2 2 1 1 7 4 0 5

Financial statements

- ordinary
 - extraordinary
 - interim

Accounting entity

- small
 - large

For the period

	Month	Year
from	0 1	2 0 2 3
to	1 2	2 0 2 3

Identification number (IČO)

3 5 9 7 1 9 6 7

SK NACE

6 1 . 9 0 . 0

(check)

Preceding period

	Month	Year
from	0 1	2 0 2 2
to	1 2	2 0 2 2

Attached parts of the financial statements

Balance Sheet
(Úč POD 1-01)
(in whole euros)

Income Statement
(Úč POD 2-01)
(in whole euros)

Notes to the Financial Statements (Úč
POD 3-01)
(In whole euros or eurocents)

Legal name (designation) of the accounting entity

U P C B R O A D B A N D S L O V A K I A , s . r . o .

Registered office of the accounting entity, street and number

Š e v č e n k o v a 3 6

Zip code

8 5 1 0 1

Municipality

B r a t i s l a v a

Designation of the Commercial Register and company registration number

C i f y C o u r t B r a t i s l a v a I I I
S e c t i o n S r o , f i l e 3 8 8 7 7 / B

Telephone

Fax

Email

I d o m o n k o s @ u p c . s k

Prepared on:

5 June 2024

Approved on:

Signature of the accounting entity's statutory body or a member of the accounting entity's statutory body or the signature of a sole trader who is the accounting entity:

DIČ: 2022117405

IČO: 35971967

Súvaha Úč POD 1-01

Designation a	ASSETS b	Line No. c	Current accounting period			Preceding accounting period
			1		2	3
			Gross - Part 1	Correction-Part 2	Net	Net
	TOTAL ASSETS line 02 + line 33 + line 74	01	245 281 787	206 955 128	38 326 659	39 125 337
A.	Non-current assets line 03 + line 11 + line 21	02	237 068 627	205 329 737	31 738 890	33 185 660
A.I.	Non-current intangible assets - total (lines 04 to 10)	03	6 094 606	5 036 321	1 058 285	937 306
A.I.1.	Capitalized development costs (012) - /072, 091A/	04	0	0	0	0
2.	Software (013)-/073, 091A/	05	5 901 863	4 964 428	937 435	886 891
3.	Valuable rights (014)-/074, 091A/	06	87 372	71 893	15 479	32 323
4.	Goodwill (015) - /075, 091A/	07	0	0	0	0
5.	Other non-current intangible assets (019, 01X) - /079, 07X, 091A/	08	0	0	0	0
6.	Acquisition of non-current intangible assets (041) - /093/	09	105 371	0	105 371	18 092
7.	Advance payments made for non-current intangible assets (051) - /095A/	10	0	0	0	0
A.II.	Property, plant and equipment - total (lines 12 to 20)	11	230 974 021	200 293 416	30 680 605	32 248 354
A.II.1.	Land (031) - /092A/	12	42 217	0	42 217	42 217
2.	Structures (021) - /081, 092A/	13	1 734 219	1 224 924	509 295	471 714
3.	Individual movable assets and sets of movable assets (022) - /082, 092A/	14	226 690 823	199 068 492	27 622 331	28 955 723
4.	Perennial crops (025) - /085, 092A/	15	0	0	0	0
5.	Livestock (026) - /086, 092A/	16	0	0	0	0
6.	Other property, plant and equipment (029, 02X, 032) - /089, 08X, 092A/	17	0	0	0	0
7.	Acquisition of property, plant and equipment (042) - /094/	18	2 506 683	0	2 506 683	2 778 427
8.	Advance payments made for property, plant and equipment (052) - /095A/	19	79	0	79	273
9.	Value adjustment to acquired assets (+/- 097) +/- 098	20	0	0	0	0
A.III.	Non-current financial assets - total (lines 22 to 32)	21	0	0	0	0
A.III.1.	Shares and ownership interests in affiliated accounting entities (061A, 062A, 063A) - /096A/	22	0	0	0	0
2.	Shares and ownership interests with participating interest, except for affiliated accounting entities (062A) - /096A/	23	0	0	0	0
3.	Other available-for-sale securities and ownership interests (063A) - /096A/	24	0	0	0	0
4.	Loans to affiliated accounting entities (066A) - /096A/	25	0	0	0	0
5.	Loans within participating interest, except for affiliated accounting entities (066A) - /096A/	26	0	0	0	0
6.	Other loans (067A) - /096A/	27	0	0	0	0

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Súvaha Úč POD 1-01

Designation a	ASSETS b	Line No. c	Current accounting period			Preceding accounting period
			1		2	3
			Gross - Part 1	Correction-Part 2	Net	Net
7.	Debt securities and other non-current financial assets (065A, 069A, 06XA) - /096A/	28	0	0	0	0
8.	Loans and other non-current financial assets with remaining maturity of up to one year (066A, 067A, 069A, 06XA) - /096A/	29	0	0	0	0
9.	Bank accounts with notice period exceeding one year (22XA)	30	0	0	0	0
10.	Acquisition of non-current financial assets(043) - /096A/	31	0	0	0	0
11.	Advance payments made for non-current financial assets (053) - /095A/	32	0	0	0	0
B.	Current assets line 34 + line 41 + line 53 + line 66 + line 71	33	6 803 918	1 625 391	5 178 527	4 634 710
B.I.	Inventory - total (lines 35 to 40)	34	4 227 988	809 304	3 418 684	3 169 316
B.I.1.	Raw material (112, 119, 11X) - /191, 19X/	35	4 194 955	809 304	3 385 651	3 129 996
2.	Work in progress and semi-finished products (121, 122, 12X) - /192, 193, 19X/	36	0	0	0	0
3.	Finished goods (123) - /194/	37	0	0	0	0
4.	Animals (124) - /195/	38	0	0	0	0
5.	Merchandise (132, 133, 13X, 139) - /196, 19X/	39	33 033	0	33 033	39 320
6.	Advance payments made for inventory (314A) - /391A/	40	0	0	0	0
B.II.	Non-current receivables - total (line 42 + lines 46 to 52)	41	136 216	0	136 216	86 385
B.II.1.	Trade receivables - total (lines 43 to 45)	42	136 216	0	136 216	86 385
1.a.	Trade receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	43	0	0	0	0
1.b.	Trade receivables within participating interest, except for receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A,31XA) - /391A/	44	0	0	0	0
1.c.	Other trade receivables (311A, 312A, 313A, 314A, 315A,31XA) - /391A/	45	136 216	0	136 216	86 385
2.	Net value of contract (316A)	46	0	0	0	0
3.	Other receivables from affiliated accounting entities (351A) - /391A/	47	0	0	0	0
4.	Other receivables within participating interest, except for receivables from affiliated accounting entities (351A) - /391A/	48	0	0	0	0
5.	Receivables from participants, members, and association (354A, 355A, 358A, 35XA) - /391A/	49	0	0	0	0
6.	Receivables related to derivative transactions (373A, 376A)	50	0	0	0	0
7.	Other receivables (335A, 336A, 33XA, 371A, 374A, 375A, 378A) - /391A/	51	0	0	0	0
8.	Deferred tax asset (481A)	52	0	0	0	0
B.III.	Current receivables - total (line 54 + lines 58 to 65)	53	1 638 161	816 087	822 074	900 110

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Súvaha Úč POD 1-01

Designation a	ASSETS b	Line No. c	Current accounting period			Preceding accounting period
			1		2	3
			Gross - Part 1	Correction-Part 2	Net	Net
B.III.1.	Trade receivables - total (lines 55 to 57)	54	1 638 161	816 087	822 074	749 554
1.a.	Trade receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	55	404 313	0	404 313	3 246
1.b.	Trade receivables within participating interest, except for receivables from affiliated accounting entities (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	56	0	0	0	0
1.c.	Other trade receivables (311A, 312A, 313A, 314A, 315A, 31XA) - /391A/	57	1 233 848	816 087	417 761	746 308
2.	Net value of contract (316A)	58	0	0	0	149 258
3.	Other receivables from affiliated accounting entities (351A) - /391A/	59	0	0	0	0
4.	Other receivables within participating interest, except for receivables from affiliated accounting entities (351A) - /391A/	60	0	0	0	0
5.	Receivables from participants, members, and association (354A, 355A, 358A, 35XA, 398A) - /391A/	61	0	0	0	0
6.	Social security (336A) - /391A/	62	0	0	0	0
7.	Tax assets and subsidies (341, 342, 343, 345, 346, 347) - /391A/	63	0	0	0	0
8.	Receivables related to derivative transactions (373A, 376A)	64	0	0	0	0
9.	Other receivables (335A, 33XA, 371A, 374A, 375A, 378A) - /391A/	65	0	0	0	1 298
B.IV.	Current financial assets - total (lines 67 to 70)	66	0	0	0	0
B.IV.1.	Current financial assets in affiliated accounting entities (251A, 253A, 256A, 257A, 25XA) - /291A, 29XA/	67	0	0	0	0
2.	Current financial assets, not including current financial assets in affiliated accounting entities (251A, 253A, 256A, 257A, 25XA) - /291A, 29XA/	68	0	0	0	0
3.	Own shares and own ownership interests (252)	69	0	0	0	0
4.	Acquisition of current financial assets (259, 314A) - /291A/	70	0	0	0	0
B.V.	Financial accounts line 72 + line 73	71	801 553	0	801 553	478 899
B.V.1.	Cash (211, 213, 21X)	72	17 379	0	17 379	10 770
2.	Bank accounts (221A, 22X, +/- 261)	73	784 174	0	784 174	468 129
C.	Accruals/deferrals - total (lines 75 to 78)	74	1 409 242	0	1 409 242	1 304 967
C.1.	Prepaid expenses - long-term (381A, 382A)	75	536 838	0	536 838	557 247
2.	Prepaid expenses - short-term (381A, 382A)	76	274 597	0	274 597	198 524
3.	Accrued income - long-term (385A)	77	0	0	0	0
4.	Accrued income - short-term (385A)	78	597 807	0	597 807	549 196

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Súvaha Úč POD 1-01

Designation a	LIABILITIES AND EQUITY b	Line No. c	Current accounting period 4	Preceding accounting period 5
	TOTAL EQUITY AND LIABILITIES line 80 + line 101 + line 141	79	38 326 659	39 125 337
A.	Equity line 81 + line 85 + line 86 + line 87 + line 90 + line 93 + line 97 + line 100	80	-68 382 084	-58 675 047
A.I.	Share capital - total (lines 82 to 84)	81	31 042 953	31 042 953
A.I.1.	Share capital (411 or +/- 491)	82	31 042 953	31 042 953
2.	Change in share capital +/- 419	83	0	0
3.	Unpaid share capital (/-/353)	84	0	0
A.II.	Share premium (412)	85	0	0
A.III.	Other capital funds (413)	86	166 695 367	166 695 367
A.IV.	Legal reserve funds line 88 + line 89	87	984 443	984 443
A.IV.1.	Legal reserve fund and non-distributable fund (417A, 418, 421A, 422)	88	984 443	984 443
2.	Reserve fund for own shares and own ownership interests (417A, 421A)	89	0	0
A.V.	Other funds created from profit line 91 + line 92	90	0	0
A.V.1.	Statutory funds (423, 42X)	91	0	0
2.	Other funds (427, 42X)	92	0	0
A.VI.	Differences from revaluation - total (lines 94 to 96)	93	0	0
A.VI.1.	Differences from revaluation of assets and liabilities (+/- 414)	94	0	0
2.	Investment revaluation reserves (+/- 415)	95	0	0
3.	Differences from revaluation in the event of a merger, amalgamation into a separate accounting entity or demerger (+/- 416)	96	0	0
A.VII.	Net profit/loss of previous years line 98 + line 99	97	-257 397 810	-247 403 719
A.VII.1.	Retained earnings from previous years (428)	98	0	0
2.	Accumulated losses from previous years (/-/429)	99	-257 397 810	-247 403 719
A.VIII.	Net profit/loss for the accounting period after tax +/- line 01 - (line 81 + line 85 + line 86 + line 87 + line 90 + line 93 + line 97 + line 101 + line 141)	100	-9 707 037	-9 994 091
B.	Liabilities line 102 + line 118 + line 121 + line 122 + line 136 + line 139 + line 140	101	105 840 358	96 916 128
B.I.	Non-current liabilities - total (line 103 + lines 107 to 117)	102	66 322 674	63 615 591
B.I.1.	Non-current trade liabilities - total (lines 104 to 106)	103	0	0
1.a.	Trade liabilities to affiliated accounting entities (321A, 475A, 476A)	104	0	0

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Súvaha Úč POD 1-01

Designation a	LIABILITIES AND EQUITY b	Line No. c	Current accounting period 4	Preceding accounting period 5
1.b.	Trade liabilities within participating interest, except for liabilities to affiliated accounting entities (321A, 475A, 476A)	105	0	0
1.c.	Other trade liabilities (321A, 475A, 476A)	106	0	0
2.	Net value of contract (316A)	107	0	0
3.	Other liabilities to affiliated accounting entities (471A, 47XA)	108	66 084 572	63 299 231
4.	Other liabilities within participating interest, except for liabilities to affiliated accounting entities (471A, 47XA)	109	0	0
5.	Other non-current liabilities(479A, 47XA)	110	0	0
6.	Long-term advance payments received (475A)	111	8 092	9 033
7.	Long-term bills of exchange to be paid (478A)	112	0	0
8.	Bonds issued (473A/-/255A)	113	0	0
9.	Liabilities related to social fund (472)	114	19 415	51 939
10.	Other non-current liabilities (336A, 372A, 474A, 47XA)	115	210 595	255 388
11.	Non-current liabilities related to derivative transactions (373A, 377A)	116	0	0
12.	Deferred tax liability (481A)	117	0	0
B.II.	Long-term provisions line 119 + line 120	118	241 046	165 156
B.II.1.	Legal provisions (451A)	119	0	0
2.	Other provisions (459A, 45XA)	120	241 046	165 156
B.III.	Long-term bank loans (461A, 46XA)	121	0	0
B.IV.	Current liabilities - total (line 123 + lines 127 to 135)	122	30 393 091	24 957 686
B.IV.1.	Trade liabilities - total (lines 124 to 126)	123	28 978 623	23 251 603
1.a.	Trade liabilities to affiliated accounting entities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	124	20 761 705	15 759 672
1.b.	Trade liabilities within participating interest, except for liabilities to affiliated accounting entities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	125	0	0
1.c.	Other trade liabilities (321A, 322A, 324A, 325A, 326A, 32XA, 475A, 476A, 478A, 47XA)	126	8 216 918	7 491 931
2.	Net value of contract (316A)	127	0	0
3.	Other liabilities to affiliated accounting entities (361A, 36XA, 471A, 47XA)	128	0	0
4.	Other liabilities within participating interest, except for liabilities to affiliated accounting entities (361A, 36XA, 471A, 47XA)	129	0	0

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Súvaha Úč POD 1-01

Designation a	LIABILITIES AND EQUITY b	Line No. c	Current accounting period 4	Preceding accounting period 5
5.	Liabilities to partners and association (364, 365, 366, 367, 368, 398A, 478A, 479A)	130	0	0
6.	Liabilities to employees (331, 333, 33X, 479A)	131	383 124	412 742
7.	Liabilities related to social security (336A)	132	242 577	256 096
8.	Tax liabilities and subsidies (341, 342, 343, 345, 346, 347, 34X)	133	672 637	875 796
9.	Liabilities related to derivative transactions (373A, 377A)	134	0	0
10.	Other liabilities (372A, 379A, 474A, 475A, 479A, 47XA)	135	116 130	161 449
B.V.	Short-term provisions line 137 + line 138	136	4 186 821	3 324 310
B.V.1.	Legal provisions (323A, 451A)	137	78 697	70 518
2.	Other provisions (323A, 32X, 459A, 45XA)	138	4 108 124	3 253 792
B.VI.	Current bank loans (221A, 231, 232, 23X, 461A, 46XA)	139	4 696 726	4 853 385
B.VII.	Short-term financial assistance (241, 249, 24X, 473A /-/255A)	140	0	0
C.	Accruals/deferrals - total (lines 142 to 145)	141	868 385	884 256
C.1.	Accrued expenses - long-term (383A)	142	0	0
2.	Accrued expenses - short-term (383A)	143	0	0
3.	Deferred income - long-term (384A)	144	71 883	79 122
4.	Deferred income - short-term (384A)	145	796 502	805 134

DIČ: 2022117405

IČO: 35971967

Výkaz ziskov a strát Úč POD 2-01

Designation a	Text b	Line No. c	Actual data	
			Current accounting period	Preceding accounting period
			1	2
*	Net turnover (part of account class 6 according to the Act)	01	47 279 377	46 611 307
**	Operating income - total (lines 03 to 09)	02	49 414 421	49 031 914
I.	Revenue from the sale of merchandise (604, 607)	03	67 574	93 518
II.	Revenue from the sale of own products (601)	04	0	0
III.	Revenue from the sale of services (602, 606)	05	47 211 803	46 517 789
IV.	Changes in internal inventory (+/-) (account group 61)	06	0	0
V.	Own work capitalized (account group 62)	07	949 569	1 132 074
VI.	Revenue from the sale of non-current intangible assets, property, plant and equipment, and raw materials (641, 642)	08	66 958	45 549
VII.	Other operating income(644, 645, 646, 648, 655, 657)	09	1 118 517	1 242 984
**	Operating expenses - total line 11 + line 12 + line 13 + line 14 + line 15 + line 20 + line 21 + line 24 + line 25 + line 26	10	56 014 858	50 447 666
A.	Cost of merchandise sold (504, 507)	11	41 816	43 813
B.	Consumed raw materials, energy consumption, and consumption of other non-inventory supplies (501, 502, 503)	12	2 912 641	4 628 417
C.	Value adjustments to inventory (+/-) (505)	13	44 669	4 979
D.	Services (account group 51)	14	31 336 611	24 602 750
E.	Personnel expenses - total (lines 16 to 19)	15	9 948 193	9 703 563
E.1.	Wages and salaries (521, 522)	16	7 242 046	7 145 523
2.	Remuneration of board members of company or cooperative (523)	17	0	0
3.	Social security expenses (524, 525, 526)	18	2 360 189	2 349 836
4.	Social expenses (527, 528)	19	345 958	208 204
F.	Taxes and fees (account group 53)	20	513 113	218 187
G.	Amortization and value adjustments to non-current intangible assets and depreciation and value adjustments to property, plant and equipment (line 22 + line 23)	21	9 533 563	9 670 542
G.1.	Amortization of non-current intangible assets and depreciation of property, plant and equipment (551)	22	9 533 563	9 670 542
2.	Value adjustments to non-current intangible assets and property, plant and equipment (+/-) (553)	23	0	0
H.	Carrying value of non-current assets sold and raw materials sold (541, 542)	24	63 269	24 181
I.	Value adjustments to receivables (+/-) (547)	25	160 469	178 322

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Výkaz ziskov a strát Úč POD 2-01

Designation a	Text b	Line No. c	Actual data	
			Current accounting period	Preceding accounting period
			1	2
J.	Other operating expenses (543, 544, 545, 546, 548, 549, 555, 557)	26	1 460 514	1 372 912
***	Profit/loss from operations (+/-) (line 02 - line 10)	27	-6 600 437	-1 415 752
*	Added value (line 03 + line 04 + line 05 + line 06 + line 07) - (line 11 + line 12 + line 13 + line 14)	28	13 893 209	18 463 422
**	Income from financial activities - total line 30 + line 31 + line 35 + line 39 + line 42 + line 43 + line 44	29	965	4 241
VIII.	Revenue from the sale of securities and shares (661)	30	0	0
IX.	Income from non-current financial assets (lines 32 to 34)	31	0	0
IX.1.	Income from securities and ownership interests in affiliated accounting entities (665A)	32	0	0
2.	Income from securities and ownership interests within participating interest, except for income of affiliated accounting entities (665A)	33	0	0
3.	Other income from securities and ownership interests (665A)	34	0	0
X.	Income from current financial assets - total (lines 36 to 38)	35	0	0
X.1.	Income from current financial assets in affiliated accounting entities (666A)	36	0	0
2.	Income from current financial assets within participating interest, except for income of affiliated accounting entities (666A)	37	0	0
3.	Other income from current financial assets (666A)	38	0	0
XI.	Interest income (line 40 + line 41)	39	0	0
XI.1.	Interest income from affiliated accounting entities (662A)	40	0	0
2.	Other interest income (662A)	41	0	0
XII.	Exchange rate gains (663)	42	965	4 241
XIII.	Gains on revaluation of securities and income from derivative transactions (664, 667)	43	0	0
XIV.	Other income from financial activities (668)	44	0	0
**	Expenses related to financial activities - total line 46 + line 47 + line 48 + line 49 + line 52 + line 53 + line 54	45	3 107 565	2 915 236
K.	Securities and shares sold (561)	46	0	0
L.	Expenses related to current financial assets (566)	47	0	0
M.	Value adjustments to financial assets (+/-) (565)	48	0	0
N.	Interest expense (line 50 + line 51)	49	3 050 115	2 836 053
N.1.	Interest expenses related to affiliated accounting entities (562A)	50	2 785 341	2 691 859
2.	Other interest expenses (562A)	51	264 774	144 194

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Výkaz ziskov a strát Úč POD 2-01

Designation a	Text b	Line No. c	Actual data	
			Current accounting period	Preceding accounting period
			1	2
O.	Exchange rate losses (563)	52	1 078	28 832
P.	Loss on revaluation of securities and expenses related to derivative transactions (564, 567)	53	0	0
Q.	Other expenses related to financial activities (568, 569)	54	56 372	50 351
***	Profit/loss from financial activities (+/-) (line 29 - line 45)	55	-3 106 600	-2 910 995
****	Profit/loss for the accounting period before tax (+/-) (line 27 + line 55)	56	-9 707 037	-4 326 747
R.	Income tax (line 58 + line 59)	57	0	5 667 344
R.1.	Income tax - current (591, 595)	58	0	0
2.	Income tax - deferred (+/-) (592)	59	0	5 667 344
S.	Transfer of net profit/net loss shares to partners (+/-596)	60	0	0
****	Profit/loss for the accounting period after tax (+/-) (line 56 - line 57 - line 60)	61	-9 707 037	-9 994 091



A. GENERAL INFORMATION

1. Legal name and registered office of the company:

UPC BROADBAND SLOVAKIA, s.r.o.
Ševčenkova 36
85101 Bratislava-Petržalka

UPC BROADBAND SLOVAKIA, s.r.o. (hereafter referred to as the "Company"), was established on 16 December 2005 and was registered in the Commercial Register on 30 December 2005 (Commercial Register of the City Court Bratislava III in Bratislava, Section Sro, file 38877/B).

The principal activities of the Company comprise:

- retransmission,
- provision of electronic communication networks on the basis of a general permit issued by the Telecommunications Office of the Slovak Republic,
- provision of electronic communication service - provision of access to the internet,
- provision of electronic communication service - public telephone service,
- installation and repair of telecommunications equipment,
- constructor,
- purchase and sale of merchandise in the scope of free trade,
- installation and repair of electrical machinery and equipment,
- advisory and consulting activities in the field of trade, services, advertising and information technology,
- rental of property, plant and equipment and computer technology,
- television broadcasting via a cable distribution system.

2. Information on unlimited liability

The Company is not a partner with unlimited liability in other companies according to Article 56 (5) of the Commercial Code or similar provisions of other legislation.

3. Date of approval of the Financial Statements for the preceding accounting period

The Financial Statements of the Company as at 31 December 2022, i.e., for the preceding accounting period, were approved by the shareholders at the Company's general meeting on 19 December 2023.

4. Legal reason for the preparation of the Financial Statements

The Financial Statements of the Company as at 31 December 2023 have been prepared as ordinary financial statements in accordance with Article 17 (6) of Act of the National Council of the Slovak Republic No. 431/2002 Coll. on Accounting (hereafter referred to as the "Act on Accounting") for the accounting period from 1 January 2023 to 31 December 2023.

The Financial Statements are intended for users who possess adequate knowledge of business and economic activities and bookkeeping and who analyse this information with appropriate care. The Financial Statements do not, and cannot, provide all information that may be needed by existing and potential investors, providers of credits and loans, and other creditors. These users must obtain relevant information from other sources.

5. Information on the Group

The Company is included in the Consolidated Financial Statements of Liberty Global, plc., Griffin House, 161 Hammersmith Road, London, W6 8BS, Great Britain, which is included in the Consolidated Financial Statements of the concern. Consolidated financial statements are available at the registered office of the aforementioned company.

6. Number of employees

The average recalculated number of employees of the Company is 274 in the accounting period 2023 (295 in the accounting period 2022).

As at 31 December 2023, the number of employees was 257, including 4 managers (as at 31 December 2022, the number of employees was 288, including 5 managers).

7. Publication of the Financial Statements for the preceding accounting period

The Financial Statements of the Company as at 31 December 2022, along with the Auditors' Report on the audit of the Financial Statements as at 31 December 2022 and the Annual Report, including the supplement to the Auditors' Report on the audit of compliance of the Annual Report with the Financial Statements, were filed in the Register of Financial Statements on 28 December 2023.



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8. Appointment of the auditor

On 19 December 2023, shareholders appointed KPMG Slovensko spol. s r. o. as the auditor of the Financial Statements for the accounting period from 1 January 2023 to 31 December 2023.

B. INFORMATION ON THE ACCOUNTING ENTITY'S BODIES

Executive officer JUDr. Martin Miller, PhD.

C. INFORMATION ON SHAREHOLDERS IN THE ACCOUNTING ENTITY

As at 31 December 2023, the structure of shareholders in the Company is as follows :

	Ownership interest in share capital		Voting rights
	EUR	%	%
UPC Slovakia Holding II B.V.	15 521 476,5	50	50
UPC Slovakia Holding I B.V.	15 521 476,5	50	50
Total	31 042 953	100	100



D. INFORMATION ON THE APPLIED PROCEDURES

1. Basis of preparation

The Financial Statements have been prepared using the going concern assumption.

Going concern basis of accounting

As at 31 December 2023, the Company's liabilities exceeded the value of its assets and the Company thus reports negative equity in the amount of EUR 68 382 thousand. Of total liabilities, liabilities to companies of the Liberty Global group, which also includes UPC BROADBAND SLOVAKIA, s.r.o., represent EUR 86 846 thousand.

The Company's management also received from its two shareholders UPC Slovakia Holding I B.V. and UPC Slovakia Holding II B.V. (which are included in the Liberty Global Group) a statement of financial support confirming that, if necessary, they will provide financial support to UPC BROADBAND SLOVAKIA, s.r.o., thus enabling it to pay due liabilities and continue to do business for at least the next twelve months.

Pursuant to the Commercial Code, a company is in crisis if it is bankrupt or is in danger of bankruptcy. Since 2018, a company is in danger of going bankrupt if the equity to liabilities ratio is less than 8 to 100. Within the meaning of aforementioned Act, the statutory body of the company has special obligations to overcome the crisis and the law prohibits a company that is in crisis from returning performance in lieu of its own resources. Receiving a statement from the shareholders about their financial support does not affect the obligations of the company and the statutory body arising from the Commercial Code.

Equity to liabilities ratio of the Company as at 31 December 2023 is less than 8 to 100, and for this reason the Company is in crisis pursuant to the Commercial Code.

The accounting policies and general accounting principles have been consistently applied by the accounting entity.

2. Use of estimates and judgments

The preparation of the Financial Statements requires that the Company management make judgments, estimates, and assumptions that affect the application of the accounting policies and accounting principles and the amounts of assets, liabilities, income, and expenses. These estimates and related assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for assessing the carrying values of assets and liabilities that are not readily apparent from other sources. Therefore, actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are not recognised retrospectively, but instead in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments

In connection with the application of accounting policies and accounting principles of the Company no such judgments are required that would have a material impact on the amounts presented in the Financial Statements.

Assumptions and estimation uncertainties

The Company did not identify such assumptions and estimation uncertainties that would have a significant risk in resulting in a material adjustment in the future accounting period.

3. Non-current intangible assets and property, plant and equipment

Purchased non-current assets are valued at their acquisition cost, which consists of the price at which an asset has been acquired plus costs related to the acquisition (customs duty, transport, assembling costs, insurance etc.) less credit notes, early payment discounts, rebates, price discounts, bonuses, etc.

The acquisition cost of non-current assets does not include interest on loans, which arose before the non-current assets were put into use.

Self-constructed non-current assets are valued at their conversion cost. Conversion cost includes all direct costs incurred during production or other activities and indirect costs related to production or other activities.

Amortisation of non-current intangible assets is based on the expected useful lives of the assets and their expected wear and tear.



Amortisation commences on the first day of the month following the date on which the non-current asset was put into use. Low-value non-current intangible assets with an acquisition cost (or conversion cost) of EUR 2 400 or less are gradually amortised during their expected useful lives.

Estimated useful lives, amortisation methods, and amortisation rates are shown in the table below:

	Estimated useful life in years	Amortisation method	Annual rate of amortisation in %
Capitalised development costs	5	straight-line	20
Software	4	straight-line	25
Valuable rights (license)	4	straight-line	25
Low-value non-current intangible assets	4	straight-line	25

Amortisation methods, useful lives, and carrying values are reviewed as at each balance sheet date and adjusted if appropriate.

Depreciation of property, plant and equipment is based on the expected useful lives of the assets and their expected wear and tear.

Depreciation commences on the first day of the month following the date on which the non-current asset was put into use. Low-value non-current tangible assets with an acquisition cost (or conversion cost) of EUR 1 700 or less are gradually depreciated during their expected useful lives.

Land is not depreciated.

Estimated useful lives, depreciation methods, and depreciation rates are shown in the table below:

Structures	Estimated useful life in years	Depreciation method	Annual rate of depreciation in %
Structures, offices	40	straight-line	2.5
Structures, HE rebuilding	10 to 20	straight-line	5 to 10
IT equipment	4	straight-line	25
UPS equipment and AC	8 to 12	straight-line	8.3 to 12.5
Servers and switches	4	straight-line	25
Measuring devices	4	straight-line	25
Fixtures and fitting	4 to 8	straight-line	12.5 to 25
Vehicles	5	straight-line	20
Networks	8	straight-line	12.5
HE Technological part	8 to 12	straight-line	8.3 to 12.5
CPE for UPC Digital, UPC internet, UPC telephone	3 to 5	straight-line	20 to 33.3
Low-value non-current tangible assets	4	straight-line	25

Depreciation methods, useful lives, and carrying values are reviewed as at each balance sheet date and adjusted if appropriate.

Impairment review

Value adjustments are created based on the prudence principle if it is justified to assume that the value of an asset has decreased compared to its carrying value. A value adjustment is recognised in the amount of the justified estimate of the impairment of the asset compared to its carrying value.

Factors that are considered important for a review of asset impairment include:

- technological advances;
- significant underperformance relative to historical or projected future operating results;
- significant changes in the manner of use of the Company assets or an overall change in the Company strategy;



- product obsolescence.

If the Company determines that, based on the existence of one or several asset impairment indicators, it can be assumed that the value of an asset has decreased compared to its carrying value, it calculates the asset impairment on the basis of estimates of projected net discounted cash flows that are expected from the asset, including its possible sale. The estimated impairment could prove insufficient if the analysis overestimated cash flows or if conditions change in the future. For more information, see Note D.9. Asset impairment and value adjustments.

4. Inventory

Inventory is valued at the lower of the following: its acquisition cost (purchased inventory) or its net realisable value.

Acquisition cost includes the price at which inventory has been acquired plus costs related to the acquisition (customs duty, transport, insurance, commissions, etc.) less credit notes, early payment discounts, rebates, price discounts, bonuses, etc. Interest on loans is not capitalised.

Disposal of inventory is recorded as the weighted arithmetic average.

Net realisable value is the estimated selling price of inventory less the estimated costs of its completion and the estimated costs necessary to make the sale.

Inventory is written down for any impairment of value.

5. Construction contracts

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs attributable to the accounting period are recognised as expenses and income under the percentage of completion method, and the stage of completion of a construction contract is determined on a cumulative basis according to the current budget of contract costs and contract revenue as at the balance sheet date as follows the proportion that construction costs incurred for work performed to date bear to the updated budget of total construction costs.

Construction costs are recognised during the period in which they are incurred. Costs incurred in the current year that are related to future activities concerning the construction contract are not included in the calculation of the state of completion.

If the outcome of the construction contract cannot be reliably estimated as at the balance sheet date, contract revenue is recognised in the amount of contract costs incurred in the relevant accounting period where recovery is probable (the "zero profit method"). The possibility of a reliable estimate of the outcome of the construction contract is always reassessed as at the balance sheet date.

As at the balance sheet date, the difference between the hitherto requested payments for the fulfilment of the construction contract and the value of the construction contract under the percentage of completion method or the zero-profit method is presented in the Balance Sheet as the net value of the contract with a corresponding credit entry in the contract revenue account.

The amounts requested by the contractor for work performed on the construction contract are presented as trade receivables with a corresponding credit entry in the contract revenue account. Advance payments received by the contractor prior to the performance of the relevant work are presented as advance payments received or long-term advance payments received.

If it is assumed as at the balance sheet date that contract costs will exceed contract revenue, an estimate of the expected loss on the construction contract is recognised as a provision for a loss on the construction contract. The amount of the expected loss is determined irrespective of whether or not work has commenced on the construction contract, the stage of completion of the construction contract, or the amount of profits expected to arise on other contracts which are not treated as a single construction contract.

A loss expected from a construction contract is presented under other operating expenses. In the accounting period in which a loss on the construction contract is no longer probable or a reduction of the loss on the construction contract or reversal of the loss is probable, a reduction in other operating expenses is presented.

Combining construction contracts. A group of contracts, whether with a single customer or with several customers, is accounted for as a single construction contract if all the following conditions are satisfied:

- a) the group of contracts and their terms are negotiated as a single package;
- b) the contracts in the group are so closely interrelated that they are part of a single project with an overall profit margin; and
- c) the contracts are performed concurrently or in a continuous sequence.

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Segmenting construction contracts. If a single contract covers the construction of several assets, the construction of each asset forming the subject matter of the contract is accounted for as a separate construction contract if all the following conditions are satisfied:

- separate proposals have been submitted for each asset;
- each asset was subject to separate negotiation and the contractor and customer have been able to accept or reject that part of the contract relating to each asset; and
- the contract costs and contract revenues of each asset can be identified.

6. Receivables

Receivables are initially measured at their nominal value; assigned receivables and receivables acquired via a contribution to share capital are valued at their acquisition cost, including costs related to the acquisition. The valuation of receivables is reduced by doubtful and bad debts.

Regarding long-term loans and non-current receivables, if the remaining maturity of a receivable or a loan exceeds one year, the value of this receivable or loan is adjusted by creating a value adjustment, which represents the difference between the nominal value and the present value of the receivable. The present value of a receivable is calculated as the sum of the products of future cash receipts and the relevant discount factors.

7. Financial accounts

Financial accounts are comprised of cash, stamps and vouchers, and bank account balances and are valued at their nominal value. A value adjustment is created for any impairment.

8. Prepaid expenses and accrued income

Prepaid expenses and accrued income are presented in accordance with the matching principle in terms of substance and time.

9. Asset impairment and value adjustments

Value adjustments are created based on the prudence principle if it is justified to assume that the value of an asset has decreased compared to its carrying value. The value adjustment is accounted for in the amount of the justified estimate of the impairment of the asset compared to its carrying value. Value adjustments are reversed, or their amount is changed if the assumption of impairment changes.

Impairment of non-current assets and inventory

As at each balance sheet date, the carrying value of the Company's assets other than a deferred tax asset (see Note D.13. Deferred taxes) is reviewed to determine whether there are any indicators that assets may be impaired. If such indicators exist, the expected future economic benefits from the relevant asset are estimated.

Value adjustments presented in previous periods are reassessed as at each balance sheet date to determine whether any indicators exist that the asset impairment assumption has changed or ceased to exist. A value adjustment is reversed if the assumptions used for determining the expected economic benefits from the asset have changed. A value adjustment is only reversed to the extent that the carrying value of the asset does not exceed the carrying value that would have been determined, net of amortisation and depreciation, if the value adjustment had not been presented.

The principles of assessing impairment of non-current assets are also described in Note D.3.

Impairment of financial assets and receivables

As at each balance sheet date, financial assets that are not valued at their fair value are reviewed to determine whether there is any objective evidence that they are impaired.

Objective evidence of impairment of financial assets includes non-repayment of debt or an illegal conduct on the part of the debtor, the restructuring of the Company's receivables under such conditions that the Company would not consider under normal circumstances, indications that a petition for bankruptcy will be filed with respect to assets of the debtor or issuer, or if an active market has ceased to exist for the relevant security. Objective evidence of impairment of investments in shares and ownership interests also includes a significant or long-term decline in their fair value below their acquisition cost.

Expected future economic benefits from the Company's investments in shares and ownership interests and from receivables are calculated as the present value of estimated discounted future cash flows. When determining the recoverable amounts of loans and receivables, the debtor's ability and performance and the amount of collateral and third-party guarantees are also considered.



A value adjustment is reversed if the subsequent increase in the expected future economic benefits can be related objectively to an event occurring after the value adjustment was recognised.

10. Liabilities

Liabilities are initially measured at their nominal value. Assumed liabilities are valued at their acquisition cost. If reconciliation procedures reveal that the actual amount of liabilities differs from the amount recorded in the accounting books, the actual amount is used to value these liabilities in the accounting books and financial statements.

11. Provisions

A provision is a liability representing the Company's existing obligation arising from past events, which is likely to reduce its economic benefits in the future. Provisions are liabilities of uncertain timing or amount and are valued on the basis of an estimate whose amount is necessary to fulfil the existing obligation as at the balance sheet date.

Creation of a provision is recorded in the relevant expense or asset account to which the liability is attributable. The use of the provision is debited to the relevant account of provisions with a corresponding credit entry in the relevant liability account. Reversal of an unusable provision or part thereof is accounted for by means of an accounting entry in reverse to the creation of the provision.

Creation of a provision for bonuses, rebates, discounts, and the repayment of the purchase price in the event of a complaint is recorded as a reduction in the originally earned income with a corresponding credit entry in the account of provisions.

Unbilled supplies of assets

Provisions for unbilled supplies of assets are recorded with no impact on net profit/loss and are valued as the estimated amount of the liability.

12. Employee benefits

Salaries, wages, contributions to pension and insurance funds, paid annual leave and paid sick leave, bonuses, and other benefits in kind (for example, health care) are recorded in the accounting period to which they correspond in terms of substance and time.

Long-term employee benefits

Based on the Labour Code, an employee is entitled to receive a retirement bonus amounting to one average monthly wage upon old-age retirement.

The main actuarial assumptions used to calculate employee benefits are as follows:

Average number of employees as at 31 December 2023	257
Discount rate	3,86 %
Long-term inflation	2,1 %

13. Deferred taxes

Deferred taxes (deferred tax assets and deferred tax liabilities) relate to the following:

- temporary differences between the carrying value of assets and the carrying value of liabilities presented in the Balance Sheet and their tax base;
- tax losses which are possible to carry forward to future periods, being understood as the possibility of deducting these tax losses from the tax base in the future; and
- unused tax deductions and other tax claims which are possible to carry forward to future periods.

Deferred tax assets and deferred tax liabilities are not recognised in the following cases:

- temporary differences upon initial recognition of an asset or liability in the accounting books if this accounting transaction has no impact on profit/loss or the tax base at the time of initial recognition and, at the same time, does not involve a business combination (i.e., it is not an accounting transaction arising for the buyer in the event of the purchase of a business or part thereof, the recipient of a contribution of a business or part thereof, or the successor accounting entity in the event of a merger, amalgamation into a separate accounting entity or demerger);
- temporary differences related to investments in subsidiaries, jointly controlled accounting entities, and associated accounting entities to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;
- temporary differences upon initial recognition of goodwill or negative goodwill.



A deferred tax asset related to deductible temporary differences, unused tax losses, and unused tax deductions and other tax claims is only recognised if it is probable that a taxable profit will be available against which these amounts can be utilised. A deferred tax asset is reviewed as at each balance sheet date and reduced by the amount in which it is not probable that a taxable profit will be attained. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse.

A deferred tax asset and a deferred tax liability are presented separately in the Balance Sheet. If they relate to deferred income tax with respect to the same taxable entity and the same taxation authority, it is possible to only present the final balance of account 481 – *Deferred tax liability and deferred tax asset*.

14. Accrued expenses and deferred income

Accrued expenses and deferred income are presented in accordance with the matching principle in terms of substance and time.

15. Subsidies from the state budget

An entitlement to a subsidy from the state budget is accounted for if it is virtually certain that the entity will comply with all the conditions attached to the subsidy and that the subsidy will be received.

Subsidies for acquisition of non-current intangible assets and property, plant and equipment are initially recorded as deferred income and are released into the Income Statement; this corresponds in terms of time and substance to the recording of amortization/depreciation of these non-current assets.

Subsidies for expenses as compensation for specific expenses related to the activities of the Company are initially recorded as deferred income and are released into the Income Statement as operating income; this corresponds in terms of time and substance to the expenses incurred for the relevant purpose.

The Company applied for and accepted state aid within the measures announced by the Government of the Slovak Republic on 1 December 2023 to cover additional costs due to the increase in energy prices (electricity and gas). The grant may be granted up to 80% of the eligible costs.

16. Leasing (Company as the lessee)

Financial leasing. Financial leasing is the acquisition of property, plant and equipment on the basis of a lease agreement with an agreed right to purchase the leased asset for agreed payments during the agreed period of lease. Assets leased through financial leasing are recognised and depreciated by the lessee, not by the owner.

The agreed payments include the purchase price for which the ownership title to the leased asset is transferred from the lessor to the lessee at the end of the agreed period of financial leasing of the asset.

The agreed period of lease is at least 60% of the depreciation period according to tax regulations. In the instance of lease of land, the period of lease is at least 60% of the depreciation period of the tangible asset included in tax depreciation group 5 or 6 (buildings and structures, the depreciation period for tax purposes is 20 and 40 years, respectively).

The asset received by the lessee is recorded in the accounting books of the lessee on the date when the asset is received, namely by means of a debit entry in the relevant asset account with a corresponding credit entry in account 474 – *Liabilities related to leasing* in the amount of the agreed payments less unrealised financial expenses.

Lease payment is allocated between the repayment of principal and financial expenses calculated using the effective interest rate method. Financial expenses are debited to account 562 – *Interest*.

Operating lease. Assets leased through operating leases are presented by the owner, not by the lessee. Assets leased in the form of operating lease are recorded against expenses on a continuous basis during the duration of the lease agreement.

17. Foreign currency

Assets and liabilities denominated in a foreign currency are translated to the euro currency as at the date of the accounting transaction according to the foreign exchange reference rate determined and announced by the European Central Bank or the National Bank of Slovakia on the date preceding the date of the accounting transaction (hereafter referred to as the "reference rate").

An increase in a foreign currency purchased with the euro currency is valued according to the exchange rate at which this foreign currency was purchased.



In the case of a decrease in the same foreign currency in cash or in a foreign exchange account, the following is used to translate the foreign currency to euros the foreign exchange reference rate determined and announced by the European Central Bank or the National Bank of Slovakia on the date preceding the date of the accounting transaction.

Advance payments received and advance payments made in foreign currencies via a bank account maintained in this foreign currency are translated to the euro currency according to the foreign exchange reference rate determined and announced by the European Central Bank or the National Bank of Slovakia on the date preceding the date of the accounting transaction.

Advance payments received and advance payments made in foreign currencies via a bank account maintained in euros are translated to the euro currency according to the exchange rate at which these assets were purchased or sold.

They are not retranslated as at the balance sheet date.

Assets and liabilities denominated in a foreign currency (except for advance payments received and advance payments made) are translated to the euro currency as at the balance sheet date according to the foreign exchange reference rate determined and announced by the European Central Bank or the National Bank of Slovakia on the balance sheet date and are recorded with an impact on net profit/loss.

18. Contribution to a capital fund from contributions (Company as the receiver of the contribution)

A contribution to a capital fund from contributions is presented within equity in account 413 – *Other capital funds* on the date of payment of the cash contribution; a contribution in kind is presented on the date of receipt of the contribution by the Company from a *shareholder*.

19. Revenue

Revenue from own work and merchandise is net of value added tax. Revenue is also reduced by discounts and reductions (rebates, bonuses, quick payment discounts, credit notes, etc.), irrespective of whether a customer was entitled to a discount in advance or whether a discount was agreed upon subsequently.

Revenue from the sale of products and merchandise is recognised on the date of performance of a supply according to the conditions specified in the contract.

Revenue from the sale of services is recognised in the accounting period in which the services were provided.

Interest income is recorded evenly in the accounting periods to which it relates in terms of substance and time

20. Comparative information

If figures for the preceding accounting period in the individual sections of the Financial Statements are not comparable owing to a change in the accounting policies and accounting principles, an explanation of the incomparable figures is provided in the Notes to the Financial Statements.

21. Correction of prior periods errors

If the Company identifies a material error concerning previous accounting periods during the current accounting period, it corrects this error in accounts 428 - *Retained earnings from previous years* and 429 - *Accumulated losses from previous years*, i.e., with no impact on net profit/loss of the current accounting period. Corrections of immaterial errors of previous accounting periods are recorded in the current accounting period in the relevant expense or income account.

In 2023, the Company did not account for any corrections of material errors of past periods.

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E. INFORMATION ON BALANCE SHEET ITEMS**1. Property, plant and equipment**

Information on the movements of property, plant and equipment from 1 January 2023 to 31 December 2023 and for the comparative period from 1 January 2022 to 31 December 2022 is shown in the tables on pages 21 and 22.

In 2023, the Company does not have any property, plant and equipment subject to the right of lien and other restrictions (in 2022: none).

The Company leases passenger cars with acquisition costs of EUR 655 321 in the form of financial leasing (carrying value as at 31 December 2023: EUR 194 819, as at 31 December 2022: EUR 364 399), which the Company presents as assets. Other information on financial leasing is contained in Note F.1.

2. Non-current intangible assets

Information on the movements of non-current intangible assets from 1 January 2023 to 31 December 2023 and for the comparative period from 1 January 2022 to 31 December 2022 is shown in the tables on pages 21 and 22.

In 2023, the Company does not have any non-current intangible assets subject to the right of lien and other restrictions (no such assets in 2022).

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UPC BROADBAND SLOVAKIA, s.r.o.
Summary of movements of non-current assets
31 December 2022

Designation	Initial measurement (Acquisition cost/Conversion cost)		Accumulated amortization/depreciation/Value adjustments		Carrying value	
	1 Jan 2022	31 Dec 2022	1 Jan 2022	31 Dec 2022	31 Dec 2021	31 Dec 2022
	EUR	EUR	EUR	EUR	EUR	EUR
Capitalized development costs	0	0	0	0	0	0
Software	4 933 362	413 073	3 349	3 349	816 158	886 890
Valuable rights	87 372	0	0	0	49 166	32 323
Goodwill	0	0	0	0	0	0
Other non-current intangible assets	0	0	0	0	0	0
Acquisition of non-current intangible assets	54 879	18 092	0	0	0	0
Advance payments made for non-current intangible assets	0	0	0	0	54 879	18 092
Non-current intangible assets - total	5 075 613	431 165	3 349	3 349	920 203	937 305
Land	42 217	0	0	0	42 217	42 217
Structures	1 522 723	54 284	0	0	375 213	471 713
Individual movable assets and sets of movable assets	214 731 294	7 418 298	2 251 063	2 251 063	28 327 590	28 955 723
Perennial crops	0	0	0	0	0	0
Livestock	0	0	0	0	0	0
Other property, plant and equipment	0	0	0	0	0	0
Acquisition of property, plant and equipment	2 534 180	2 778 427	0	0	2 534 180	2 778 427
Advance payments made for property, plant and equipment	70	273	0	0	70	273
Property, plant and equipment - total	218 830 483	10 251 282	2 251 063	2 251 063	31 279 270	32 248 353
Shares and ownership interests in affiliated accounting entities	0	0	0	0	0	0
Shares and ownership interests with a participating interest other than those in affiliated accounting entities	0	0	0	0	0	0
Other available-for-sale securities and ownership interests	0	0	0	0	0	0
Loans to affiliated accounting entities	0	0	0	0	0	0
Loans within a participating interest other than those to affiliated accounting entities	0	0	0	0	0	0
Other loans	0	0	0	0	0	0
Debt securities and other non-current financial assets	0	0	0	0	0	0
Loans and other non-current financial assets with remaining maturity of up to one year	0	0	0	0	0	0
Bank accounts with notice period exceeding one year	0	0	0	0	0	0
Acquisition of non-current financial assets	0	0	0	0	0	0
Advance payments made for non-current financial assets	0	0	0	0	0	0
Non-current financial assets - total	0	0	0	0	0	0
Non-current assets - total	223 906 096	10 682 447	2 254 412	2 254 412	32 199 472	33 185 659



3. Inventory

The movement of a value adjustment during the accounting period is presented in the table below:

	Balance as at 1 Jan 2023 EUR	Creation (increase) EUR	Reversal (use) EUR	Reversal (release) EUR	Balance as at 31 Dec 2023 EUR
Materials	764 635	140 747	0	96 078	809 304
Merchandise	0	0	0	0	0
Total	764 635	140 747	0	96 078	809 304

A value adjustment was created to reflect impairment of inventory. The value of inventory has been impaired mainly due to use of different types of material. The value adjustment to inventory was reversed because this inventory was disposed of.

4. Receivables

The movement of a value adjustment during the accounting period is presented in the table below:

	Balance as at 1 Jan 2023 EUR	Creation (increase) EUR	Reversal (use) EUR	Reversal (release) EUR	Balance as at 31 Dec 2023 EUR
Trade receivables from affiliated accounting entities	0	0	0	0	0
Other trade receivables	829 710	160 469	174 092	0	816 087
Other receivables from affiliated accounting entities	0	0	0	0	0
Tax assets and subsidies	0	0	0	0	0
Other receivables	0	0	0	0	0
Total	829 710	160 469	174 092	0	816 087

Value adjustments to receivables reflect the credit rating and the customer's ability to pay.

A value adjustment is used if an overdue receivable to which a value adjustment has been created in the past is written off.

A value adjustment is reversed in cases where the risk that the debtor will not repay the receivable or part thereof has ceased to exist or decreased.

The ageing structure of receivables is shown in the table below:

	31 Dec 2023 EUR	31 Dec 2022 EUR
Receivables - due	702 172	554 904
Receivables - overdue	1 072 205	1 261 301
Total	1 774 377	1 816 205

In 2023, the Company does not have any receivables subject to the right of lien and other restrictions (in 2022: none).

**5. Deferred tax asset**

The calculation of a deferred tax asset is shown in the table below:

	31 Dec 2023	31 Dec 2022
	EUR	EUR
Temporary differences between the carrying value of assets and the carrying value of liabilities and their tax base		
– deductible	37 217 478	28 870 417
– taxable		
Tax losses carried forward for future periods		1 552 153
Unused tax deductions and other tax claims		
Income tax rate (in %)	21	21
Deferred tax asset	7 815 670	6 388 740
Recognized deferred tax asset	0	0

A deferred tax asset is recognised to the extent that it is probable that it will be utilised in the future.

6. Financial accounts

Cash on hand, bank accounts, and stamps and vouchers are presented in financial accounts. The bank accounts are at the Company's full disposal.

7. Accruals/deferrals

Accruals/deferrals include the following items:

	31 Dec 2023	31 Dec 2022
	EUR	EUR
Prepaid expenses - long-term		
Rent	482 810	534 486
SW and HW support	54 028	22 761
Total prepaid expenses - long-term	536 838	557 247
Prepaid expenses - short-term		
Rent	58 506	57 506
SW and HW support	201 501	121 562
Other	14 590	19 456
Total prepaid expenses - short-term	274 597	198 524
Accrued income - short-term		
Voice and connected calls	135 221	196 324
Customer care	239 825	332 358
Other	222 761	20 513
Total accrued income - short-term	597 807	549 196
Total	1 409 242	1 304 967



8. Equity

As at 31 December 2023, the Company's share capital amounts to EUR 31 042 953 (as at 31 December 2022: EUR 31 042 953).

Pursuant to the Agreement on the Establishment of a lien on a business share dated 15 December 2017, liens were established on the shareholders' share in the Company, corresponding to the share capital contribution, in favour of The Bank of Nova Scotia, a Canadian publicly listed company with its registered office at 1709 Hollis Street, Halifax, Nova Scotia, Canada. Pledges arise on the day of entry in the Commercial Register.

Share capital has been fully paid.

Amounts not recognised as an expense or income, but instead recorded directly in equity accounts are disclosed in Note M. Movements of Equity.

Net loss for 2022 in the amount of EUR 9 994 091 was settled as follows:

	EUR
Transfer to accumulated losses	9 994 091
Total	9 994 091

The general meeting will decide on the distribution of loss in the amount of EUR 9 707 037 for the accounting period 2023. The proposal presented by the statutory body to the general meeting is as follows:

- Transfer to accumulated losses in the amount of EUR 9 707 036.

According to the Commercial Code, the Company is obliged to create a legal reserve fund in the minimum amount of 5 % from the net profit (annually) and up to a maximum of 10 % of the registered share capital.

**9. Provisions**

Provisions for the current accounting period are shown in the table below:

	Balance as at 1 Jan 2023 EUR	Creation EUR	Reversal (use) EUR	Reversal (release) EUR	Balance as at 31 Dec 2023 EUR
Long-term provisions, including:	165 157	78 532	0	2 643	241 046
Other long-term provisions					
Return the leased item to its original condition	107 200	78 532	0	0	185 732
Retirement bonuses	57 957	0	0	2 643	55 314
Other long-term provisions - total	165 157	78 532	0	2 643	241 046
Short-term provisions, including:	3 324 310	2 084 713	1 067 896	154 306	4 186 821
Legal short-term provisions					
Vacation pay, including social security	70 518	78 697	70 518	0	78 697
Legal short-term provisions - total	70 518	78 697	70 518	0	78 697
Other short-term provisions					
Retirement bonuses	4 542	6 337	0	0	10 879
Other personnel expenses	1 114 684	1 228 961	960 378	154 306	1 228 961
Copyright fees	2 097 566	728 218	0	0	2 825 784
Other	37 000	42 500	37 000	0	42 500
Other short-term provisions - total	3 253 792	2 006 016	997 378	154 306	4 108 124

A provision for retirement bonuses upon retirement was created using actuarial methods.

The provision for copyright has been created according to the expected payment assumption for the given rights.

The provision for other personnel expenses was created on the basis of the assumption of payment of expenses to employees.

**10. Liabilities**

Liabilities (except for bank loans, borrowings and returnable financial assistance, liabilities related to social fund, deferred tax liability and provisions) according to maturity are shown in the table below:

	31 Dec 2023 EUR	31 Dec 2022 EUR
Liabilities - overdue	8 884 397	13 206 355
Liabilities - due	21 727 381	12 015 752
	30 611 778	25 222 107

The structure of liabilities (except for bank loans, borrowings and returnable financial assistance, liabilities related to social fund, deferred tax liability and provisions) according to their remaining maturities as at 31 December 2023 is shown in the table below:

	Carrying value	Less than 1 year	1 – 5 years	More than 5 years
Trade liabilities to affiliated accounting entities	20 761 705	20 761 705	0	0
Other trade liabilities	8 216 918	8 216 918	0	0
Long-term advance payments received	8 092	0	8 092	0
Other non-current liabilities	210 595	0	210 595	0
Liabilities to employees	383 124	383 124	0	0
Liabilities related to social security	242 577	242 577	0	0
Tax liabilities and subsidies	672 637	672 637	0	0
Other liabilities	116 130	116 130	0	0
	30 611 778	30 393 091	218 687	0

The structure of liabilities (except for bank loans, borrowings and returnable financial assistance, liabilities related to social fund, deferred tax liability and provisions) according to their remaining maturities as at 31 December 2022 is shown in the table below:

	Carrying value	Less than 1 year	1 – 5 years	More than 5 years
Trade liabilities to affiliated accounting entities	15 759 672	15 759 672	0	0
Other trade liabilities	7 491 931	7 491 931	0	0
Long-term advance payments received	9 033	0	9 033	0
Other non-current liabilities	255 388	0	255 388	0
Liabilities to employees	412 742	412 742	0	0
Liabilities related to social security	256 096	256 096	0	0
Tax liabilities and subsidies	875 796	875 796	0	0
Other liabilities	161 449	161 449	0	0
	25 222 107	24 957 686	264 421	0

Information on liabilities related to financial leasing is disclosed in Note F.1.

**11. Social fund**

The creation and drawing from the social fund during the accounting period are presented in the table below:

	2023 EUR	2022 EUR
Balance as at 1 January	51 940	74 993
Creation against expenses	37 460	36 442
Creation from profit	0	0
Drawing	-69 985	-59 495
Balance as at 31 December	19 415	51 940

According to the Act on the Social Fund, part of the social fund must be created against expenses and part can be created from retained earnings. According to the Act on the Social Fund, the social fund is used to satisfy social, health, recreation, and other needs of employees.

12. Bank loans

Bank loans are detailed in the table below:

	Currency	Annual interest in %	Maturity date	Amount of principal in the relevant currency as at 31 Dec 2023	Amount of principal in euros as at 31 Dec 2023	Amount of principal in the relevant currency as at 31 Dec 2022	Amount of principal in euros as at 31 Dec 2022
Short-term bank loans							
Vendor financing	EUR	EURIBOR +2%	monthly	4 591 559	4 591 559	4 803 690	4 803 690
VF interests	EUR		monthly	105 167	105 167	49 695	49 695
				4 696 726	4 696 726	4 853 385	4 853 385
Total				4 696 726	4 696 726	4 853 385	4 853 385

The structure of bank loans according to their remaining maturities is shown in the table below:

	31 Dec 2023 EUR	31 Dec 2022 EUR
Bank loans - overdue	0	0
Bank loans with the remaining maturity of up to 1 year	4 696 726	4 853 385
Bank loans with the remaining maturity of 1-5 years	0	0
Bank loans with the remaining maturity exceeding 5 years	0	0
Total	4 696 726	4 853 385



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13. Borrowings and returnable financial assistance

The Company received a long-term interest-bearing loan from its parent accounting entity:

	Currency	Annual interest in %	Maturity date	Amount of principal in the relevant currency as at	Amount of principal in euros as at	Amount of principal in the relevant currency as at	Amount of principal in euros as at
				31 Dec 2023	31 Dec 2023	31 Dec 2022	31 Dec 2022
Long-term bank loans							
Bank loan	EUR	4.34	2031	63 299 231	63 299 231	60 631 285	60 631 285
Bank loan	EUR			<u>2 785 341</u>	<u>2 785 341</u>	<u>2 667 946</u>	<u>2 667 946</u>
				<u>66 084 572</u>	<u>66 084 572</u>	<u>63 299 231</u>	<u>63 299 231</u>
Total				<u>66 084 572</u>	<u>66 084 572</u>	<u>63 299 231</u>	<u>63 299 231</u>

The structure of borrowings and returnable financial assistance according to their remaining maturities is shown in the table below:

	31 Dec 2023 EUR	31 Dec 2022 EUR
Overdue		
Remaining maturity of up to 1 year	0	0
Remaining maturity of 1-5 years	0	0
Remaining maturity exceeding 5 years	0	0
Total	<u>66 084 572</u>	<u>63 299 231</u>
	<u>66 084 572</u>	<u>63 299 231</u>

14. Accruals/deferrals

The structure of accruals/deferrals is presented in the table below:

	31 Dec 2023 EUR	31 Dec 2022 EUR
Deferred income - long-term		
Lease other technical		
Total deferred income - long-term	<u>71 883</u>	<u>79 122</u>
	<u>71 883</u>	<u>79 122</u>
Deferred income - short-term		
Prepaid services		
Other	796 502	805 134
Total deferred income - short-term	<u>0</u>	<u>0</u>
	<u>796 502</u>	<u>805 134</u>
Total	<u>868 385</u>	<u>884 256</u>
	<u>868 385</u>	<u>884 256</u>



F. INFORMATION ON LEASING

1. Financial leasing (Company as the lessee)

The Company has liabilities related to financial leasing of passenger cars. The amounts of future payments according to maturity periods, allocated to principal and the related financial expense, are shown in the table below:

	31 Dec 2023		31 Dec 2022	
	Principal EUR	Financial expense EUR	Principal EUR	Financial expense EUR
Liabilities with the remaining maturity of up to 1 year	116 130	7 655	161 449	9 279
Liabilities with the remaining maturity of 1-5 years	210 594	17 018	255 388	17 820
Liabilities with the remaining maturity exceeding 5 years	0	0	0	0
Total	326 724	24 673	416 837	27 099

Information on financial leasing is also disclosed in Note E.1.

G. INFORMATION ON INCOME TAXES

A reconciliation from the theoretical income tax to the reported income tax is shown in the table below:

	2023			2022		
	Tax base EUR	Tax EUR	Tax %	Tax base EUR	Tax EUR	Tax %
Profit (loss) before tax	-9 707 037			-4 326 747		
Theoretical tax rate 21 %		-2 038 478	21,00%		-908 617	21,00%
Non-tax-deductible expenses	27 566 206	5 788 903	-59,64%	22 780 353	4 783 874	-110,57%
Income not subject to tax	-16 307 096	-3 424 490	35,28%	-16 901 774	-3 549 373	82,03%
Tax losses claimed during the period	-1 552 072	-325 935	3,36%	-1 551 833	-325 885	7,53%
Used tax deductions and other tax claims	0	0	0,00%	0	0	0,00%
Withholding tax	0	0	0,00%	0	0	0,00%
	0	0	0,00%	0	0	0,00%
Current tax		0	0,00%		0	0,00%
Deferred tax		0	0,00%		5 667 344	-130,98%
Total reported tax		0	0,00%		5 667 344	-130,98%



Other information on deferred taxes:

	2023 EUR	2022 EUR
Amount of deferred tax receivable recognised in the current accounting period as an expense or income, arising from a change in the income tax rate	0	0
Amount of deferred tax liability recognised in the current accounting period as an expense or income, arising from a change in the income tax rate	0	0
Amount of a deferred tax asset recognised in the current accounting period, which relates to tax losses carried forward, unused tax deductions and other claims, as well as to temporary differences from previous accounting periods, in respect of which a deferred tax asset was not recognised in previous accounting periods	0	0
Amount of a deferred tax liability arising from the fact that part of a deferred tax asset recognised in previous accounting periods was not recognised in the current accounting period	0	0
Amount of carry forward of unused tax losses, unused tax deductions and other claims, and deductible temporary differences in respect of which a deferred tax asset was not recognised	37 163 661	30 422 570
Amount of deferred income tax related to items recorded directly to equity without being recorded in expense and income accounts	0	0

Since 1 January 2017, the income tax rate in the Slovak Republic is 21%.



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H. INFORMATION ON INCOME STATEMENT ITEMS**1. Revenue from own work and merchandise**

Revenue from own work and merchandise according to the individual segments, i.e., types of products and services, is presented in the table below:

	2023 EUR	2022 EUR
Services		
Digital cable retransmission	19 039 251	19 211 052
Analogue cable retransmission	3 705	129 515
UPC internet	23 001 707	22 094 287
UPC telephone	667 579	782 312
B2B revenue	2 939 601	2 503 889
Other	<u>1 559 960</u>	<u>1 796 735</u>
	<u>47 211 803</u>	<u>46 517 790</u>
Merchandise		
Sale of merchandise	<u>67 574</u>	<u>93 518</u>
	<u>67 574</u>	<u>93 518</u>
Total	<u>47 279 377</u>	<u>46 611 307</u>

Digital cable retransmission and UPC internet comprise revenue from SOHO customers.

2. Capitalisation

Information on capitalisation:

	2023 EUR	2022 EUR
Self-constructed property, plant and equipment	598 019	779 975
Other	<u>351 550</u>	<u>352 099</u>
Total	<u>949 569</u>	<u>1 132 074</u>

3. Other operating income

	2023 EUR	2022 EUR
Contractual fines and penalties	738 087	844 393
Disassembly of network elements	10 957	54 750
Energy subsidies	13 838	157 752
Other operating income	<u>355 635</u>	<u>186 090</u>
Total	<u>1 118 517</u>	<u>1 242 984</u>

**4. Personnel expenses**

	2023	2022
	EUR	EUR
Wages	7 242 046	7 145 523
Social and health insurance	2 360 189	2 349 836
Social security	345 958	208 204
Total	9 948 193	9 703 563

5. Exchange rate gains

	2023	2022
	EUR	EUR
Exchange rate gains	965	4 241
Exchange rate gains recognised as at the balance sheet date	0	0
Total	965	4 241

6. Expenses related to services provided

	2023	2022
	EUR	EUR
Direct broadcasting expenses and other direct expenses	8 672 074	7 694 211
Lease and servicing of equipment and	12 065 456	6 379 631
Legal, managerial and advisory	2 795 296	3 372 843
Advertising and other marketing expenses	1 857 366	1 522 619
Maintenance of network and HE	1 849 934	1 825 791
Maintenance of software, hardware and data services	2 019 031	1 855 216
Offices, warehouses and HE rentals	753 827	706 784
Printing, invoice distribution and debt collection	354 085	353 865
CPE installations and connections, disconnection of customers	347 230	454 950
Customer acquisition and retention expenses	52 576	64 669
Other services	569 736	372 170
Total	31 336 611	24 602 749

**7. Other operating expenses**

	2023	2022
	EUR	EUR
Copyright fees including provision	963 447	1 150 366
Shortages and damage	178 084	2 258
Property insurance	51 248	48 279
Membership fees	36 381	37 087
Contractual fines and penalties	46 006	1 182
Other	183 096	133 740
Total	1 458 262	1 372 912

8. Exchange rate losses

	2023	2022
	EUR	EUR
Exchange rate losses	1 078	28 832
Exchange rate losses recognised as at the balance sheet date	0	0
Total	1 078	28 832

9. Financial expenses

	2023	2022
	EUR	EUR
Interest expense	3 050 116	2 836 053
Bank charges	56 372	50 351
Other	0	0
Total	3 106 488	2 886 404

10. Expenses related to audit and advisory

Expenses related to audit and advisory include expenses related to an audit of financial statements by an audit firm and other services provided by this firm, broken down as follows:

	2023	2022
	EUR	EUR
Expenses related to an audit of individual financial statements by an auditor or audit firm	42 500	37 500
Other assurance services	0	0
Tax consulting	0	0
Other non-audit services	0	0
Total	42 500	37 500

**11. Net turnover**

Classification of net turnover according to Article 2 (15) of the Act on Accounting according to individual types of products, merchandise and services or other activities of the accounting entity and main geographical markets:

Country	Products, merchandise and services	2023 EUR	2022 EUR
Slovak Republic	Digital cable retransmission	19 039 251	19 211 052
	Analog cable retransmission	3 705	129 515
	UPC internet	23 001 707	22 094 287
	UPC telephone	667 579	782 312
	B2B revenue	2 775 995	2 439 729
	Sale of merchandise	67 574	93 518
	Other	298 811	387 016
	Total	45 854 622	45 137 428
Netherlands	B2B revenue	0	13 881
	Other	0	0
	Total	0	13 881
Switzerland	B2B revenue	149 326	36 000
	Other	1 261 149	1 409 719
	Total	1 410 475	1 445 719
Czech Republic	B2B revenue	14 280	14 280
	Other	0	0
	Total	14 280	14 280
Total	Digital cable retransmission	19 039 251	19 211 052
	Analog cable retransmission	3 705	129 515
	UPC internet	23 001 707	22 094 287
	UPC telephone	667 579	782 312
	B2B revenue	2 939 601	2 503 890
	Sale of merchandise	67 574	93 518
	Other	1 559 960	1 796 735
	Total	47 279 377	46 611 308

**I. INFORMATION ON OFF-BALANCE SHEET ASSETS AND OFF-BALANCE SHEET LIABILITIES****1. Contingent liabilities**

The Company has the following contingent liabilities, which are not recorded in the accounting books and are not recognised in balance sheet:

- There is a legal action pending by a licensing association for non-payment of royalties. As at 31 December 2023, required compensation is approximately at EUR 2 million. The Company creates a provision in the amount of 60% of the required compensation.

Many parts of Slovak tax legislation remain untested in practice and there is uncertainty about the interpretation that the tax authorities may apply in a number of areas. The effect of this uncertainty cannot be quantified and will only be resolved when legislative precedents are set or when official interpretations of the authorities are available. Management is not aware of any circumstances that would cause any significant costs for the Company.

2. Other financial commitments

Other financial commitments, which are not recorded in the accounting books and are not recognised in balance sheet, are as follows:

- The Company has concluded contracts with program suppliers. The Company's liabilities from the above contracts recorded in off-balance sheet accounts amount to EUR 6 031 399 (2022: EUR 7 611 147). These transactions do not concern related parties.
- As at 31 December 2023, the Company has binding material order, assets and services in the amount of EUR 172 777 (2022: EUR 391 291). These transactions do not concern related parties.

3. Leasehold property

The Company leases (operating lease) premises from third parties. Leases are concluded for various time periods. Lease liabilities recorded in off-balance sheet accounts amount to EUR 2 021 393 (2022: EUR 3 175 090).

The Company has part of the networks and its capacity leased from third parties. Leases are concluded for various time periods. Lease liabilities recorded in off-balance sheet accounts amount to EUR 1 150 792 (2022: EUR 821 262).

J. INFORMATION ON EVENTS OCCURRING BETWEEN THE BALANCE SHEET DATE AND THE DATE OF PREPARATION OF THE FINANCIAL STATEMENTS

No events that would require a disclosure in the financial statements ended 31 December 2023 occurred after 31 December 2023 until the day of preparation of the financial statements.

K. INFORMATION ON THE ACCOUNTING ENTITY'S TRANSACTIONS WITH RELATED PARTIES

Parties related to the Company are related accounting entities within the Group, as well as their statutory bodies, directors, and executive directors. The ultimate parent is Liberty Global, plc.

Transactions with the parent accounting entity

The Company carried out the following transactions with the parent accounting entity:

	2023	2022
	EUR	EUR
License	476 380	476 783
Technological services received	0	0
Total purchases	476 380	476 783



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Assets and liabilities related to transactions with the parent accounting entity are shown in the table below:

	31 Dec 2023	31 Dec 2022
	EUR	EUR
Trade liabilities	605 119	701 118
Total liabilities	605 119	701 118

Transactions with other related parties

The Company carried out the following transactions with other related parties in group:

	2023	2022
	EUR	EUR
Provided technical services	113 326	13 881
Provided services call centrum and back office	1 297 149	1 445 719
Other revenues	235 266	38 002
Total revenues	1 645 741	1 497 602

	2023	2022
	EUR	EUR
Purchase of material	171 048	25 448
Purchase of inventory	-	34 880
Technical services received	13 046 468	7 371 212
Administrative services received	2 114 421	2 739 086
Other services	59 809	8 889
Interest on loans	2 785 341	2 691 859
Other expenses	68 134	13 236
Total purchases	18 245 222	12 884 610

The Company carried out the following transactions with other related parties are shown in the table below:

	31 Dec 2023	31 Dec 2022
	EUR	EUR
Accruals/deferrals of assets	227 279	332 358
Total assets	227 279	332 358

	31 Dec 2023	31 Dec 2022
	EUR	EUR
Trade liabilities and unbilled supplies	20 156 586	15 058 554
Loans and borrowings	66 084 572	63 299 231
Total liabilities	86 241 158	78 357 785



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Transactions with key management personnel

Key management personnel are persons having authority and responsibility for planning, directing, and controlling the activities of the accounting entity, directly or indirectly, including any executive director or other director of that accounting entity. The average number of key management personnel was 5 in 2023 and 5 in 2022.

Emoluments paid and commitments related to key management personnel (presented under personnel expenses in the Income Statement) are as follows:

	2023	2022
	EUR	EUR
Wages and other short-term employee benefits	<u>836 000</u>	<u>821 000</u>
Total	<u>836 000</u>	<u>821 000</u>

L. INFORMATION ON PAYMENTS AND BENEFITS TO MEMBERS OF THE ACCOUNTING ENTITY'S STATUTORY BODIES, SUPERVISORY BODIES, AND OTHER BODIES

In 2023, no loans, guarantees or other security were issued to the members of the statutory body or the members of the supervisory bodies; there were no financial or other resources used for private purposes and claimed by members (2022: none).



M. INFORMATION ON MOVEMENTS OF EQUITY

Movements of equity during the accounting period are presented in the table below:

	Balance as at 1 Jan 2023	Increases	Decreases	Transfers	Balance as at 31 Dec 2023
	EUR	EUR	EUR	EUR	EUR
Share capital	31 042 953	0	0	0	31 042 953
Share capital	31 042 953	0	0	0	31 042 953
Change in share capital	0	0	0	0	0
Receivables related to subscribed equity	0	0	0	0	0
Share premium	0	0	0	0	0
Other capital funds	166 695 367	0	0	0	166 695 367
Legal reserve funds	984 443	0	0	0	984 443
Legal reserve fund (non-distributable fund)	984 443	0	0	0	984 443
Reserve fund for own shares and own ownership interests	0	0	0	0	0
Other funds created from profit	0	0	0	0	0
Statutory funds	0	0	0	0	0
Other funds created from profit	0	0	0	0	0
Differences from revaluation	0	0	0	0	0
Differences from revaluation of assets and liabilities	0	0	0	0	0
Investment revaluation differences	0	0	0	0	0
Differences from revaluation in the event of a merger, amalgamation into a separate accounting entity or demerger	0	0	0	0	0
Net profit/loss of previous years	-247 403 719	0	0	-9 994 091	-257 397 810
Retained earnings from previous years	0	0	0	0	0
Accumulated losses from previous years	-247 403 719	0	0	-9 994 091	-257 397 810
Net profit/loss for the accounting period	-9 994 091	-9 707 037	0	9 994 091	-9 707 037
Total	-58 675 047	-9 707 037	0	0	-68 382 084



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	Balance as at 1 Jan 2022 EUR	Increases EUR	Decreases EUR	Transfers EUR	Balance as at 31 Dec 2022 EUR
Share capital	31 042 953	0	0	0	31 042 953
Share capital	31 042 953	0		0	31 042 953
Change in share capital	0	0	0	0	0
Receivables related to subscribed equity	0	0	0	0	0
Share premium	0	0	0	0	0
Other capital funds	166 695 367	0	0	0	166 695 367
Legal reserve funds	984 443	0	0	0	984 443
Legal reserve fund (non-distributable fund)	984 443	0	0	0	984 443
Reserve fund for own shares and own ownership interests	0	0	0	0	0
Other funds created from profit	0	0	0	0	0
Statutory funds	0	0	0	0	0
Other funds created from profit	0	0	0	0	0
Differences from revaluation	0	0	0	0	0
Differences from revaluation of assets and liabilities	0	0	0	0	0
Investment revaluation differences	0	0	0	0	0
Differences from revaluation in the event of a merger, amalgamation into a separate accounting entity or demerger	0	0	0	0	0
Net profit/loss of previous years	-234 915 287	0	0	-12 488 432	-247 403 719
Retained earnings from previous years	0	0	0	0	0
Accumulated losses from previous years	-234 915 287	0	0	-12 488 432	-247 403 719
Net profit/loss for the accounting period	-12 488 432	-9 994 091	0	12 488 432	-9 994 091
Total	-48 680 956	-9 994 091	0	0	-58 675 047



Notes Úč PODV 3 - 01

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N. CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 EUR	2022 EUR
Cash flow from operating activities		
Cash generated from operations	8 448 933	11 053 780
Interest paid	0	0
Interest received	0	0
Income tax paid	0	0
Dividens paid	0	0
Cash flow before items of exceptional size or incident	8 448 933	11 053 780
Proceeds relating to items of exceptional size or incident	0	0
Net cash flow from operating activities	8 448 933	11 053 780
Cash flows from investing activities		
Purchase of non-current assets	-7 601 894	-11 558 849
Proceeds from sale of non-current assets	62 238	31 500
Purchase of investments	0	0
Dividends received	0	0
Net cash flow from investing activities	-7 539 656	-11 527 348
Cash flow from financing activities		
Proceeds from issuance of share capital	0	0
Proceeds from contributions to a capital fund from contributions	0	0
Proceeds from loans	6 321 852	7 471 505
Repayment of non-current liabilities	-173 038	-154 063
Repayment of received loans	-6 735 436	-7 201 146
Net cash flow from financing activities	-586 622	116 296
	322 655	-357 272
Net increase/(decrease) in cash and cash equivalents		
	478 898	836 171
Cash and cash equivalents at the beginning of year		
	801 553	478 899
Cash and cash equivalents at the end of year		



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Cash flows from operations

	2023 EUR	2022 EUR
Net profit (before tax and items of exceptional size or incidence)	-9 707 037	-4 326 747
Adjustments for non-monetary transactions:		
Depreciation of property, plant and equipment and amortisation of non-current intangible assets	9 533 563	9 670 542
Value adjustment to receivables	-13 623	-35 708
Value adjustment to inventory	44 669	-62 145
Value adjustment to property, plant and equipment	0	0
Value adjustment to non-current financial assets	0	0
Unrealised exchange rate losses	0	0
Unrealised exchange rate gains	0	0
Provisions	938 401	1 285 837
Loss (gain) on sale of non-current assets	1 031	-8 461
Income from non-current financial assets	0	0
Difference between the acknowledged value of a contribution in kind and the carrying value of the asset	0	0
Interest expense	3 050 115	2 836 053
Operating profit before working capital changes	<u>3 847 119</u>	<u>9 359 371</u>
Changes in working capital:		
(Increase) in trade and other receivables (including accruals/deferrals of assets)	-62 447	-169 735
(Increase) in inventory	-294 037	-108 470
Increase in liabilities (including accruals/deferrals of liabilities)	4 958 298	1 972 614
Cash generated from operations	<u>8 448 933</u>	<u>11 053 780</u>

Cash

Cash is defined as cash on hand, equivalents of cash on hand, cash in current accounts in banks or branches of foreign banks, overdraft facility, and part of the balance of the cash in transit account tied to the transfer between the current account and petty cash or between two bank accounts.

Cash equivalents

Cash equivalents are defined as current financial assets that are readily convertible to a known amount of cash, which, as at the balance sheet date, do not entail the risk that their value will change considerably during the next three months, for example, term deposits in bank accounts with a maximum of a three-month notice, liquid securities held for trading, and priority shares acquired by the accounting entity, which are due within three months of the balance sheet date.

Annual report for 2023

UPC BROADBAND SLOVAKIA, s.r.o.



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About the Company

UPC BROADBAND SLOVAKIA, s.r.o. is one of the leading companies in Slovakia providing television services (digital cable and internet television, so-called OTT), internet (broadband high-speed internet services) and fixed telephone services. For our customers we constantly improve our services like digital television with an offer of more than 200 programs of all genres, including more than 120 TV stations in HD quality, as well as unlimited data internet connection with speed of up to 1 Gb/s, and telephone services enabling unlimited free calls in the UPC network and at affordable prices within Europe and the world.

UPC also provides internet television services through application “UPC TV”, thanks to which households everywhere in Slovakia, as well as in the networks of other operators, can enjoy the maximum quality of UPC television. Internet TV is available on mobile devices as well as through the Android TV and Apple TV applications. This innovation allows customers to watch their favourite stations, not only at home on the big TV screen, but also on the road, everywhere in Slovakia as well as throughout the EU. In addition, with no commitment.

Cable and mobile TV include the TV Archive service for customers to watch more than 120 most popular TV programs up to 7 days old.

At the end of December 2023, the UPC BROADBAND SLOVAKIA, s.r.o., provided its customers with a total of 393 900 services (RGU's), while the UPC services in Slovakia provided in its broadband network, were available to a total of 642 435 households, which is 4 500 more compared to the same period in 2022.

UPC in the Slovak Republic is part of Liberty Global (NASDAQ: LBTYA, LBTYB, LBTYK), a world leader in converged broadband, video and mobile communications services, operating under the Virgin Media, Telenet and UPC brands in six European countries. For more information about Liberty Global, visit www.libertyglobal.com.



Foreword of the Managing Director and executive officer

In 2023, UPC BROADBAND SLOVAKIA achieved solid results, despite the fact that the entire market, including telecommunications, had a high rate of inflation. On the other hand, despite the war in Ukraine, it was possible to stabilize energy prices. During the whole year, the company also continued to improve the quality of the customer services provided, both from the point of view of expanding the program TV offer, increasing the speed of the internet connection, as well as from the point of view of increasing customer satisfaction, confirmed by high values of the customer satisfaction index (NPS).

In order to provide the best possible services to our customers, we continuously increased the transmission speeds of internet services throughout the year, and at the same time, we continued to make available an internet connection with a speed of 1 Gigabit per second in other cities and locations. In 2023, we also emphasized the expansion of the program TV offer, to which we added a whole range of stations. We also continued to expand the offer of HD programs, of which we currently offer more than 120, and we also expanded the popular function of the 7-day TV archive to the same number of stations. We should also mention the special Christmas gift that we gave to all our TV customers - from 7.12.2023 to 7.1.2024 they got access to up to 52 stations for 30 days, which are normally available only as part of higher offers or additional packages.

The year 2023 was significantly marked by two other, unfortunately, negative facts in the area of TV service provision. The first is the continued rapid increase in prices for the inclusion of TV stations by their broadcasters and suppliers. Their demands for annual 20 to 30 percent payments for retransmission leave no other option for operators than to take them into account in the price for end customers. These are mainly the largest Slovak commercial broadcasters and two other international companies representing popular foreign genre stations. As a result, there is a constant increase in prices, which motivates customers of TV operators to switch to multinational so-called streaming services, which is to the disadvantage of the Slovak economy and Slovak consumers. The second negative phenomenon in 2023 was the strong pressure of Slovak broadcasters with the aim of banning the broadcasting of Czech stations offered by Slovak operators. We are glad that it was our company that led the campaign at all levels against the banning of Czech stations in Slovakia. The fact that our efforts have resulted in a successful result



is evidenced by the current situation, when Czech stations, including public and commercial ones, are still available in the offer of Slovak operators.

"UPC has long-term stable position as the leading internet service provider in Slovakia, offering the fastest internet for all groups of customers. We are pleased that we confirmed our leading position on the market in 2023 also in the fight against the ban on Czech stations offered by Slovak operators. We are glad that our efforts have successfully resulted in the current state, when Czech stations - both public and commercial - are still available in the offer of almost all operators in Slovakia. Of course, we are also pleased with the positive feedback from our customers, who appreciate our long-term efforts in this matter."

Martin Miller, managing director UPC BROADBAND SLOVAKIA

Key indicators for 2023

- In 2023, UPC continued to improve the quality of services provided in all segments and strengthened its leading position in the field of connectivity.
- To enable UPC customers to take full advantage of their internet connection, **UPC continued to make the internet available at 1 Gigabit per second in another cities and locations. Thus, at the end of 2023, high-speed internet from UPC became available to 642 435 households in more than 80 locations in Slovakia.**
- UPC also continued to bring the best **TV entertainment experiences through its digital services** (Digital Cable TV and Internet UPC TV). In addition to adding more HD stations to the TV offer, which already includes more than 120 HD stations, UPC expanded its TV offer by new TV stations in 2023.
- The Company put **great emphasis on improving the quality of customer care and service, which was confirmed by the high scores of the Customer Satisfaction Index (NPS) at the end of the year.** In this context, our Company opened a new location in 2023, in the attractive location, in shopping center Eurovea in Bratislava, which continues to enjoy more and more customers from



Bratislava and the surrounding area. In June 2023, we also opened a new, modernized customer center for our customers in Levice.

- In April 2023, we also launched a mobile application called My UPC - an online customer zone that allows our customers to have all the information about the services or payments they use at hand. With the My UPC application, which is available for both Android and iOS operating systems, the customer can comfortably and at any time manage their services on their mobile device, without the need to visit the customer center. In the application, the customer can arrange everything conveniently online.

UPC cooperation with Swan: Fast SIM via UPC

The company UPC, as one of the largest providers of television, internet connection and fixed telephone services, also prepared an attractive novelty for its customers before Christmas 2023. In cooperation with mobile operator 4-ka, we introduced the offer "Fast SIM via UPC" in combination with UPC services. With this offer, the customer can activate one of the new SLOBODA flat rates from 4-ka, while thanks to the benefits offered by UPC and 4-ka in this way, he can receive a benefit in the form of up to 3 monthly flat rates for free.

The customer receives the first monthly flat rate free of charge, and the second and third months receive a discount from UPC in the amount of the activated flat rate, which is automatically deducted from the next invoice up to the amount of prepaid UPC services. In this way, the customer can save up to €69 during the first 3 months. You can order your "Fast SIM via UPC" immediately online or at the customer centre. It is enough if he already has or chooses at least one new UPC service - internet or TV - and as a special benefit he will receive "Fast SIM via UPC" with a free flat rate. The customer chooses his new SIM during the order process or in his shopping cart.

We are pleased that we have presented a new offer in cooperation with the mobile operator 4-ka, which brings a great benefit to customers of both operators. This offer complements our existing portfolio of TV, internet and landline services. We are convinced that with the new offer we bring not only significant financial savings to our customers, but also the opportunity to provide all digital services in one place.

* * *

UPC achieved solid results in 2023, despite high inflation, the ongoing economic and social consequences of the war in Ukraine, or broadcasters' demands for increased



payments for listing individual stations. In 2024, we plan to continue bringing innovations, expanding the offer of programs, including HD programs, increasing speeds and improving the quality of internet services, and expanding the broadband network. Our goal is to provide the best service and customer care so that our customers can continue to rely on us to provide them with innovative, stable and quality services and customer care so that our customers can continue to rely on us to provide them with innovative, stable and quality services.

Martin Miller

managing director and executive officer UPC BROADBAND SLOVAKIA, s.r.o.



Corporate Social Responsibility: what we are proud of at UPC

UPC BROADBAND SLOVAKIA, s.r.o. is aware of its social responsibility and has been actively involved in this area for almost 25 years. It is important to us that we make a positive contribution to the development of particularly disadvantaged groups of the population, which is why UPC BROADBAND SLOVAKIA directs its corporate responsibility towards this part of society. Of course, active support for DE&I (Diversity, Equity & Inclusion) is also an important part of this policy, including different CSR projects we implement under a common activity Together with Heart.

BLOOD DONATION: In 2023, we again continued to organise blood donations under the title “Staň sa hrdinom, daruj krv“ (Become a Hero, Donate Blood). For several years we organise blood donation in our premises with a help of medics from mobile transfusion station. In 2023, few dozens of our colleagues donated multiple litres of the life-giving fluid.

VOLUNTEERING WEEK: This year's Volunteering Week was also part of the social responsibility activities. As part of it, almost 50 of our colleagues in Bratislava and Košice participated in various events and activities with the aim of helping individual organizations and beautifying our surroundings. Whether it was the improvement of school campuses, the revitalization of green public areas, work on saving castle ruins, painting benches and fences, or beautifying social service homes. Our company also supports these activities by providing its employees with 1 day of paid leave for volunteering.

SOCK CHALLENGE: On the occasion of World Down Syndrome Day, UPC BROADBAND SLOVAKIA also participated in Funny Socks Day in 2023, with the aim of expressing solidarity and at the same time helping people suffering from this syndrome. We did so symbolically by wearing different socks and creating diverse sock creations that symbolize the difference and diversity of people, because to be different is to be unique. For the Gardenia Day Center which takes care of children suffering from the rare genetic disease CDKL5, we collected and handed over 1,500 Euros among our employees.



HELPING CHILDREN WITH AUTISM: Among the long-term corporate responsibility projects is the continuation of long-term cooperation with the F84 organization, which helps children and adults with autism in the form of financial support, parent education, organizing various events for families with an autistic member, but also informing the public about this diagnosis and the life of families. Based on the agreement with F84, all families diagnosed with autism could also use UPC services at half price in 2023, i.e. with a 50 percent discount.

HOW MUCH LOVE CAN FIT IN A SHOEBOX: In 2023, for the fourth time, our Company has joined a nationwide initiative called "How much love can fit in a shoebox?" Her goal is to give a nice surprise, a gift for lonely seniors who no longer have anyone to spend Christmas with or are no longer expecting a gift. Therefore, we prepared dozens of packages with items and gifts for them, which went to retirement homes, where they pleased those who no longer expect a gift from anyone.

WE CARE ABOUT THE ENVIRONMENT: In 2023, UPC's engagement as a socially responsible company continued in the context of environmental protection. In this interest, we provide an electronic invoice sending service free of charge, which also meets the needs and requirements of an increasing number of customers. According to our calculations, saving the amount of paper (sheets, envelopes, distribution) will save 30 trees a year, which would otherwise be felled for the purposes of the paper industry.

In environmental protection, we continued to minimise the environmental burden that may arise in connection with our business. Therefore, we only rent electronic terminal equipment, such as set top boxes and modems, to customers and, after reprocessing, provide it for further use. This is also related to waste separation, which has become a standard practice in our Company. In this interest, for example, the separation of plastic bottles is already taking place in the primary process, on each floor of our Company's headquarters building.

In 2023, UPC continued to support schools, kindergartens and hospitals - especially children's hospital wards - by provision of free television and internet services, as well as direct financial support for families with child cancer patients and many other activities.



We are interested in maintaining this trend.

Additional information to the financial statements

In 2023, the Company did not incur any research and development costs. The Company did not acquire any of its own shares, temporary certificates, shares nor temporary certificates and shares of the parent entity. The Company does not have an organisational unit abroad.

As in previous years, the Company made every effort to reduce the negative effects of its activities on the environment, despite the fact that the nature of the Company's activities has a low share in endangering the environment. The Company's economic result will be recognised in the retained earnings of previous periods.

Selected financial indicators of the Company 2023 and 2022:

Indicator/Year	2023	2022	Change in EUR	Change in %
Turnover	47 279 377	46 611 307	668 070	1.43%
Profit/loss	-9 707 037	-9 994 091	287 054	2.87%
Total assets	38 326 659	39 125 337	-798 678	-2.04%
Property, plant and equipment	32 411 944	33 829 292	-1 417 348	-4.19%
Current assets	5 914 715	5 296 045	618 670	11.68%
Equity	-68 382 084	-58 675 047	-9 707 037	-16.54%
External resources	106 708 743	97 800 384	8 908 359	9.11%

Financial indicators are reported from the individual financial statements for 2023 and 2022.

As at 31 December 2023, the Company's liabilities exceeded the value of its assets and the Company thus reports negative equity in the amount of EUR 68 382 thousand. Of these total liabilities, liabilities to companies of the Liberty Global group, of which UPC BROADBAND SLOVAKIA, s.r.o. is a part, represent EUR 86 846 thousand.

The going concern is not threatened in the next twelve months due to the expected positive cash flows.

The Company's management received a statement of financial support from its two partners UPC Slovakia Holding I B.V. and UPC Slovakia Holding II B.V. (part of Liberty Global) confirming that, if necessary, they will provide financial support to UPC BROADBAND SLOVAKIA, s.r.o. to pay its due liabilities and continue as a going concern



for at least the next twelve months.

The management of the Company is not aware of any significant risks and uncertainties to which the Company would be exposed.

Due to the number of employees and their minimal turnover, the Company does not have a significant impact on employment from a national or regional point of view.

The Company's management expects to maintain the trend of constantly increasing the level of quality of individual services provided to customers and at the same time the level of customer care provided.

No other significant events have occurred after the end of the accounting period for which these financial statements are prepared, which would significantly change the data reported in the annual report.

In the opinion of the Company's management, these factors support the claim that the Company will have sufficient resources to continue as a going concern for at least 12 months from the date the financial statements are issued. The Company's management has concluded that the range of possible outcomes considered in making this assessment does not create significant uncertainties related to events or conditions that could cast serious doubt on the Company's ability to continue as a going concern.



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