

Press release

Renens, 11.07.2023

Salt: S&P Global Ratings upgrades Matterhorn Telecom Holding's credit rating to 'BB-' – Fitch Ratings assigns a first-time rating of 'BB-'

S&P Global Ratings has upgraded the long-term issuer credit and issue ratings on Matterhorn Telecom Holding S.A. (Matterhorn Telecom), the parent company of Salt, a leading Swiss telecommunications provider, to 'BB-' from 'B+'. At the same time, Fitch Ratings has assigned Matterhorn Telecom a first-time Long-Term Issue Default Rating of 'BB-' and a BB+ issue rating to its proposed secured notes. The outlook for those ratings is stable.

Franck Bernard, CFO of Salt, commented: *"We are very pleased that our continued progress is being recognized by these important stakeholders. After the successful transformation of the business, we have continuously expanded our business and achieved strong customer growth in all areas. Throughout this process, we have always been focusing on profitability and demonstrated financial discipline. These ratings underline that we have created an attractive and sustainable growth platform that is reliably generating strong cash flows."*

S&P Global Ratings commented the rating action: *"We anticipate that Switzerland-based Matterhorn Telecom Holding S.A. (Salt) will continue its strong momentum in 2023-2024."*, adding, *"The upgrade is further supported by solid track record of maintaining a consistent financial policy"*. S&P Global Ratings also noted that *"Salt's business has grown and its customer experience has improved"*, and adds, *"The sophisticated structure of its wholesale [FTTH] agreements, and its strong focus on efficiency, have helped Salt deliver above-average margins and stronger cash flows than peers."*

Fitch Ratings commented: *"The ratings reflect Salt's stable position in the Swiss mobile market which drives the vast majority of its cashflow. Salt has a relatively low mobile market share compared to other alternative, challenger operators in Europe. However, strong execution and a lean cost structure, enables the business to generate one of the highest EBITDA margins in the sector."* And added, *"Salt has a strong opportunity to grow revenues and increase the diversity of its cashflow through expanding its fixed, fibre broadband business over the next four to five years. The company has an attractive, multi-supplier agreement for fibre that allows near owner economics and success driven capex that improves investment risks and speeds up time to market."*

This announcement does not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which, or to any persons to whom, such offer, solicitation or sale is unlawful.

Statements in this announcement which are not historical facts are forward-looking statements. All forward-looking statements involve risks and uncertainties which could affect Matterhorn Telecom's actual results and could cause its actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, Matterhorn Telecom.

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About Salt

Salt stands for innovation offering attractive prices for premium products in the Swiss telecommunications market. An excellent mobile network, the country's best performing internet connection (nPerf, 2022), attractive prices and customer-focused service ensure an outstanding experience for its business and residential customers. The company's services as well as its fixed and mobile networks are repeatedly awarded: best broadband offer (connect, 2023) very good mobile network (connect, 2023), best performing internet connection (nPerf, 2022), best broadband tariff (SIQT, 2022), best universal provider for SME and residential customers (Bilanz, 2022), number one Bto-B mobile provider (SIQT, 2022).

Based in Renens (VD), Salt has two additional offices in Biel and Zurich. The company employs more than 1,000 employees and serves 1,516,400 postpaid mobile and more than 200'000 broadband customers across Switzerland. Salt currently offers 99.9% population coverage.

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