



# Investor Update

As of July 11, 2024



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# Investor Update

## Forward-Looking Statements and Presentation of Financial Information

### Forward-looking statements

Certain statements contained in this presentation may constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to our future outlook and anticipated events, business, operations, financial performance, financial condition or results. Particularly, statements regarding our financial guidelines, future operating results and economic performance, objectives and strategies are forward-looking statements. These statements are based on certain factors and assumptions including expected growth, results of operations, purchase price allocation, tax rates, weighted average cost of capital, performance and business prospects and opportunities, which we believe are reasonable as of the current date. Refer in particular to the "Corporate Objectives and Strategies" and the "Fiscal 2024 Financial Guidelines" sections in the 2023 annual Management Discussion and Analysis ("MD&A") and the "Corporate Objectives and Strategies" section in the 2024 third quarter MD&A for a discussion of certain key economic, market and operational assumptions we have made in preparing forward-looking statements.

Forward-looking information involves known and unknown risks and uncertainties and other factors which may cause the actual results to differ materially from the assumptions, estimates or expectations reflected or contained in the forward-looking information, and may be affected by a number of factors, many of which are beyond the Corporation's control. The uncertainties and main risk factors that could influence actual results are described in the "Uncertainties and main risk factors" sections of the 2023 annual MD&A and the 2024 third quarter MD&A. These factors are not intended to represent a complete list of the factors that could affect Cogeco and future events and results may vary significantly from what we currently foresee. The reader should not place undue importance on forward-looking information contained in this presentation and forward-looking statements contained in this presentation represent our expectations as of July 11, 2024 and are subject to change after such date. While we may elect to do so, we are under no obligation (and expressly disclaim any such obligation) and do not undertake to update or alter this information at any particular time, whether as a result of new information, future events or otherwise, except as required by law.

### Presentation of financial information

This presentation also includes non-IFRS and other financial measures **(as indicated below and numbered from i) to viii) in the presentation)** that are not standardized under IFRS and might not be comparable to similar financial measures disclosed by other companies. Certain additional disclosures for these financial measures, including reconciliations to the most directly comparable IFRS financial measures, have been incorporated by reference and can be found in the "Non-IFRS and other financial measures" section of the Corporation's MD&A for the third quarter of fiscal 2024, the "Non-IFRS and other financial measures" section of the Corporation's annual MD&A for the years ended August 31, 2023, 2022 and 2021, and in the "Non-IFRS financial measures" section of the Corporation's annual MD&A for the years ended August 31, 2020 and 2019, available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca)

- i. Adjusted EBITDA is total of segments measure. Adjusted EBITDA margin is a supplementary financial measure
- ii. Free cash flow and free cash flow, excluding network expansion projects are non-IFRS financial measures
- iii. Net capital expenditures is total of segments measure
- iv. Constant currency basis is a non-IFRS financial measure or ratio
- v. Capital intensity is a supplementary financial measure. Capital intensity excluding network expansion projects is a non-IFRS ratio
- vi. Net indebtedness to adjusted EBITDA ratio is a capital management measure
- vii. Available liquidity is a non-IFRS financial measure
- viii. Free cash flow dividend payout ratio and free cash flow, excluding network expansion projects, dividend payout ratio are non-IFRS ratios

IFRS 16 has been applied as of September 1, 2019 using the modified retrospective approach where the comparative period was not restated but the cumulative effect is recognized in the opening retained earnings of FY2020. Accordingly, FY2019 financials and any preceding years were not restated for these changes. IFRS 16 eliminates the distinction between operating and finance leases, requiring instead that future lease payments be capitalized and recognized as lease liabilities. As a result, the presentation of expenses between operating expenses, depreciation and financial expenses has changed.

LTM refers to figures for the twelve months ended May 31, 2024.

Totals in certain tables do not sum due to rounding.

Unless otherwise noted, all amounts are expressed in Canadian dollars.

# Cogeco Communications

## TSX: CCA

# Cogeco Communications Overview

## Investment Highlights

### Growing competitive force in the North American telecom sector

- Fibre-powered network delivers high-speed Internet, video and wireline phone services to 1.6M residential and business subscribers
- Differentiated by speed, reliability, innovation, customer experience, and deep connections with the communities we serve

### High adjusted EBITDA margins and strong Free Cash Flow

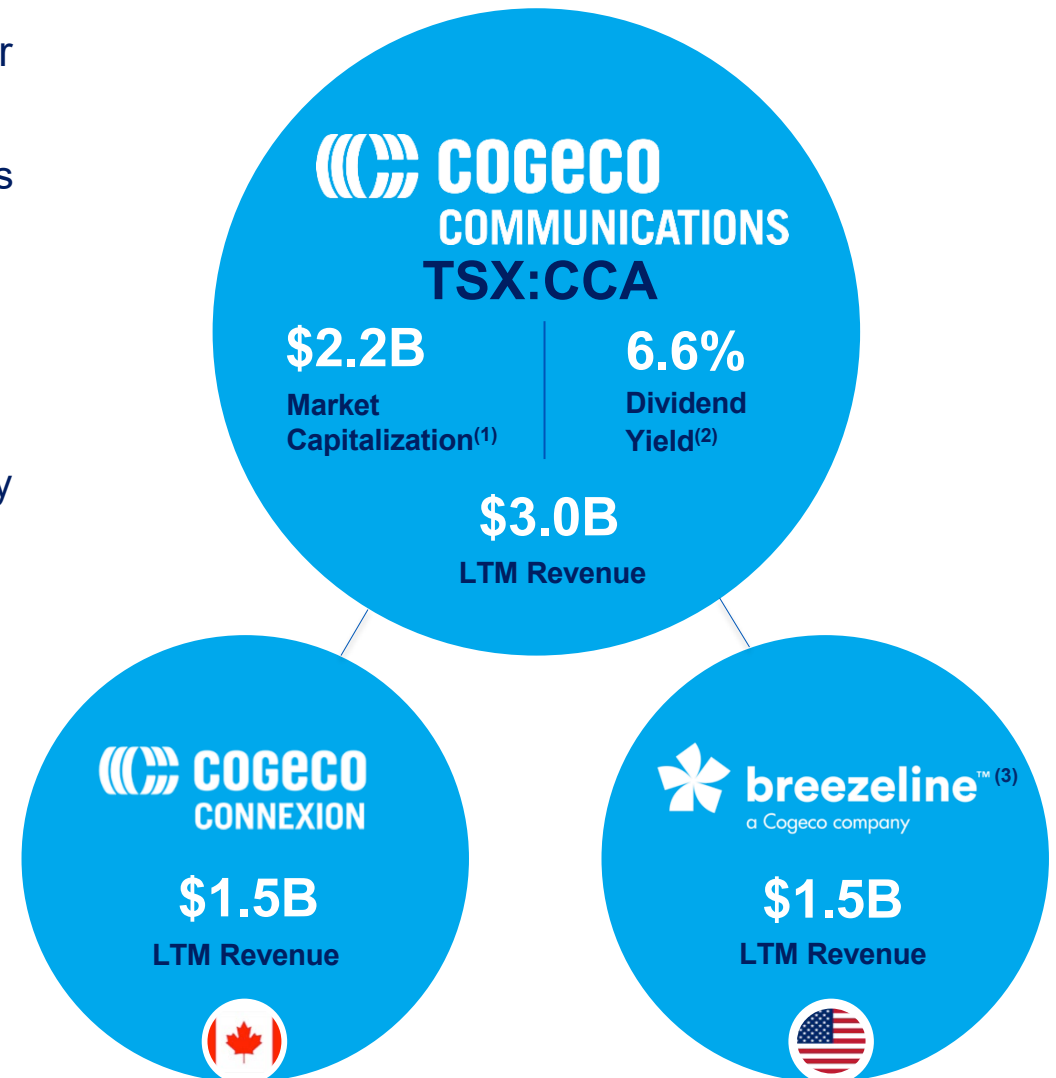
- Driven by a stable business model, scale, and operational efficiency

### Multiple capital efficient growth initiatives

- Fibre-to-the-home (FTTH) geographic expansion
- Expanding wireless services offering

### Significant return of capital while maintaining prudent leverage

- Strong history of annual dividend increases
- Repurchased 16%<sup>(4)</sup> of the outstanding shares since 2019



(1) As of July 2, 2024

(2) Based on an annualized quarterly dividend of \$0.854 per share declared on July 11, 2024 divided by share price as of July 2, 2024

(3) Caisse de dépôt et placement du Québec ("CDPQ") owns 21% of Breezeline

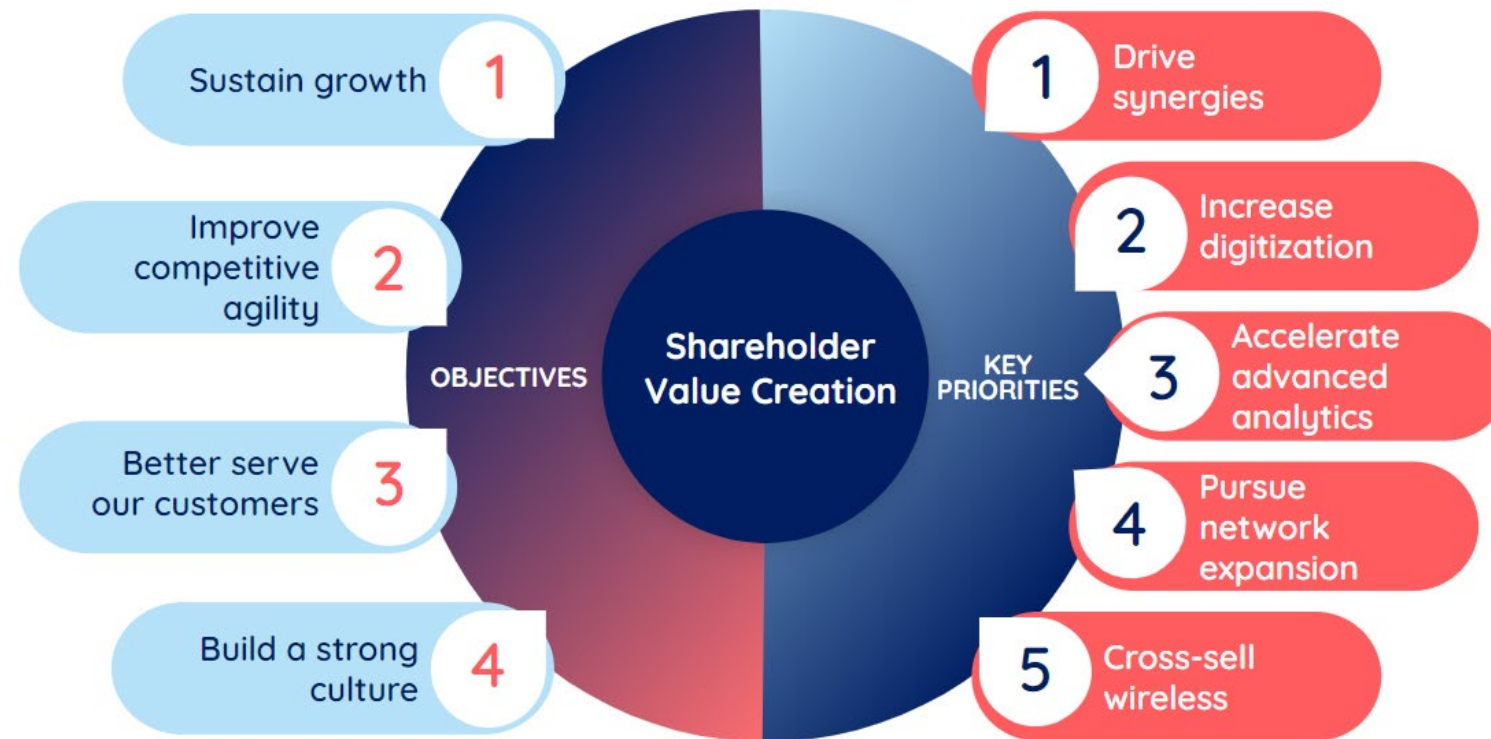
(4) As a % of the outstanding shares at the introduction of the program in May 2019 which was 49,594,805 shares



# Cogeco Communications Overview

*Transformation: Delivering Sustainable Growth & Value for Shareholders*

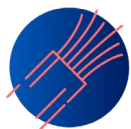
**Breezeline and Cogeco Connexion to become one unified North American organization**



- Nimbler structure positions the company on a sustainable and value creating growth trajectory
- Increases competitive agility
- Allows Cogeco to better serve its customers
- Brings top leaders closer to customers and front-line teams

# Cogeco Communications Overview

Leveraging a North American Platform



## High-quality product offering

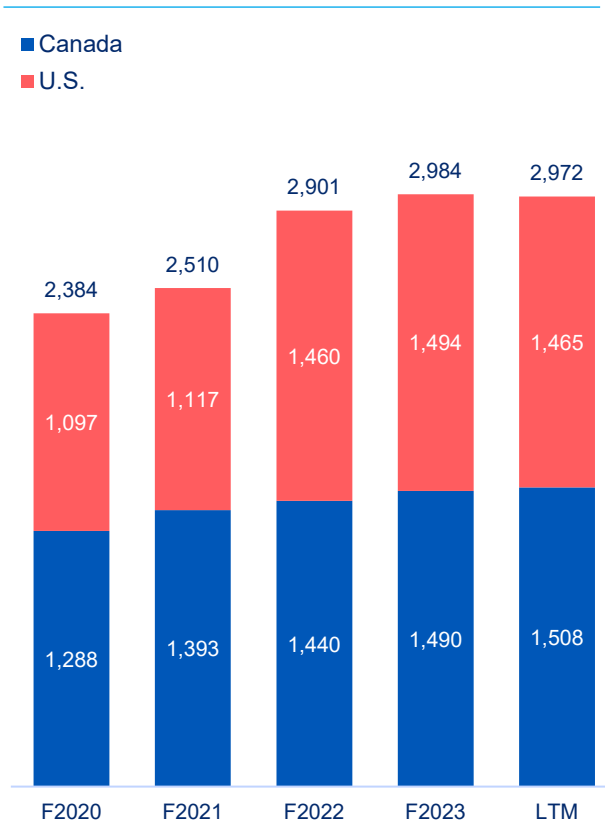
- Internet packages of up to 1 Gbps for residential customers and 10 Gbps for commercial customers
- Fibre-to-the-home in all expansion territories
- Modern and cost-effective IPTV solution available across our Canadian & U.S. markets
- Nationwide 5G wireless service available within our U.S. markets
- Plans for multi-gigabit network evolution through a balanced mix of fibre and DOCSIS 4.0



## Distinctive customer experience

- Local and high-quality customer service
- Strong, socially responsible brands

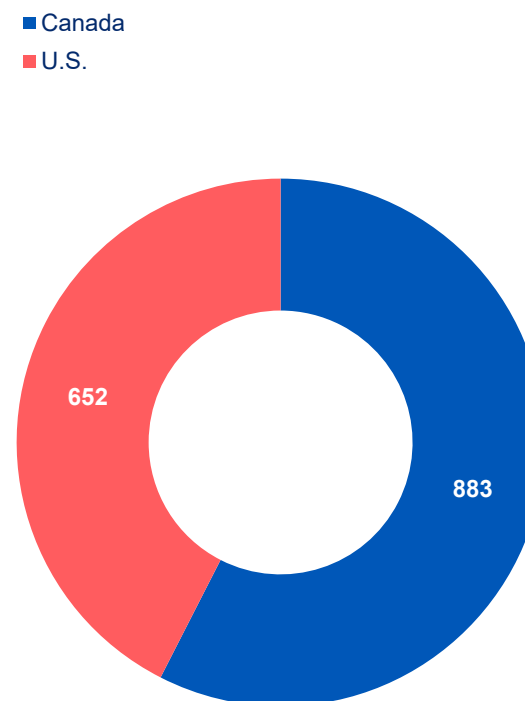
## Revenue \$M



## Internet Service Subscribers

As of May 31, 2024

000's



# Cogeco Communications Overview

Expanding Addressable Market



## Wireless

- Recent launch of **wireless services in the U.S.** to be followed by the commercialization of **wireless services in Canada.** Both services will utilize a **capital efficient model** under an MVNO framework



- Potential to double addressable market** based on customer telecom spend and mid-band spectrum licenses covering our Canadian broadband footprint



- Breezeline Mobile launched** in spring 2024 with an assortment of flexible plans across the majority of our U.S. broadband footprint

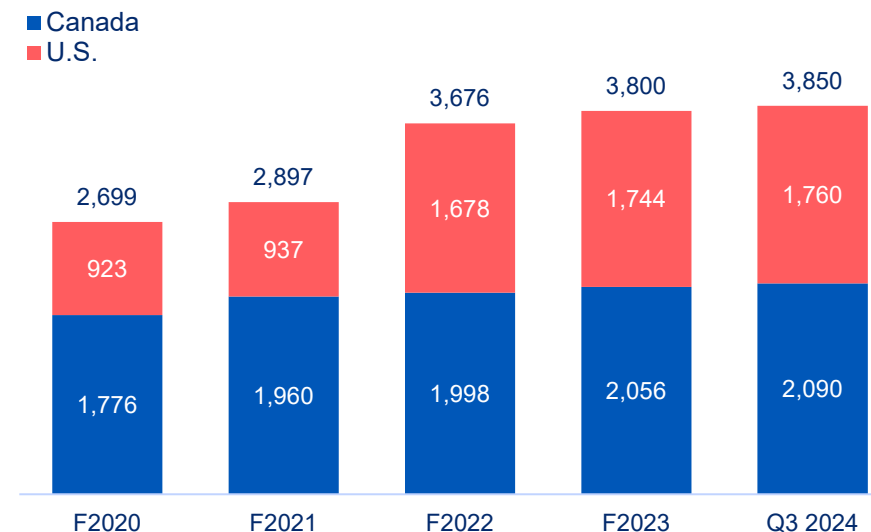


## Network Evolution & Expansion

- Fibre-to-the-home expansions** in Canada and the U.S. resulting in **239,000 homes passed** added since the beginning of F2022<sup>(1)(2)</sup>, representing more than an 8% network increase
  - Participating in government subsidy programs to expand connectivity in areas with currently no high-speed wireline Internet

## Homes Passed

000's



(1) From September 1st, 2021 to May 31, 2024

(2) Organic growth calculated by excluding additions resulting from acquisitions



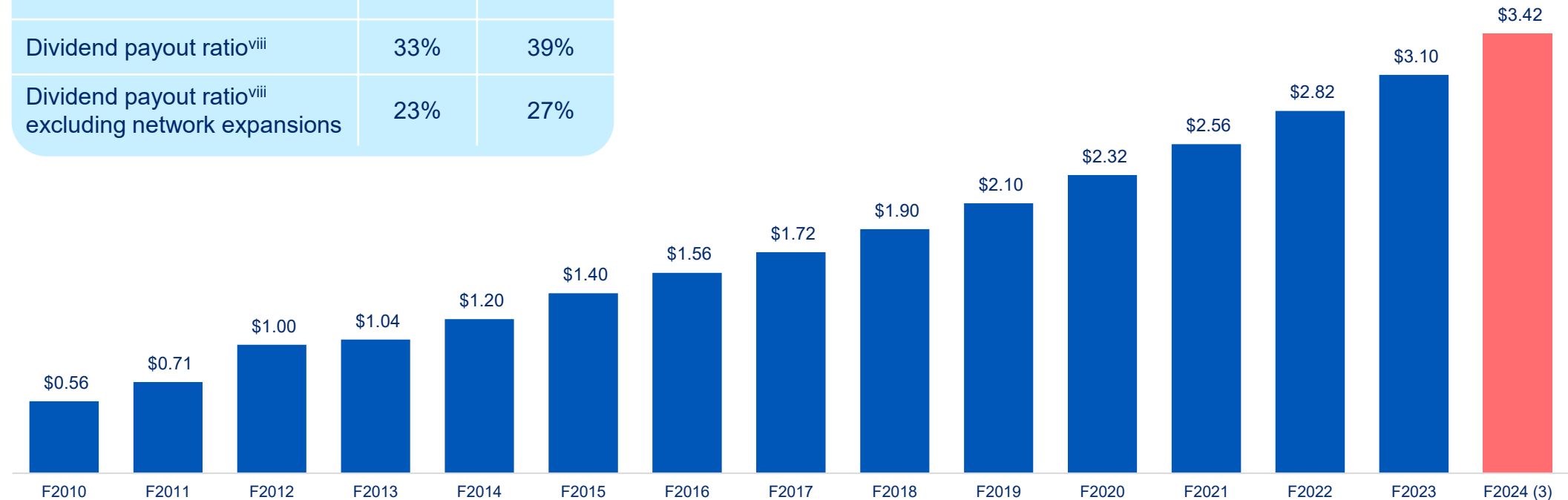
# Cogeco Communications Overview

Strong History of Returning Capital to Shareholders

Shareholder returns enhanced through return of capital to complement growth investments

## Dividends per Share

	F2023 <sup>(1)</sup>	F2024 <sup>(1)(2)</sup>
Dividend payout ratio <sup>viii</sup>	33%	39%
Dividend payout ratio <sup>viii</sup> excluding network expansions	23%	27%



(1) Dividends declared for the year on multiple and subordinate voting shares divided by free cash flow

(2) Based on FY2024 free cash flow mid-range guidelines

(3) Based on an annualized quarterly dividend of \$0.854 per share declared on July 11, 2024. The dividend is subject to Board of Directors' approval on a quarterly basis and there is no assurance that it will remain at the current level

# Cogeco & Cogeco Communications Overview

## Summary of December's Share Repurchase Transaction

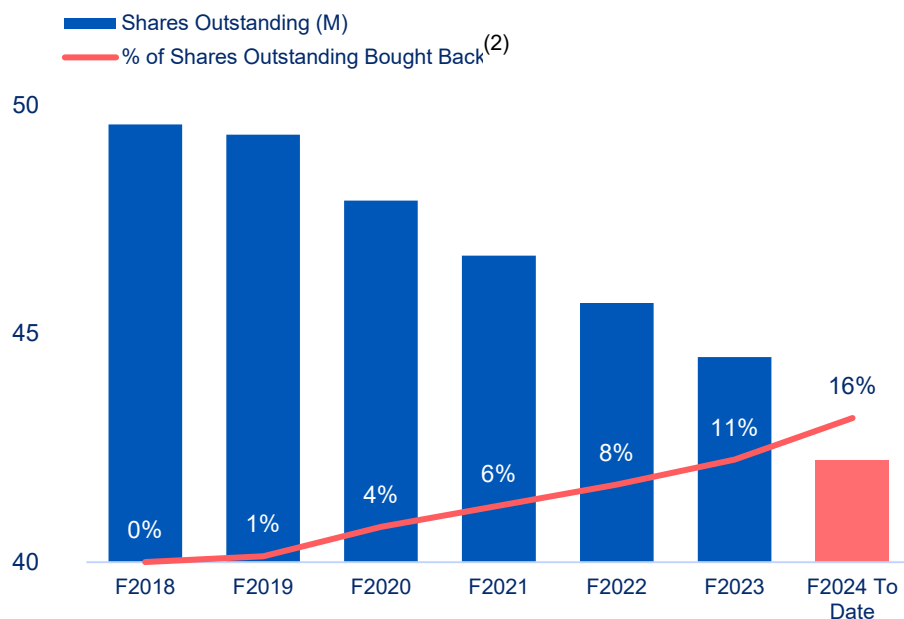
### CCA Benefits:

- Accretive on a free cash flow per share basis
- 5% reduction in shares outstanding
- Increase in the public float of 29%<sup>(1)</sup>
- Structure maintains healthy balance sheet, liquidity and financial flexibility while maintaining prudent leverage

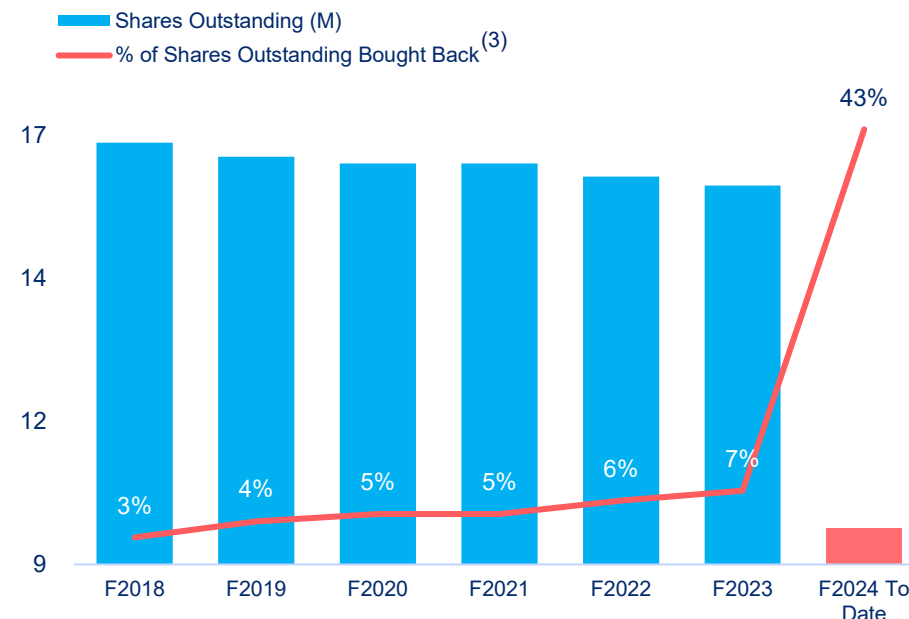
### CGO Benefits:

- Accretive on a free cash flow per share basis
- Increase in net asset per share
- 38% reduction in the pre-transaction outstanding share count
- Structure maintains healthy balance sheet, liquidity and financial flexibility while maintaining prudent leverage

### CCA Share Buybacks



### CGO Share Buybacks



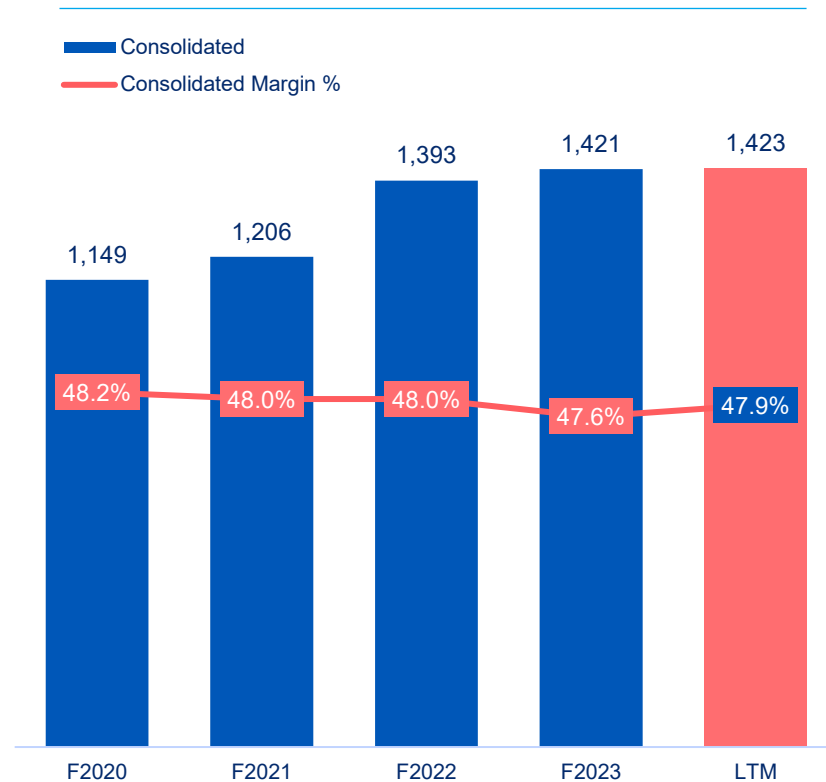
(1) Excludes holdings of insiders and CDPQ  
 (2) Based on the outstanding shares at the introduction of the program in May 2019 which was 49,594,805 shares  
 (3) Based on initial shares outstanding of 16,832,198 as at July 21, 2016

# Cogeco Communications Overview

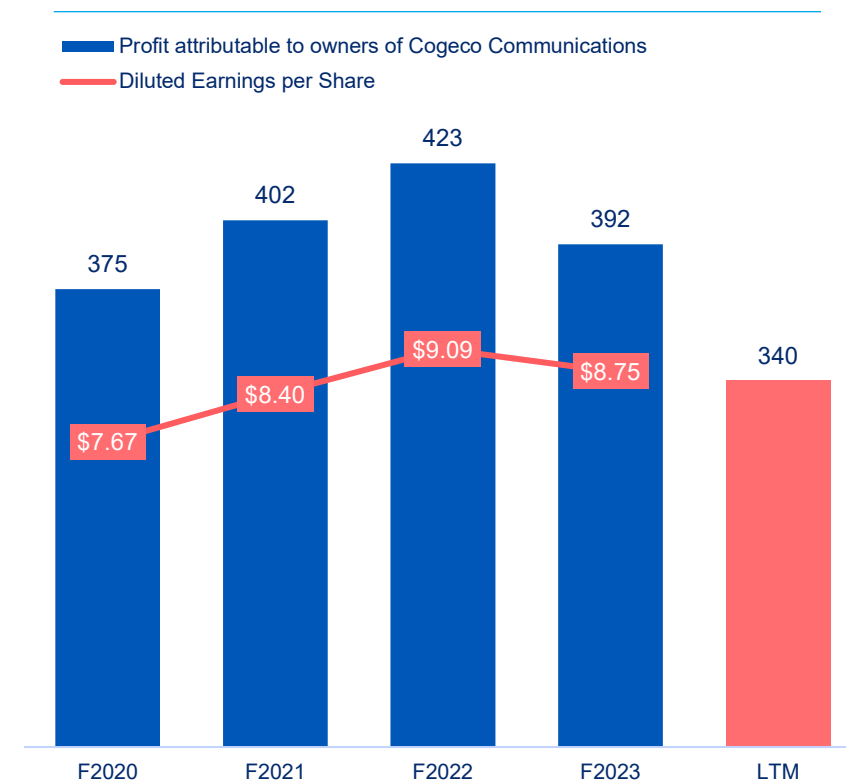
*Attractive Margins & Profitability*

Impressive adjusted EBITDA margins due to span of operations, stable business model and operational efficiency

## Adjusted EBITDA<sup>i</sup> \$M



## Profit \$M (except per share)

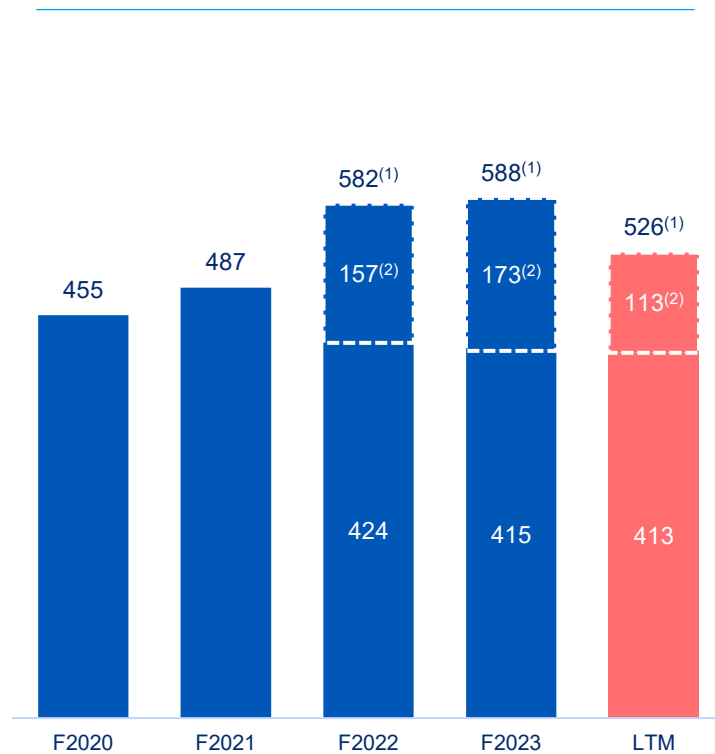


# Cogeco Communications Overview

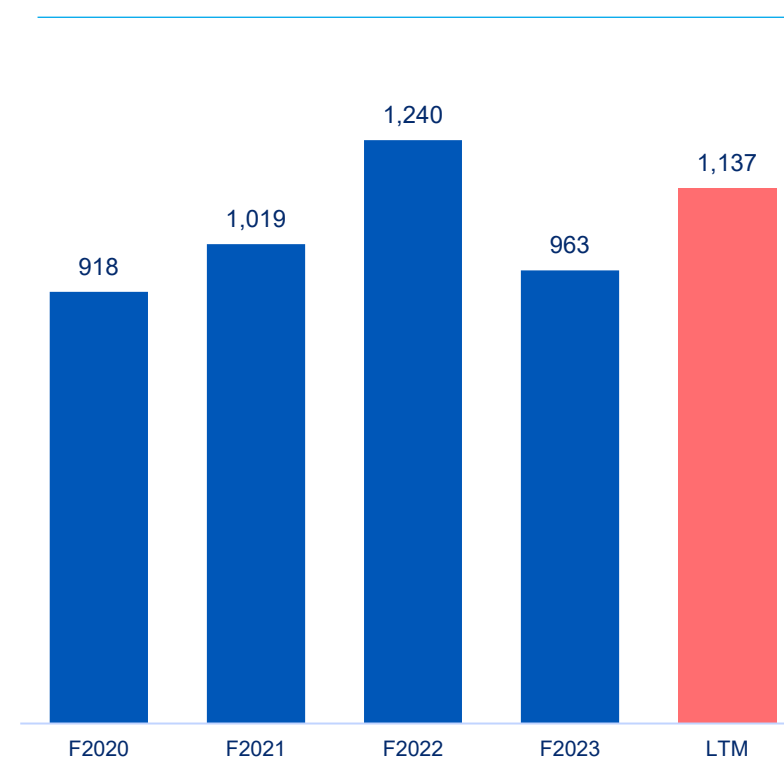
Significant Free Cash Flow Generation

Strong cash flow generation has enabled growth investments and return of capital to investors

## Free Cash Flow<sup>ii</sup> \$M



## Cash flows from operating activities \$M



(1) Free cash flow excluding network expansions  
(2) Free cash flow directed to network expansions

# Cogeco Communications Overview

## Solid Debt Profile

### Strong Financial Position

As of May 31, 2024

- Net indebtedness to adjusted EBITDA ratio<sup>vi</sup> of 3.5x
- Available liquidity<sup>vii</sup> of \$700M
- Cash and cash equivalents of \$54M

### Q3 F2024 Debt Statistics

- Weighted average cost of debt of 5.6%<sup>(1)</sup>
- Interest rates mostly fixed
- Average term to maturity for long-term debt of 5 years

#### Cogeco Communications: Senior Secured Debt Rating

**S&P Global**  
Ratings

**BBB-**

**MORNINGSTAR** | **DBRS**

**BBB (low)**

# Cogeco Communications Overview

## F2024 Financial Guidelines

In millions of Canadian dollars, except percentages	Fiscal 2023 Actual	Fiscal 2024 Projections (constant currency) <sup>iv(1)</sup>
Revenue	2,984	Stable
Adjusted EBITDA <sup>i</sup>	1,421	Stable
Net capital expenditures <sup>iii</sup>	700	\$700 to \$775
Net capital expenditures in connection with network expansion projects	173	\$140 to \$190
Capital intensity <sup>v</sup>	23.4%	24% to 26%
Capital intensity, excluding network expansion projects <sup>v</sup>	17.6%	18% to 20%
Free cash flow <sup>ii</sup>	415	(5)% to (15)% <sup>(2)</sup>
Free cash flow, excluding network expansion projects <sup>ii</sup>	588	(5)% to (15)% <sup>(2)</sup>

The financial guidelines reflect an estimated negative 1% impact on adjusted EBITDA compared to the prior year related to additional preparation costs to offer mobility services in both countries. Free cash flow and free cash flow, excluding network expansion projects, reflect an estimated negative 10% impact from additional mobility investments.

(1) Fiscal 2024 financial guidelines as issued on November 1, 2023. Percentage changes compared to fiscal 2023. Fiscal 2024 financial guidelines are based on a USD/CDN constant exchange rate of 1.3467 USD/CDN

(2) The assumed current income tax effective rate is approximately 7%



# Cogeco & Cogeco Communications Overview

## *Recent Developments*

### **Cogeco Combines its U.S. and Canadian Telecommunications Teams – May 29<sup>th</sup>, 2024**

- New operating model to optimize our focus on customer experience and operational excellence, and to power future growth
- Enables centers of expertise in key strategic areas such as digital, advanced analytics, and technology

### **Breezeline Launches Wireless Service – May 23<sup>rd</sup>, 2024**

- Breezeline launches wireless service in multiple locations throughout its service footprint
- Provides Breezeline broadband customers with flexible, affordable and reliable mobility bundling options

### **Cogeco Publishes Its Sustainability Report and Climate Action Plan– March 20<sup>th</sup>, 2024**

- Increased fleet electrification, improved network energy efficiency and engaging suppliers to reduce emissions
- Bridging the digital divide by deploying high-speed Internet in unserved and underserved regions of Canada and the U.S.

### **Frédéric Perron appointed President and CEO of Cogeco and Cogeco Communications – March 11<sup>th</sup>, 2024**

- Frédéric brings a proven track record, including a successful 3.5 years leading Cogeco's Canadian telecom unit
- Past experience includes broadband and wireless knowledge gained across five countries

# Cogeco Connexion

# Cogeco Connexion

## Cogeco Connexion's Broadband Network



Serving 600+ communities from Windsor to Gaspé



Through its digital oxio brand, operates in majority of Canadian provinces



### LEGEND

- Fibre backbone network
- Service location



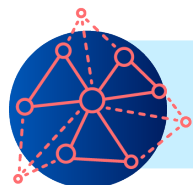
# Cogeco Connexion

## Highlights



### Strong financial profile

- Strong adjusted EBITDA<sup>i</sup> and margin<sup>i</sup> with solid cash flow generation
- Historic full-year adjusted EBITDA margin<sup>i</sup> consistently in the 52% to 54% range since F2020



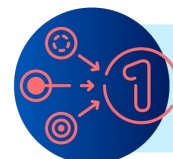
### Product Offering

- Superior Internet speeds and video platform
  - 1 Gbps Internet service offered in close to 85% of the footprint
  - IPTV platform available across more than 90% of our markets
- Planning a wireless offering across our broadband footprint
  - Launch to enhance our product offering through a capital efficient model



### Growth Opportunity

- Network expansion projects, including those in collaboration with governments, to expand connectivity in underserved and unserved areas
  - Fibre-to-the-home deployment in areas where competition has much lower speed Internet service
  - Added close to 124,000<sup>(1)</sup> homes passed so far



### Preferred brand

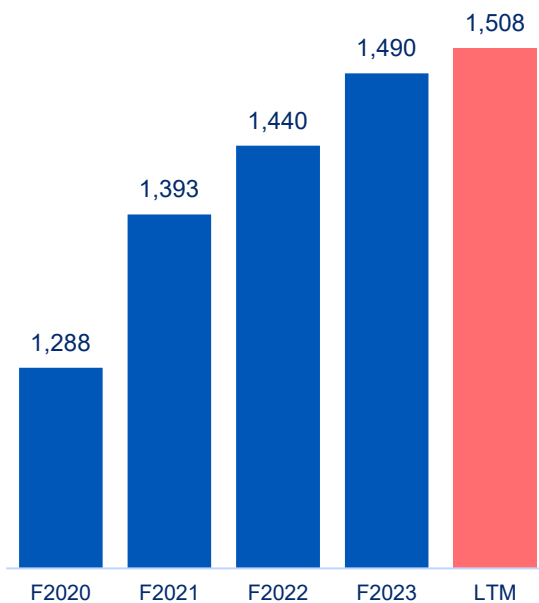
- **OXIO** added as a second brand to serve younger or price conscious customers through a digital-only offering
  - An important growth driver for our own network and footprint and anticipated to enable a lower cost structure over time
- Positioned as a local brand champion, elevating proximity and trust with customers
- Local and high-quality customer service

# Cogeco Connexion

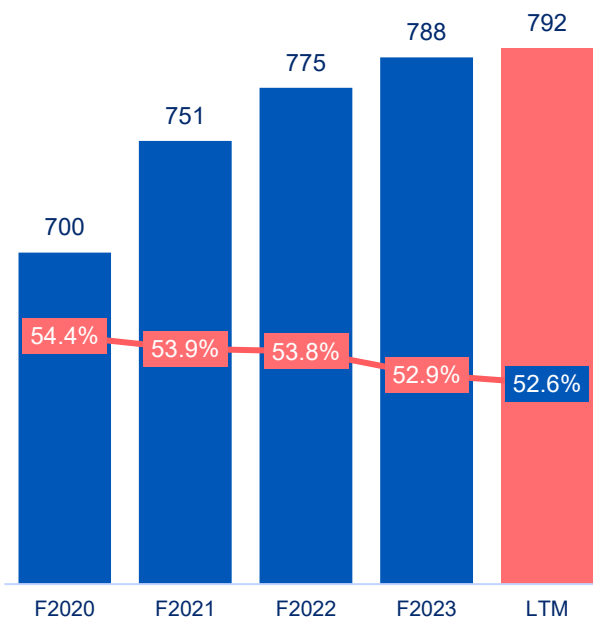
## Financial Results Overview

**Strong growth and industry leading adjusted EBITDA margin<sup>i</sup>, with capital invested into acquisitions and fibre-to-the-home network expansion to drive future growth**

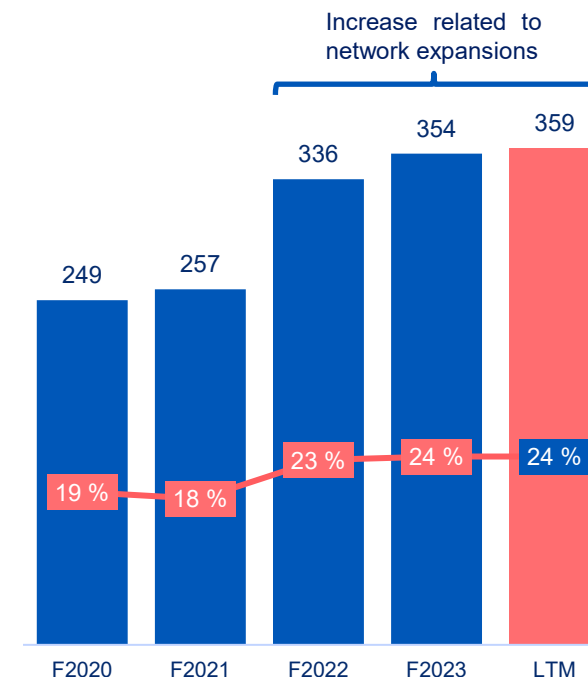
**Revenue**  
\$M



**Adj. EBITDA<sup>i</sup> & Adj. EBITDA Margin<sup>i</sup>**  
\$M

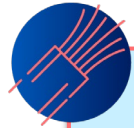


**Net CapEx<sup>iii</sup> & Capital Intensity<sup>v</sup>**  
\$M



# Cogeco Connexion

Wireless Spectrum Coverage to Enable MVNO Framework



**100%**

broadband footprint covered by wireless spectrum for upcoming launch of mobility services



**92%**

share of spectrum powered by 5G-optimized 3500 & 3800 MHz



**\$588 million**

in spectrum acquired to date



- LEGEND**
- Fibre backbone network
  - Service location
  - Acquired & secured wireless spectrum
  - ★ Major Cities

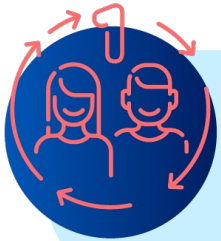




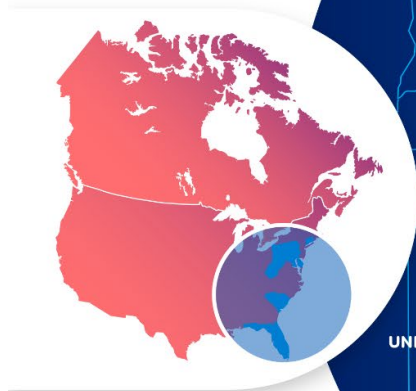
# Breezeline

# Breezeline

## Breezeline's Broadband Network

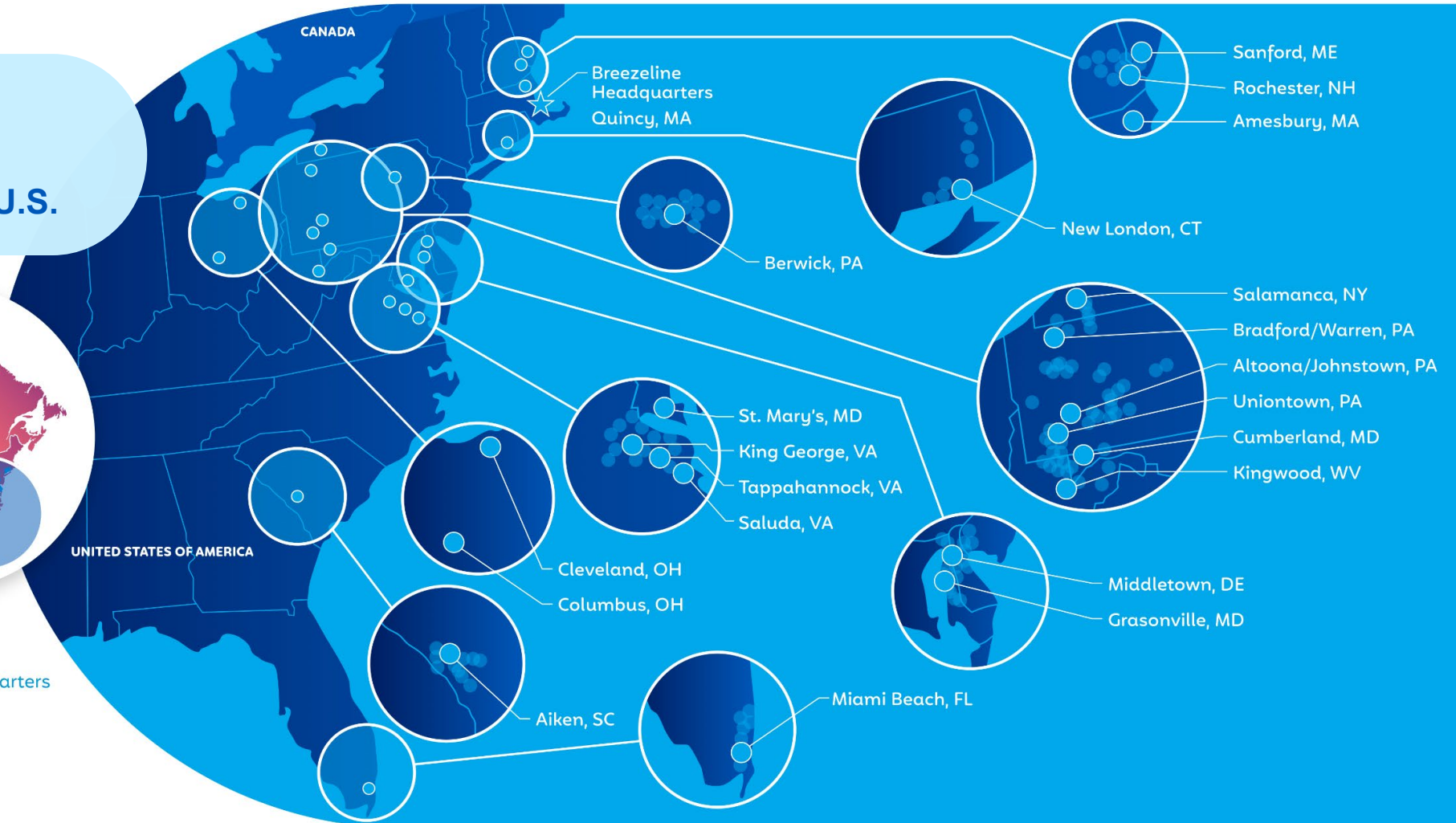


Serving 500+ communities in 13 states in the U.S.



### LEGEND

- ★ Breezeline Headquarters Quincy, MA
- Main clusters
- Service location





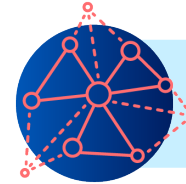
### Strong financial profile

- **Strong adjusted EBITDA margin<sup>i</sup> with solid free cash flow<sup>ii</sup> generation**
  - **Growing revenue per user** as our Broadband First strategy drives higher-margin product adoption



### Product offering

- **Superior Internet speeds and video platform**
  - **1 Gbps** Internet service offered in close to **97% of the footprint**
  - **Breezeline Stream TV** available across our entire footprint
- **Broadband First strategy**
  - **Broadband at the center** of the customer experience enhances contribution margins and **customer lifetime value**
- **Breezeline Mobile now available across most of our footprint**
  - Service utilizes a **capital efficient model** to enhance our offering that is in line with our evolving customer needs and their **increased interest in bundled services**



### Growth opportunity

- **Extending fibre services into New Hampshire, Massachusetts and West Virginia communities not previously served by the company**
  - **The only fibre-to-the-home** provider in expansion territories
- **Upcoming US\$43 billion federally-subsidized Broadband Equity Access Deployment (BEAD) program opportunity**



### Preferred Brand

- **Investing in communities we serve by building and maintaining state-of-the-art networks**
- **Strong, locally-focused and socially responsible brand**

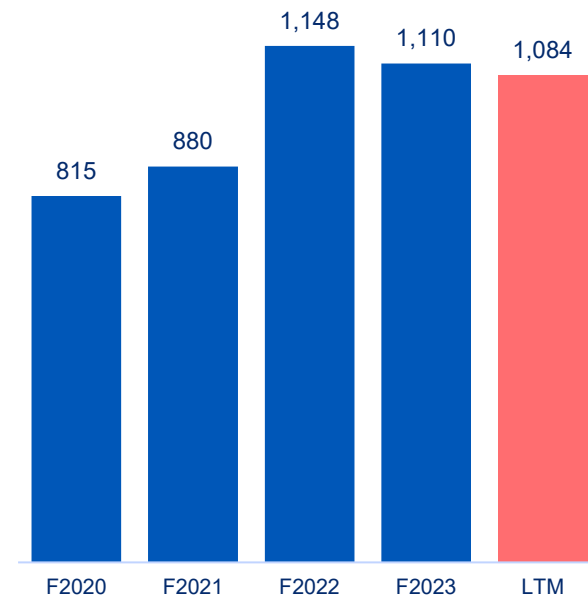
# Breezeline

## Financial Results Overview

Internet-led strategy and fibre-to-the-home network expansion are contributing to revenue per user growth and a higher EBITDA margin product mix

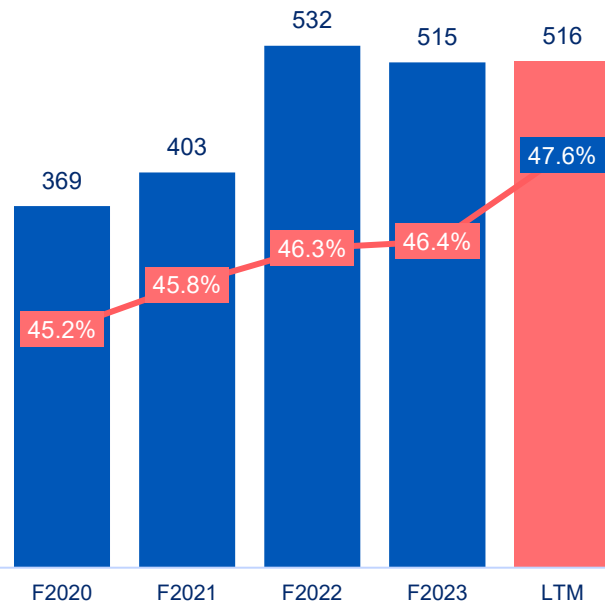
### Revenue

\$M of US dollars



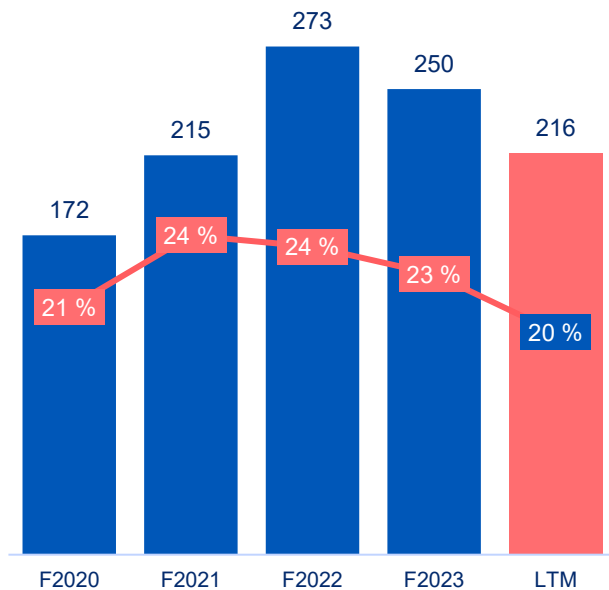
### Adj. EBITDA<sup>i</sup> & Adj. EBITDA Margin<sup>i</sup>

\$M of US dollars



### Net CapEx<sup>iii</sup> & Capital Intensity<sup>v</sup>

\$M of US dollars



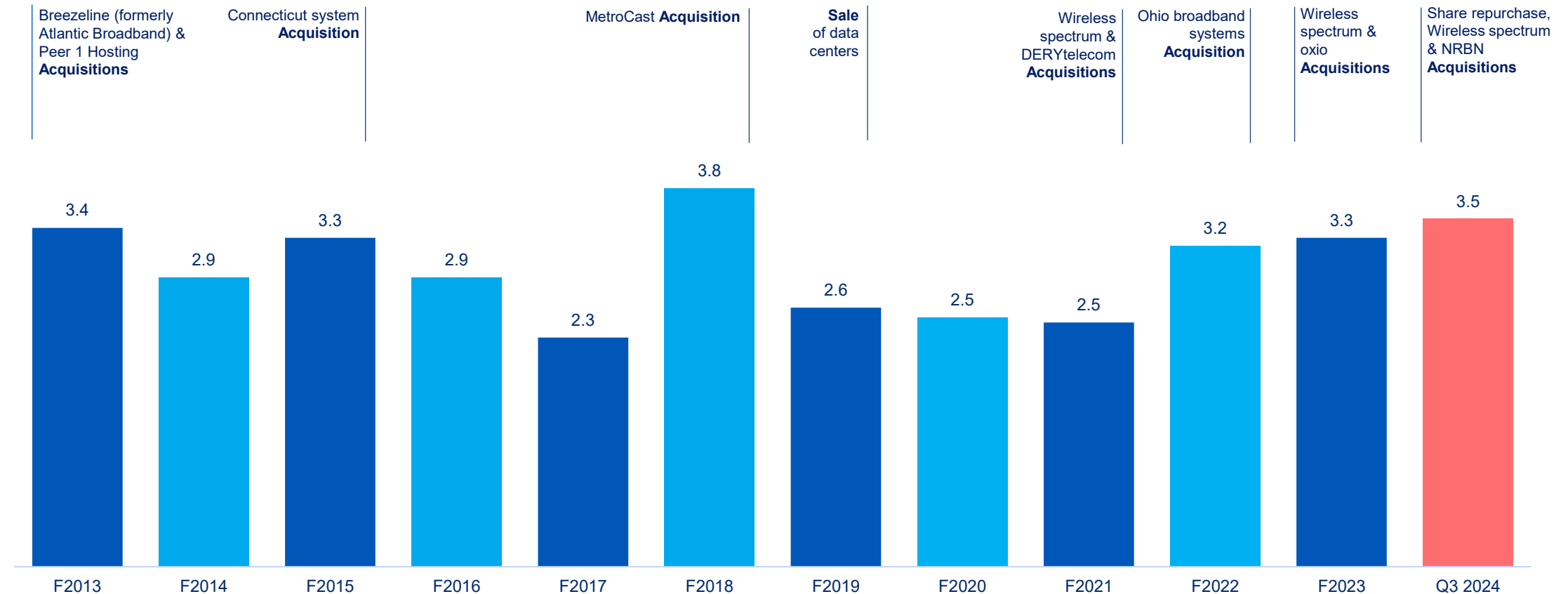
# Supplementary Information



# Financial Overview – Cogeco Communications

*Prudently Managing Leverage*

## Evolution of net indebtedness to adjusted EBITDA ratio<sup>vi</sup>





# Financial Overview – Cogeco Communications

Low Cost of Capital & Spread-Out Maturities

## Debt Maturities

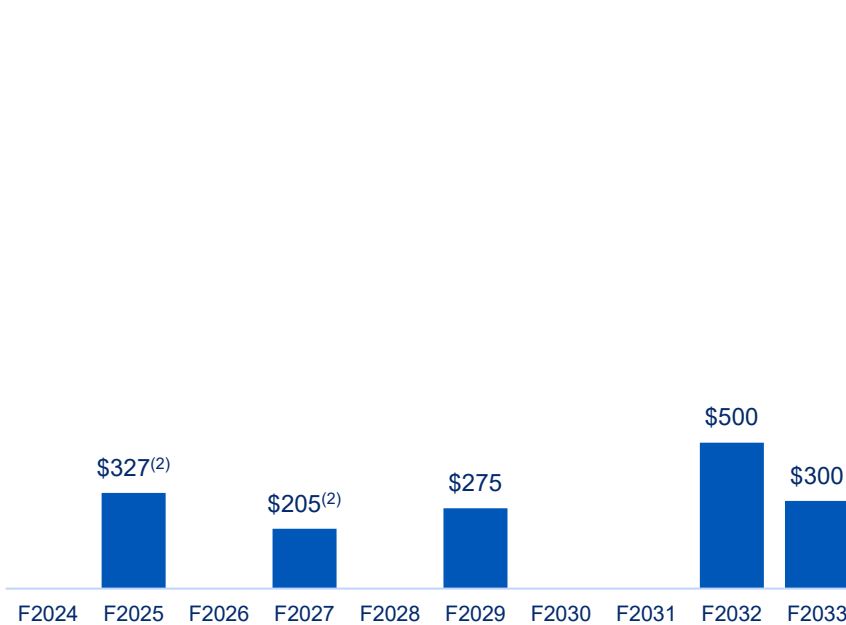
Excluding credit facilities and lease liabilities

As at May 31, 2024

\$M

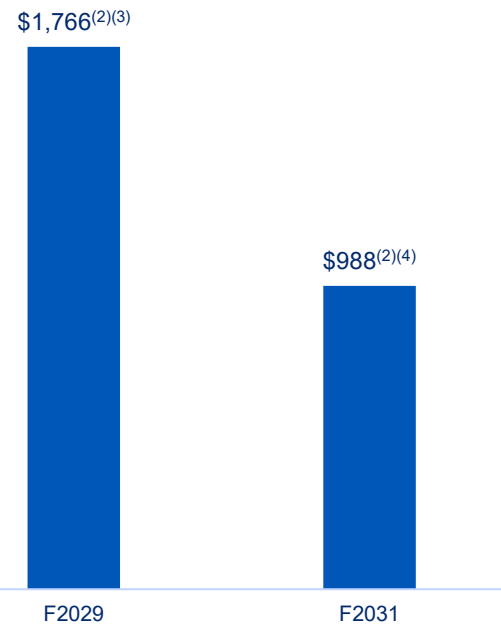
### Cogeco Communications

(excluding Breezeline)



### Breezeline

U.S. subsidiaries<sup>(5)</sup>



	May 31, 2024
Average Cost of Debt <sup>(1)</sup>	5.6%
Average Term to Maturity	5.1 years

(1) Excludes amortization of deferred transaction costs and commitment fees but includes the impact of interest rate swaps

(2) Converted at May 31, 2024 closing exchange rate of USD/CDN 1.3637

(3) Balance payable in FY2029 after giving effect to annual mandatory repayments of US\$14M (CDN\$19M)

(4) Balance payable in FY2031 after giving effect to annual mandatory repayments of US\$8M (CDN\$11M)

(5) Financing the American telecommunications segment on a non-recourse basis to Cogeco Communications

# Cogeco & Cogeco Communications Overview

*Sustainable Value through Strong Sustainability Practices*

## Environmental



First Canadian telecommunications company with an **approved near-term science-based emissions reduction target**

Signatory of the **Business Ambition for 1.5 Degrees Commitment with a goal of net zero emissions across our value chain by 2050**. Our net-zero target and plan was submitted to SBTi for approval in January 2024

In February 2024, we were recognized by United Nations Global Compact (UNGC) as a **Forward Faster member** due to our commitment to set a net-zero target through SBTi

**Progress being made on key levers:** fleet fuel efficiency, fleet electrification, energy efficiency in our buildings and across our broadband network, and investments in renewable energy

Taking **action to reduce Scope 3 emissions:** participating in a Canadian Telecommunications Decarbonization Alliance (CTDA) with industry peers to tackle emission reductions in our supply chains

## Social



Fostering a culture of **Diversity & Inclusion (D&I)**

- Gender diversity: 34% of managerial positions occupied by women in F2023
- Employee education: 50% of our people leaders had been trained on inclusive leadership at the end of F2023
- Launched our Supplier Diversity Program

**Reducing the digital divide** by extending our broadband network in underserved and unserved areas as of the end of F2023

**3.8% of our pre-tax profit donated** in F2023 by Cogeco and Cogeco Communications combined, representing \$16.3M in cash and in-kind donations

## Governance



Variable executive **compensation linked in part to sustainability performance**

**Strong sustainability oversight directly at the Board of Directors level**

**First syndicated sustainability-linked loan in Canada** within the Telecommunications and Media sectors

Completed our first **double materiality assessment**

Our [Sustainability report](#), [ESG data supplement](#) and [Climate Action Plan and TCFD Report](#) are available on our [Sustainability Practices section](#) of our corporate website.



# Financial Overview – Cogeco Communications

Compensation Aligned with Economic Value Creation (EVC)<sup>(1)</sup>

## Between 55% and 81% of senior executives' compensation is variable and at risk based on long-term creation of Economic Value

- Reasonable use of equity compensation to minimize dilution
- Minimum stock ownership requirements for senior executives
- Balancing risk and reward to avoid excessive risk taking

## EVC, which is a form of return on equity, is at the core of our compensation programs

- Annual targets are established at each business segment
- Targets, which are benchmarked against industry, are mainly based on EBITDA growth and capital efficiency objectives

### INCENTIVE PROGRAMS

#### Annual Bonus

### SUMMARY FEATURES

60% based on the level of EVC achieved vs target, 20% based on strategic ESG business metrics which encompass efforts to reduce fuel consumption, improve customer experience, health and safety, and 20% based on individual performance goals.

#### Incentive Share Units (25% of the total LTI<sup>(2)</sup>)

3 year time vesting

#### Performance Share Units (50% of total LTI)

3 year time and performance vesting based on cumulative EVC and total shareholder return

#### Stock Options (25% of the total LTI)

5 year time vesting

### ECONOMIC VALUE TARGETS

### FY2024

Corporate

12.9%

Cogeco Connexion

11.0%

Breezeline

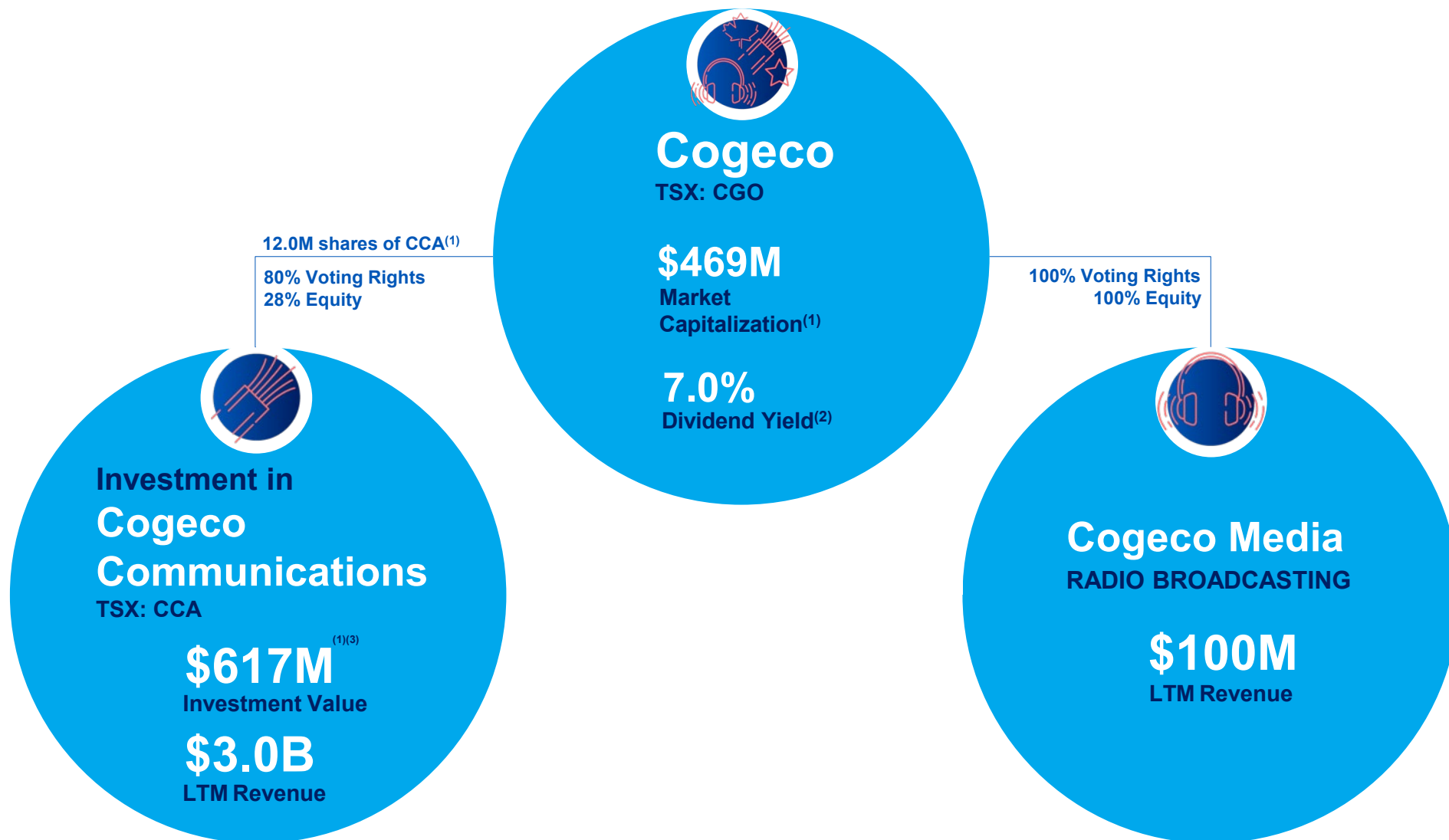
15.0%

# Cogeco

## TSX: CGO

# Cogeco Overview

## Investment Structure



(1) As of July 2, 2024

(2) Based on a quarterly annualized dividend of \$0.854 per share declared on July 11, 2024 divided by share price as of July 2, 2024

(3) Based on a CCA share price of \$51.44 multiplied by CCA shares held by CGO

# Cogeco Overview

Cogeco Media: Strong Network of Radio Stations

Radio broadcasting network and news agency



STATIONS THAT ARE RANKED AMONGST THE BEST



21 RADIO STATIONS



LARGEST INDEPENDENT RADIO NEWS SERVICE IN QUÉBEC



4.7 MILLION LISTENERS / WEEK IN QUÉBEC



INTEGRATED SALES SERVICES



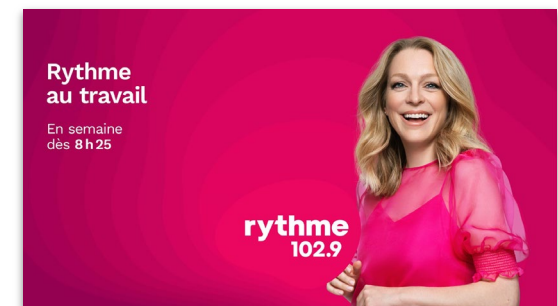


# Cogeco Overview

## Cogeco Media: Top Ratings

### One of the largest radio broadcasters in Québec<sup>(1)</sup> and the most popular radio hosts in the industry

- **98.5** is the most listened to station in Canada
- **RYTHME 105.7** is the #1 music station of Montréalers
- **92.5 THE BEAT** is the #1 English music station in Montréal
- **96.9 CKOI** reaches 1.8M listeners weekly
- **FM93** and **RYTHME 102.9** hold the highest listenership in Québec City<sup>(2)</sup>
- **Cogeco Nouvelles** is present in more than 50 cities throughout Québec



Source : Numeris, PPM, Montréal franco, anglo, Canada, T2+, reach, share, Mo-Su 2a-2a, CKO, CKBE, CHMP, CFGL, Spring 2024, Diary, Québec, Spring 2023, Mo-Su 5a-1a, CFOM+CJMF

- (1) Based on weekly reach  
(2) Amongst commercial stations



# APPENDIX



# Cogeco Communications

## Subscriber Profile

<i>May 31, 2024</i>	<b>COGECO CONNEXION</b>	<b>BREEZELINE</b>	<b>TOTAL</b>
Homes passed <sup>(1)(2)</sup>	2,089,834	1,760,012	3,849,846
Primary service units <sup>(2)(3)</sup>	1,872,290	1,049,113	2,921,403
Internet service subscribers <sup>(2)</sup>	882,992	652,330	1,535,322
Video service subscribers <sup>(2)</sup>	612,701	268,747	881,448
Wireline phone service subscribers <sup>(2)</sup>	376,597	128,036	504,633

(1) Homes passed represents the number of serviceable homes and businesses which can be connected to the Corporation's broadband distribution network in the geographic area where the Corporation's services are offered

(2) Includes the homes passed and primary service units from the recent Niagara Regional Broadband Network acquisition

(3) Includes Internet, video and wireline phone service subscribers but excludes mobile phone service subscribers