



Bucharest

Press release: November 14, 2023

Digi Communications N.V. reports consolidated revenues of 1.2 billion euros, adjusted EBITDA of 430 million euros for the first nine months of 2023

- Digi Communications consolidated revenues increased 14% year-on-year in Q3 2023, reaching EUR 429.5 million, resulting in EUR 1,238.8 million in revenues generated in 9M 2023 (+13% vs 9M 2022)
- Adjusted EBITDA (excluding the impact of IFRS 16) reached EUR 129.3 million in Q3 2023, a 21% year-on-year increase based on the expansion of the customer base, contributing to the result for 9M 2023 of EUR 367.9 million (+17% vs 9M 2022)
- A substantial increase in the number of revenue-generating units (RGUs) in all three markets - Romania, Spain, and Italy, reaching 23.2 million RGUs (+15% YoY growth) across the entire portfolio of services – mobile and fixed-line telecommunication services, fixed internet and data, and Pay TV

Digi Communications N.V., one of the leading European telecommunications companies, listed on the Bucharest Stock Exchange, reports consolidated revenues (including revenues and other income) of EUR 433.7 million in the third quarter of 2023, a 13% increase compared to the same period of the previous year. Adjusted EBITDA increased by 19% compared to the result from Q3 2022, reaching EUR 150.4 million. Adjusted EBITDA excluding the impact of IFRS 16 increased 21% year-on-year, to EUR 129.3 million.

The solid performance in the third quarter, in line with management's expectations, contributed to the results generated for the first nine months of the year. Consequently, the Group recorded in the first nine months of 2023 consolidated revenues of EUR 1,238.8 million, a 13% increase versus 9M 2022, adjusted EBITDA of EUR 430.3 million (+16% vs 9M 2022) and adjusted EBITDA excluding the IFRS 16 impact of EUR 367.9 million (+17% vs 9M 2022).

Serghei Bulgac, CEO of Digi Communications, stated: *"The strong financial results generated by our Group in third quarter mirrored the success of our strategic initiatives. The remarkable evolution across all service categories in Romania and Spain is aligned with our projections for the year, showcasing our ability to execute our growth strategy with precision. The sustained financial performance is a direct result of a robust increase in customer base, driven by a substantial RGU increase in Romania and Spain, particularly in the mobile segment where we saw a 19% and 24% year-on-year growth, respectively. As we continue Digi's geographical expansion across our existing markets, we remain committed to offering competitive and superior services to all our customers. Looking beyond 2023, we are pleased to be advancing with our entry into the Portuguese and Belgian markets, where we aim to replicate our affordable, high-quality service model, thereby ensuring our continued growth in the European telecom landscape."*

In Q3 2023, Digi continued to grow across its entire service portfolio, exceeding 23.2 million of revenue-generating contractual relationships (RGUs) across its three markets of activity – Romania, Spain, and Italy, representing a 15% year-on-year increase. The Group's offerings include mobile and fixed-line telecommunication services, fixed internet and data, and Pay TV services. In Romania, Digi offers fixed





telecommunication and entertainment services through a technologically advanced fiber optic network. The Group also operates a mobile network in Romania, which shares the backbone of the fixed fiber optic infrastructure. In Spain, Digi offers mobile services, broadband, and fixed-line telephony, while in Italy, the Group provides exclusively mobile services.

The mobile segment is prominent as it produces the highest number of RGUs among all the Group's service categories, contributing to 45% of total RGUs across all three markets. Continuing with the growth rate of previous quarters, the number of RGUs in this category reached 10.5 million, a 21% increase, covering mobile telephony clients across Romania, Spain, and Italy.

In **Romania**, the mobile services segment reached 5.6 million RGUs, an evolution of 19% compared to Q3 2022. Fixed mobile services registered an increase of 10%, compared to the same period of last year, up to 4.5 million RGUs, while the segment of Pay-TV services (cable and satellite) increased by 5% compared to the same period of last year, up to 5.6 million RGUs. Together with fixed-line telephony, the total number of RGUs in the Romanian market amounted to 16.7 million customers, a 10% increase.

Operations in **Spain** continued to perform well in the Q3 2023, with the number of users of fixed services, internet, and mobile telephony increasing 33% compared to the same period of the prior year, to 6.1 million RGUs. Mobile users increased by 24% to 4.5 million RGUs, while broadband users increased by 66% to 1.2 million.

In **Italy**, mobile users increased by 14%, reaching 409 thousand RGUs as of the end of Q3 2023.

The Group's strategic initiatives in Portugal and Belgium set the stage for future expansion of Digi in these two markets. In **Portugal**, the subsidiary is actively laying the groundwork to commence commercial services in 2024. The preparations are sustained by a long-term partnership with Cellnex, a key player in the telecom infrastructure sector in this country.

In **Belgium**, Digi Communications Belgium N.V. and InSky N.V. established a foundation for future operations by signing in August 2023 a series of wholesale agreements with Proximus Plc, the leading telecom player in Belgium. These agreements will compliment the mobile spectrum package that was won in June 2022 by the joint venture.

Commercial indicators by market (RGU 000's)

	Q3 23	Q3 22	Change (%)
Romania	16,653	15,106	10.2%
Pay-TV	5,640	5,360	5.2%
Mobile services	5,625	4,715	19.3%
Broadband	4,487	4,083	9.9%
Fixed telephony	901	948	-5.0%
Spain	6,113	4,609	32.6%
Mobile services	4,469	3,614	23.7%
Broadband	1,242	746	66.5%
Fixed telephony	402	249	61.4%
Italy	409	359	13.9%
Mobile services	409	359	13.9%





TOTAL

23,175

20,074

15.4%

The financial report as of September 30, 2023, of Digi Communications is available [here](#).

About Digi Communications N.V.

Digi Communications N.V. is the parent company of the telecommunications operator RCS & RDS, the market leader in Pay-TV, broadband and convergent services in Romania, with operations in Spain and Italy and a presence in Portugal and Belgium. Established approximately 30 years ago, the company operates an extensive and highly advanced fibre-optic network in Romania. DIGI brings the most affordable electronic communications services to the market in both fixed and mobile communications. Over time, this competitive advantage has benefitted millions of customers, who have gained faster and low-priced access to high-quality services.

Digi Communications N.V. is a public company listed on the Main Market of the Bucharest Stock Exchange.

