



# DIGI



## Investor presentation

Financial Results  
for quarter ended September 30, 2020



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## Highlights Q3/9 months 2020



### Strong Growth Profile



Group

<b>REVENUES</b>	<b>+8.7%</b>	<b>EUR 950.6 million</b> group consolidated Revenues for 9m 2020 (+8.7% compared with previous period)
<b>RGU</b>	<b>+12%</b>	RGU YoY increase up to <b>17.7 million</b> (+12% compared with previous period)
<b>EBITDA</b>	<b>+8 %</b>	<b>EUR 353 million</b> Adj EBITDA (incl IFRS 16) for 9m 2020 (+8% YoY increase)



Romania

### Outstanding growth rate

<b>RGU</b>	<b>+11 %</b>	<b>Pay-TV: 4.6 million</b> RGU (+15% compared with previous period) <b>Internet: 3.2 million</b> RGU (+17% compared with previous period)
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Spain

<b>RESULTS</b>	Continues growth path and delivers strong results Increased contribution to total group's revenues ( <b>22%</b> ) & EBITDA ( <b>13%</b> )	
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## Group overview

‘Mil €



Romania



Hungary



Spain



Other<sup>4</sup>

Total<sup>3</sup>

	Romania		Hungary		Spain		Other <sup>4</sup>		Total <sup>3</sup>	
	3m Sept 30, 2020	9m Sept 30, 2020								
Revenues <sup>2</sup>	€202.3 m	€584.0 m	€48.8 m	€151.6 m	€71.7 m	€200.1 m	€5.8 m	€17.9 m	€327.6 m	€950.6 m
Adj. EBITDA	€94.2 m	€272.2 m	€13.7 m	€40.3 m	€15.7 m	€41.8 m	(€0.5)m	(€1.4)m	€123.1 m	€353.0 m
<b>Adj EBITDA margin<sup>1</sup></b>	<b>46.5%</b>	<b>46.6%</b>	<b>28.1%</b>	<b>26.6%</b>	<b>22.0%</b>	<b>20.9%</b>	<b>(8.7)%</b>	<b>(7.6)%</b>	<b>37.6%</b>	<b>37.1%</b>
Impact of IFRS 16 adoption	(€11.6)m	(€34.4)m	(€3.7)m	(€16.1)m	(€1.3)m	(€2.7)m	(€0.0)m	(€0.1)m	(€16.7)m	(€53.3)m
Adj EBITDA excl IFRS 16	€82.6 m	€237.8 m	€10.0 m	€24.2 m	€14.4 m	€39.1 m	(€0.5)m	(€1.5)m	€106.4 m	€299.7 m
<b>Margin %</b>	<b>40.8%</b>	<b>40.7%</b>	<b>20.5%</b>	<b>16.0%</b>	<b>20.1%</b>	<b>19.6%</b>	<b>(9.4)%</b>	<b>(8.2)%</b>	<b>32.5%</b>	<b>31.5%</b>
<b>RGUs(000)</b>										

Source: Company data

<sup>1</sup> Adj EBITDA margin defined as Adj EBITDA / Revenues;

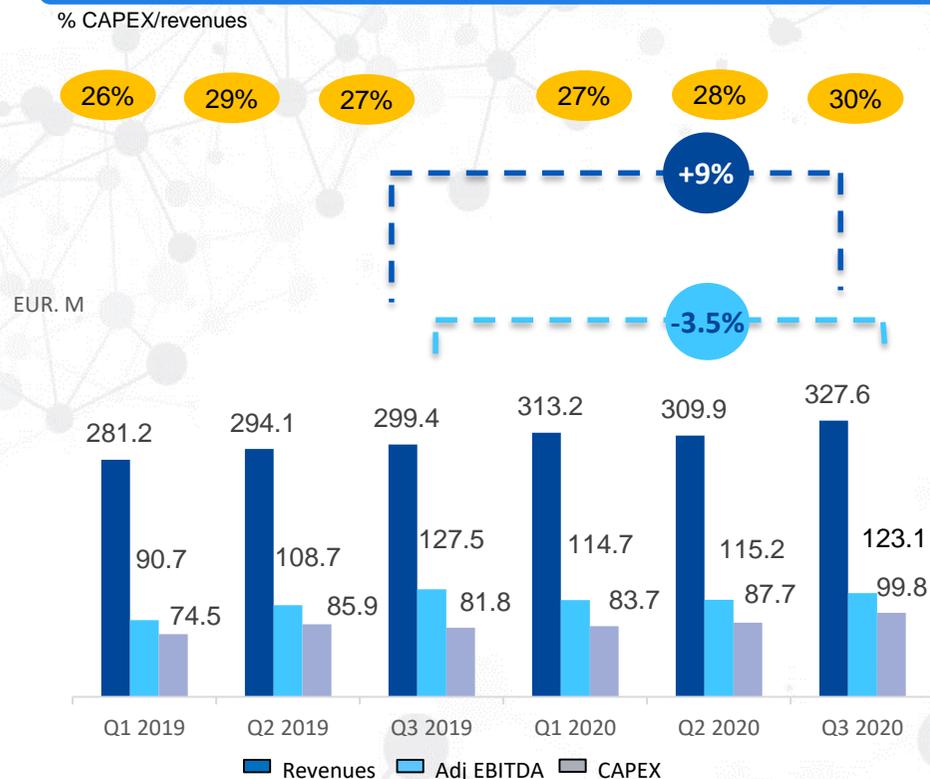
<sup>2</sup> Revenues per country include intersegment revenues in total amount of EUR 1 million for Q3 2020;

<sup>3</sup> Total Group revenues excluding intersegment revenues;

<sup>4</sup> In this Report, unless otherwise stated, as part of our “Other” segment we only present the results of our Italian operations, for revenue, and the results of our Italian operations and expenses of the Company, for operating expenses.

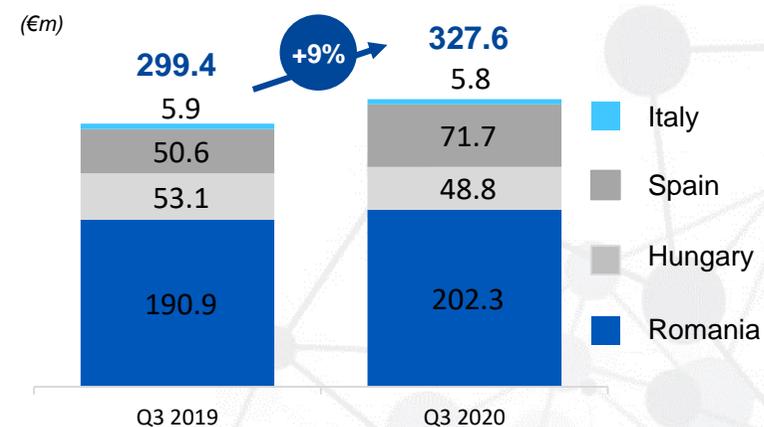
## Financial highlights

### Quarterly evolution

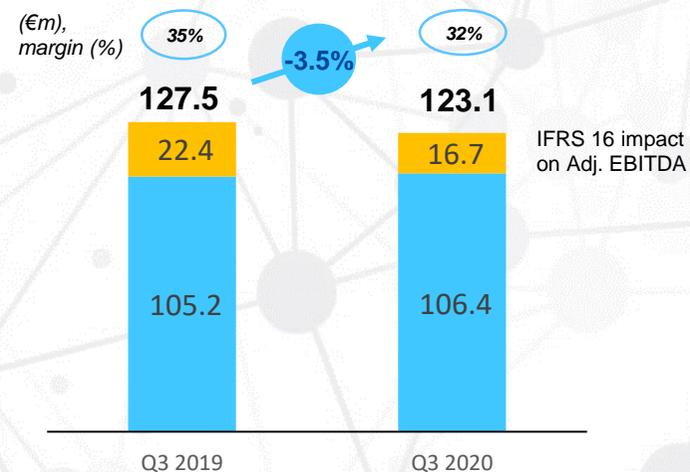


### YOY

#### Group revenue<sup>2</sup>



#### Group adjusted EBITDA<sup>1</sup>



### Key considerations

- Digi Group continued its strong growth path
- Romania and Spain are growth engines and are main contributors to the increase in Group's revenues and adj EBITDA

Source: Company data

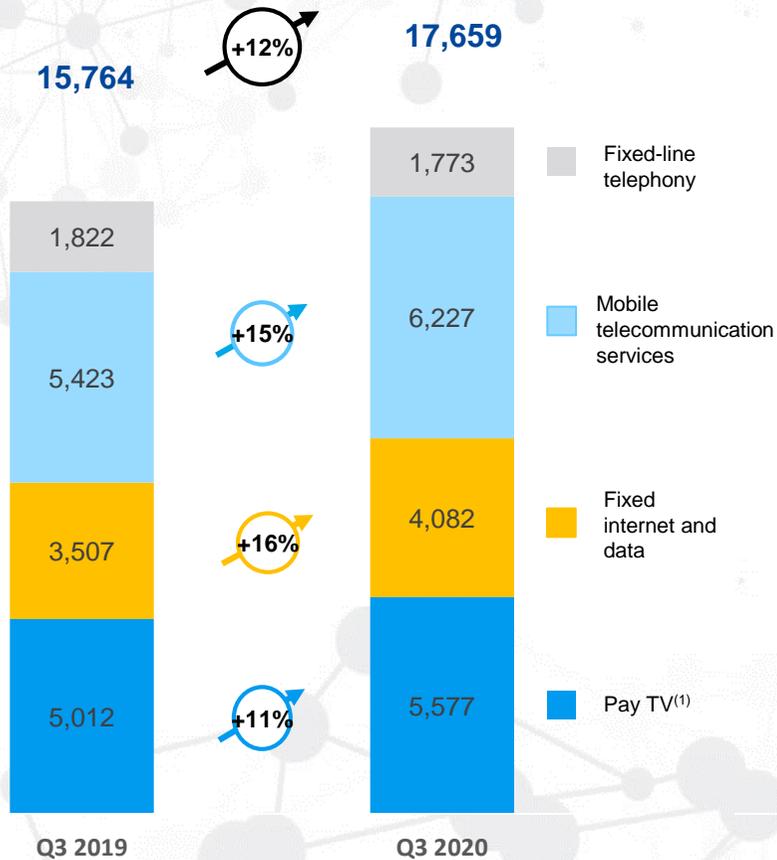
<sup>1</sup> EBITDA is calculated by adding back to consolidated operating profit/(loss) the charges for depreciation, amortization and impairment of assets. Adjusted EBITDA is defined as EBITDA adjusted for the effect of extraordinary or one-off/non-recurring items.

<sup>2</sup> Revenues per country include intersegment revenues in total amount of EUR 1 million for Q3 2020;

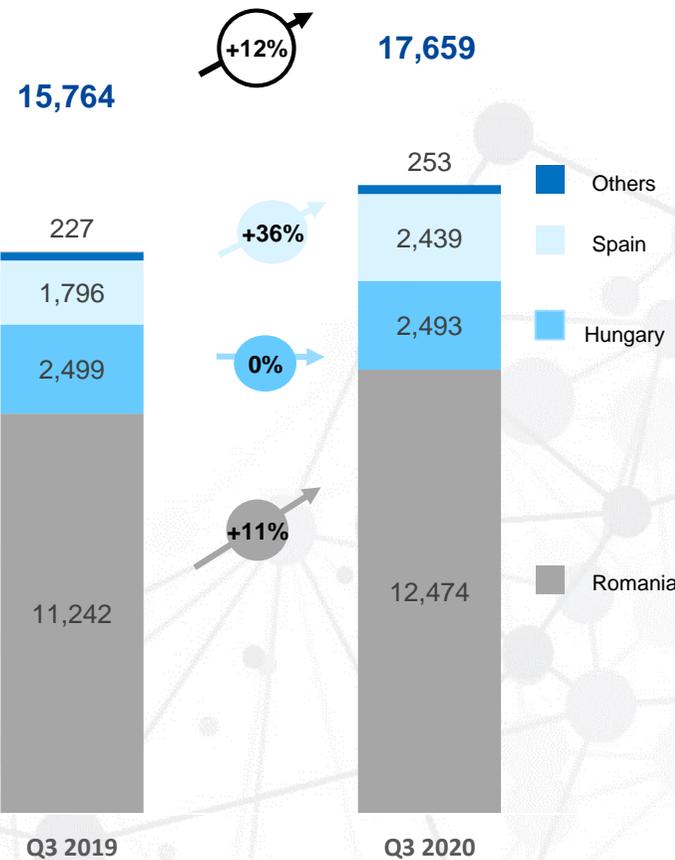


# Outstanding growth for Group's RGUs

**RGUs ('000)  
per business line**



**RGUs ('000)  
per country**



## Key considerations

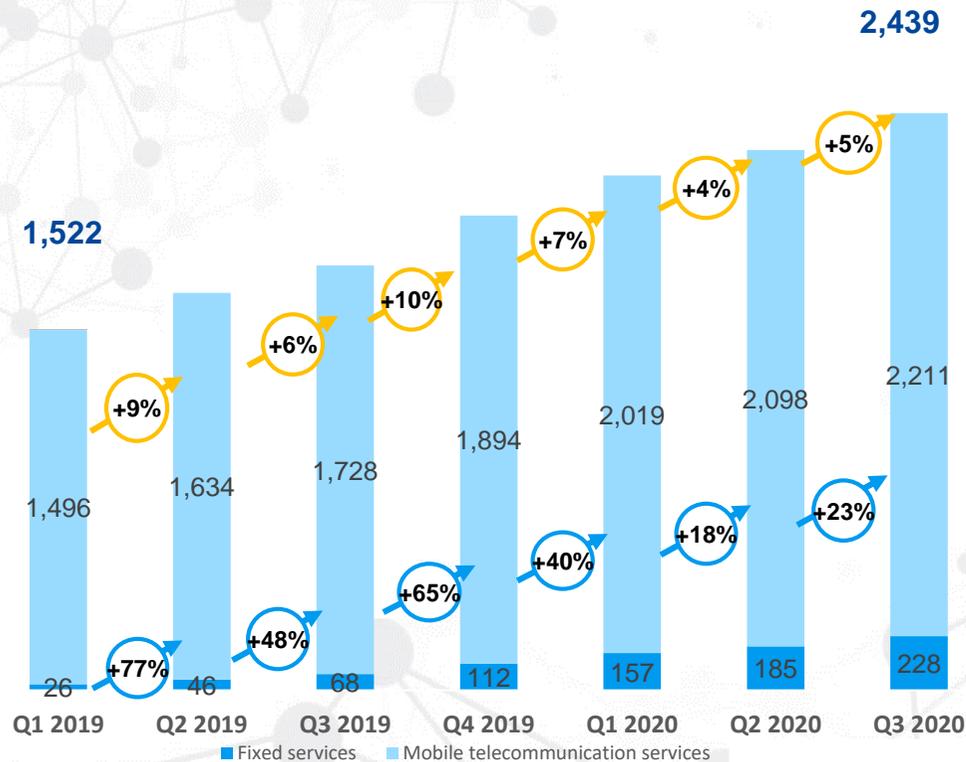
- Exceptional RGU growth especially in fixed services in Romania
- Spain growth on all business segments

<sup>1</sup> Includes cable tv and DTH RGUS

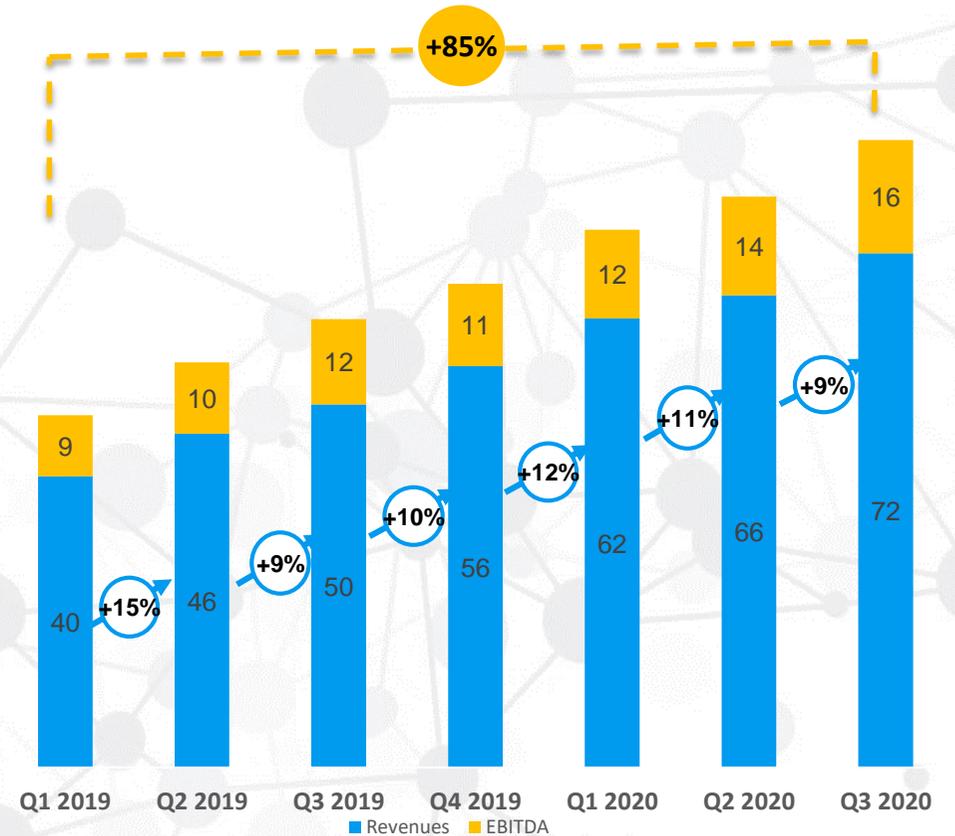
## Strong sustained commercial success in Spain

### RGUs

RGU (thousand)



### Revenues & EBITDA



- Mobile segment: upward trend in portability numbers in Q3 (+39 thousand net ported)
- Fixed segment: new progress in expanding footprint



# Group Financial Profile

## Financial liabilities as of September 30, 2020<sup>1</sup>

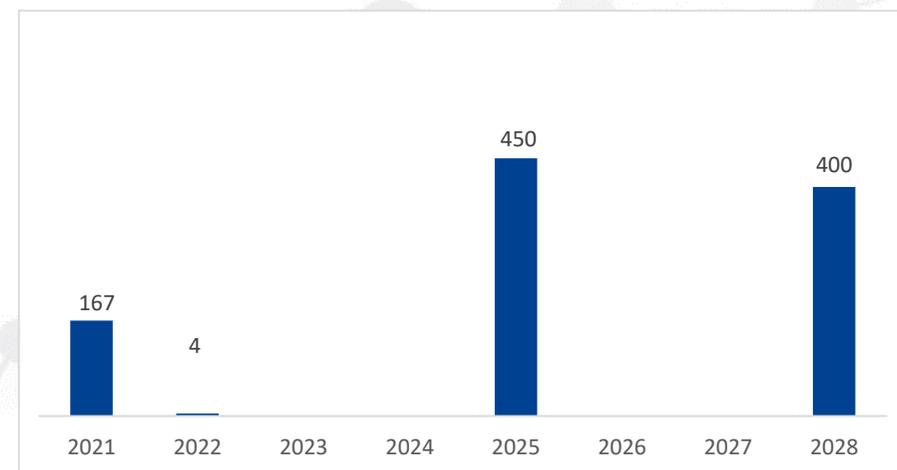
Facility	Amount (Mil €)
Senior Secured Notes	850.0
2016 Senior Facility	161.9
Other long term debt	60.7
Other short term debt	40.4
Other <sup>2</sup>	13.8
<b>Total gross debt</b>	<b>1,127</b>
Cash on BS	62.3
<b>Total net debt</b>	<b>1,065</b>

<sup>1</sup> Indebtedness as per Notes requirements. As per the Notes Covenants, debt is presented under IFRS available at the signing date, therefore excludes IFRS 16 implications.

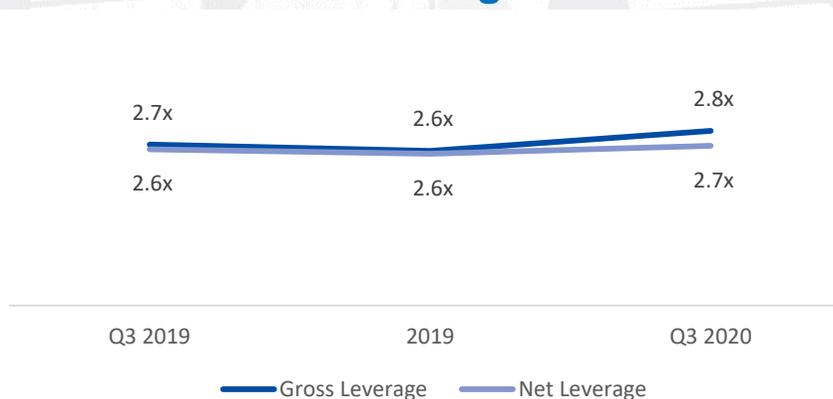
<sup>2</sup> Includes Finance lease liabilities and embedded derivative liabilities

<sup>3</sup> The Net Leverage and Gross Leverage are computed using EBITDA as per the Notes Covenants, under IFRS excluding IFRS 16 implications. Covenant's computation for the Net Leverage from the Senior Secured Notes uses EBITDA adjusted as per Indenture requirements, which is different from the Adjusted EBITDA in this presentation.

## Maturity profile Long term loans & Notes (Mil €)



## Leverage<sup>3</sup>



A nighttime city skyline with a bokeh effect on the lights, set against a dark blue background. The lights are in various colors, including blue, white, and red. The overall scene is a blurred cityscape.

# DIGI

## Q&A

**DIGI**

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**APPENDIX**



## Group overview

	 Romania	 Hungary	 Spain	 Other <sup>4</sup>	Total
<b>Service offering / RGUs Sept 30, 2020A ('000s)</b>					
Pay TV <sup>(1)</sup>	4,639	938	-	-	5,577
Fixed internet and data <sup>(2)</sup>	3,172	742	168	-	4,082
Mobile telecommunication services	3,599	164	2,211	253	6,227
Fixed-line telephony <sup>(2)</sup>	1,064	649	60	-	1,773
<b>Total RGUs</b>	<b>12,474</b>	<b>2,493</b>	<b>2,439</b>	<b>253</b>	<b>17,659</b>

(1) Includes RGUs for Cable television and DTH services.

(2) Includes residential and business RGUs.



# Highlights Romania (1/2)

## Revenue and Adj EBITDA

### Results of Operations<sup>1</sup>

'Mil €	Three months ended Sept 30,		% change	Nine months ended Sept 30,		% change
	2019	2020		2019	2020	
Revenues	190.9	202.3	6.0%	559.7	584.0	4.3%
Adj EBITDA	100.1	94.2	(5.9)%	256.1	272.2	6.3%
Margin %	52.4%	46.5%		45.8%	46.6%	

### Key considerations

- Main contributors to revenue growth:
  - increase in Pay TV and fixed internet and data RGUs
- Main contributors to Adj EBITDA growth:
  - mainly operationally, as a result of increases in RGUs number and improved operational performance

<sup>1</sup> Figures include Intersegment revenues



## Highlights Romania (2/2)

### Subscribers

Thousand RGUs	RGUs period ended Sept 30,		Net Additions	
	2019	2020	Last 12 months	Last 3 months
Pay TV <sup>(1)</sup>	4,033	4,639	606	339
Fixed internet and data <sup>(2)</sup>	2,701	3,172	471	193
Mobile telecommunications services <sup>(3)</sup>	3,396	3,599	203	74
Fixed-line telephony <sup>(2)</sup>	1,112	1,064	(48)	3
<b>Total</b>	<b>11,242</b>	<b>12,474</b>	<b>1,232</b>	<b>609</b>

### ARPU (EUR) – geographical segment

ARPU (EUR)	For the period ended Sept 30,		% change
	2019	2020	
	5.0	4.8	(4.0%)

### Key considerations

- Growth in Pay TV and Internet and data subscribers, reaching historic levels
- Mainly fx impact on ARPU

1) Includes RGUs for Cable television and DTH services

2) Includes residential and business RGUs

3) Includes mobile telephony and mobile data RGUs



## Highlights Hungary (1/2)

### Revenue and Adj EBITDA

#### Results of Operations<sup>(1)</sup>

'Mil €	Three months ended Sept 30,		% change	Nine months ended Sept 30,		% change
	2019	2020		2019	2020	
Revenues	53.1	48.8	(8.1)%	163.6	151.6	(7.3)%
Adj EBITDA	16.2	13.7	(15.4)%	41.9	40.3	(3.8)%
Margin %	30.4%	28.1%		25.6%	26.6%	

#### Key considerations

##### Revenues

- Depreciation of 7.7% of average exchange rate (Q3 2020/Q3 2019)
- Slight increase of revenues in constant currency

##### Adj EBITDA

- Depreciation of average exchange rate
- Increase in allowance/correction of accruals in period

<sup>1</sup> Figures include Intersegment revenues



## Highlights Hungary (2/2)

### Subscribers

Thousand RGUs	RGUs period ended Sept 30,		Net Additions	
	2019	2020	Last 12 months	Last 3 months
Pay TV <sup>(1)</sup>	979	938	(41)	1
Fixed internet and data <sup>(2)</sup>	757	742	(15)	5
Mobile telecommunications services <sup>(3)</sup>	72	164	92	28
Fixed-line telephony <sup>(2)</sup>	691	649	(42)	(1)
<b>Total</b>	<b>2,499</b>	<b>2,493</b>	<b>(6)</b>	<b>33</b>

### Key considerations

- Increase in mobile RGUs
- Constant ARPU in CCY

### ARPU (EUR) – geographical results

ARPU (EUR)	For the period ended Sept 30,			% change	% change CCY
	2019	2019 CCY	2020		
	6.4	5.9	5.9	(7.8%)	(0.2%)

1) Includes RGUs for Cable television and DTH services

2) Includes residential and business RGUs

3) Includes mobile telephony and mobile data RGUs



## Highlights Spain (1/2)

### Revenue and Adj EBITDA

#### Results of Operations<sup>(1)</sup>

'Mil €	Three months ended Sept 30,		% change	Nine months ended Sept 30,		% change
	2019	2020		2019	2020	
<b>Revenues</b>	50.6	71.7	41.7%	137.9	200.1	45.1%
<b>Adj EBITDA</b>	11.9	15.7	31.9%	30.3	41.8	38.0%
<b>Margin %</b>	<b>23.4%</b>	<b>22.0%</b>		<b>22.0%</b>	<b>20.9%</b>	

#### Key considerations

##### Revenues

- Sustained RGUs growth pace in mobile segment

##### Adj EBITDA

- Main contributors:
  - Interconnection expenses increase in line with RGU increase (mobile & fixed services)
  - Salaries increases, in line with increasing employees base

<sup>1</sup> Figures include Intersegment revenues



## Highlights Spain (2/2)

### Subscribers

Thousand RGUs	RGUs period ended Sept 30,		Net Additions	
	2019	2020	Last 12 months	Last 3 months
Fixed internet and data	49	168	49	168
Mobile telecommunications services <sup>1</sup>	1,728	2,211	1,728	2,211
Fixed-line telephony	19	60	19	60
<b>Total</b>	<b>1,796</b>	<b>2,439</b>	<b>643</b>	<b>156</b>

### Key considerations

- Pace of RGUs growth picked up in Q2

### ARPU (EUR) – geographical segment

ARPU (EUR)	For the period ended Sept 30,		% change
	2019	2020	
	9.7	10.1	4.1%

<sup>1</sup>) Includes mobile telephony and mobile data RGUs



## Contact

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