

The logo for DIGI, consisting of the letters 'D', 'I', 'G', and 'I' in a bold, white, sans-serif font. The 'I's are slightly narrower than the 'D' and 'G'.

# DIGI

A blurred night cityscape with various lights from buildings and streets, creating a bokeh effect. The colors are primarily blue, white, and orange.

## Investor presentation

November 2020



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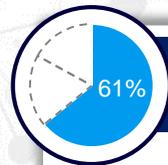
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## Digi is a leading telecommunication Group with business in Romania, Hungary, Spain and Italy



### Romania



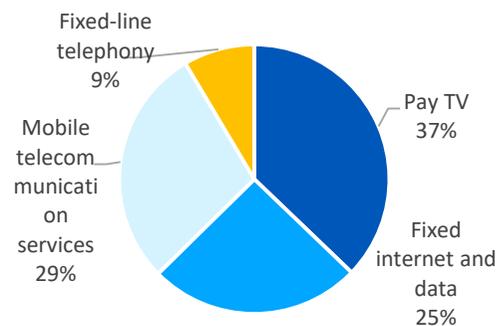
**9M Sept 2020**

Revenue<sup>1</sup>:  
€582mm



Adj. EBITDA margin<sup>2</sup>:  
47%

*Sept' 20 RGUs: 12.5mm  
RGU breakdown*



### Spain & Italy



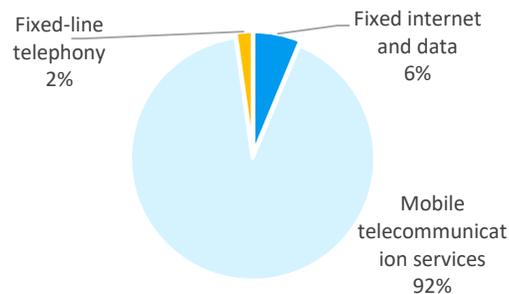
**9M Sept 2020**

Revenue<sup>1</sup>:  
€217mm



Adj. EBITDA Margin (Spain)<sup>2</sup>:  
21%

*Sept' 20 RGUs: 2.7mm  
RGU breakdown*



### Hungary



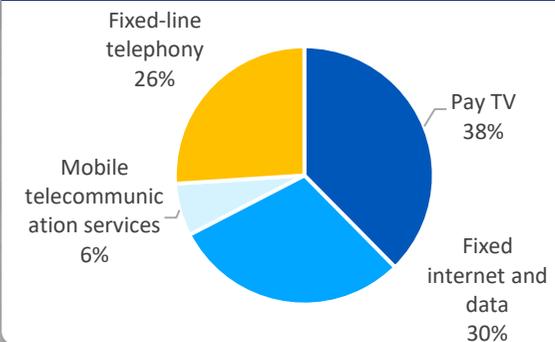
**9M Sept 2020**

Revenue<sup>1</sup>:  
€152mm



Adj. EBITDA margin<sup>2</sup>:  
27%

*Sept' 20 RGUs: 2.5mm  
RGU breakdown*





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**Digi at a glance: sustained growth profile, solid track record in revenues & EBITDA overcoming pandemic economical challenges**

**Due to our leading commercial proposition for customers...**

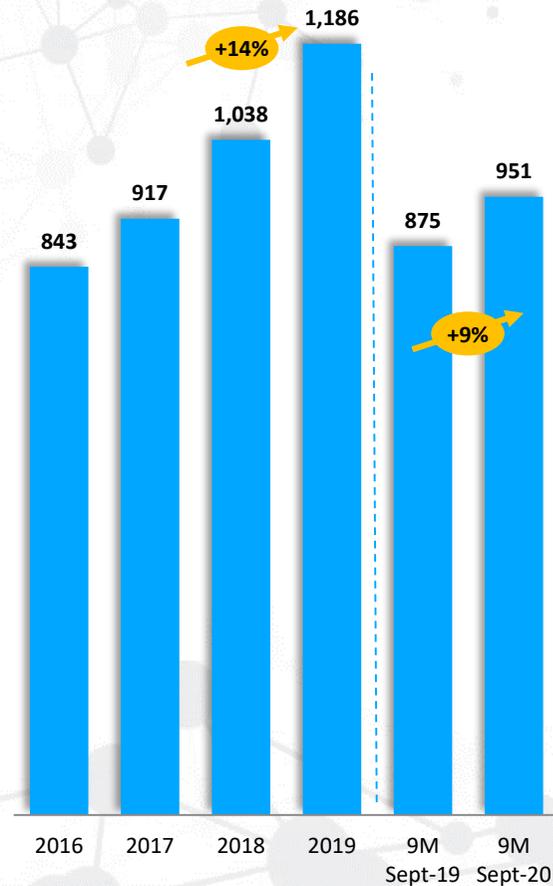
**We are market leaders in core business lines and benefit from robust RGU growth...**

**Based on our advanced network infrastructure in Romania, Hungary and Spain**

## At a glance: Sustained growth profile, overcoming pandemic economical challenges

### Group revenue

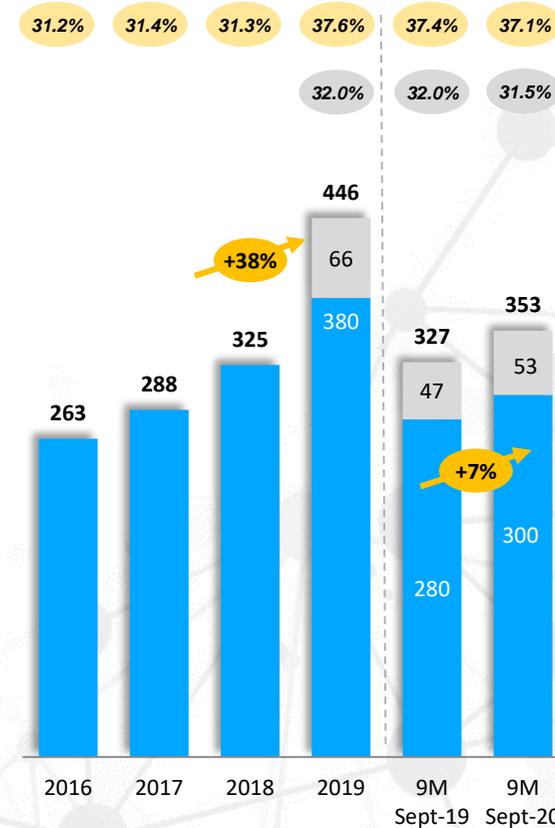
(€mm)



### Group adjusted EBITDA

(€mm), margin (%)

■ IFRS 16 impact



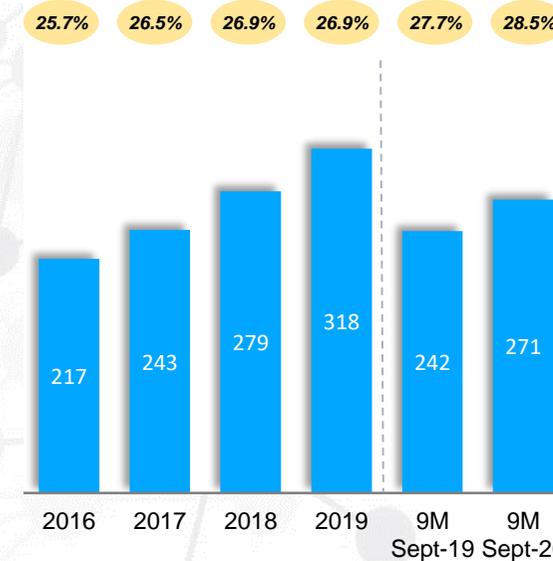
### Group capex<sup>2</sup>

(€mm), % total revenues

~€2bn invested over last 10 years in network infrastructure

- **Fiber network:** low maintenance capex and no large scale upgrades required<sup>1</sup> in Romania and Hungary, in Spain fixed network to be developed
- **Mobile network** in Romania significantly upgraded and in Hungary still to be rolled out
- Significant portion of capex is discretionary in nature

■ Total capital expenditures



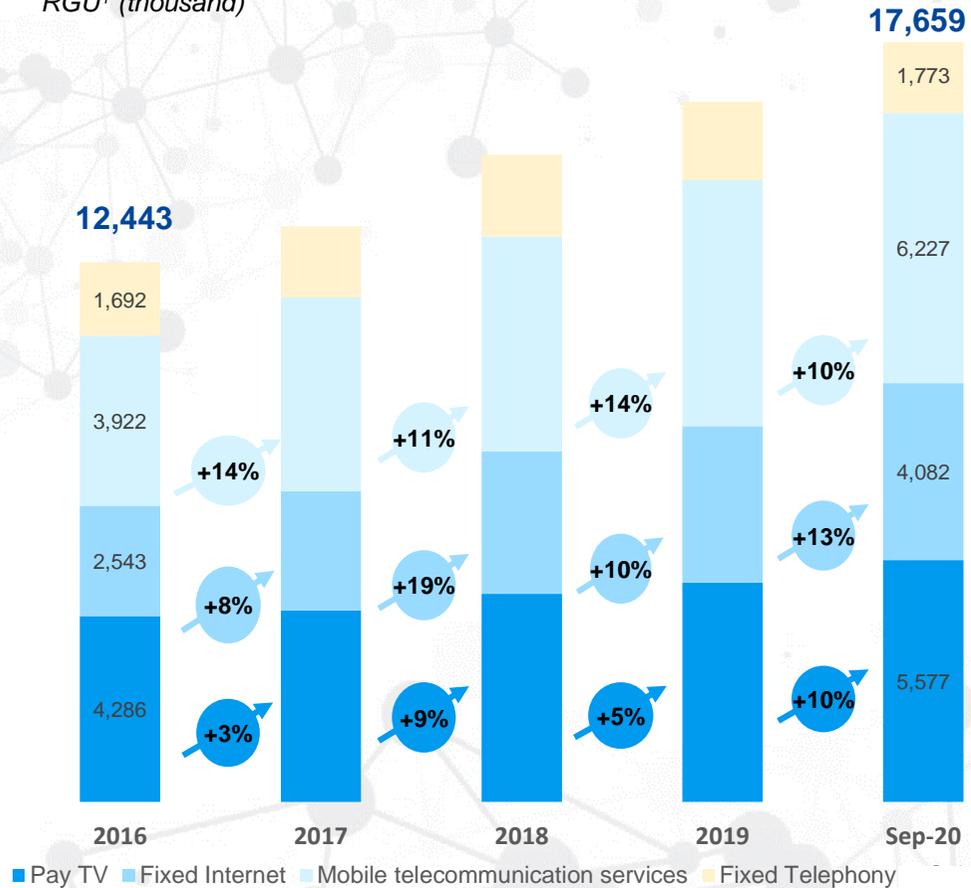
Notes: 1. Except for upgrade from FTTB to FTTH and upgrade of Invitel network to fiber, which are currently ongoing; 2. Capex figures shown here exclude the net cash flows related to acquisition of Invitel on May 30, 2018. Source: Company data.



# At a glance: Sustained growth profile

## RGUs

RGU<sup>1</sup> (thousand)



## ARPU's

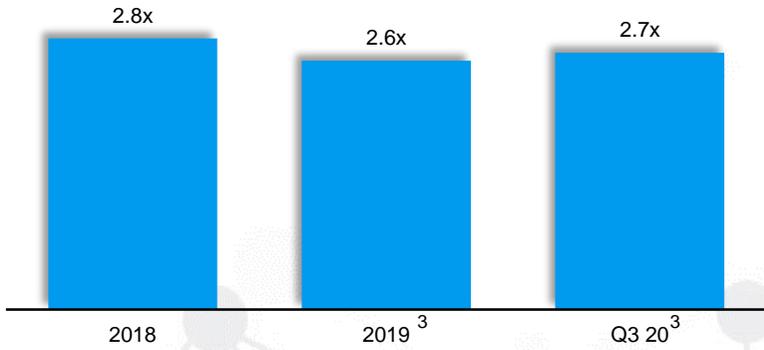
Group total





# ...underpinned by a prudent capital structure

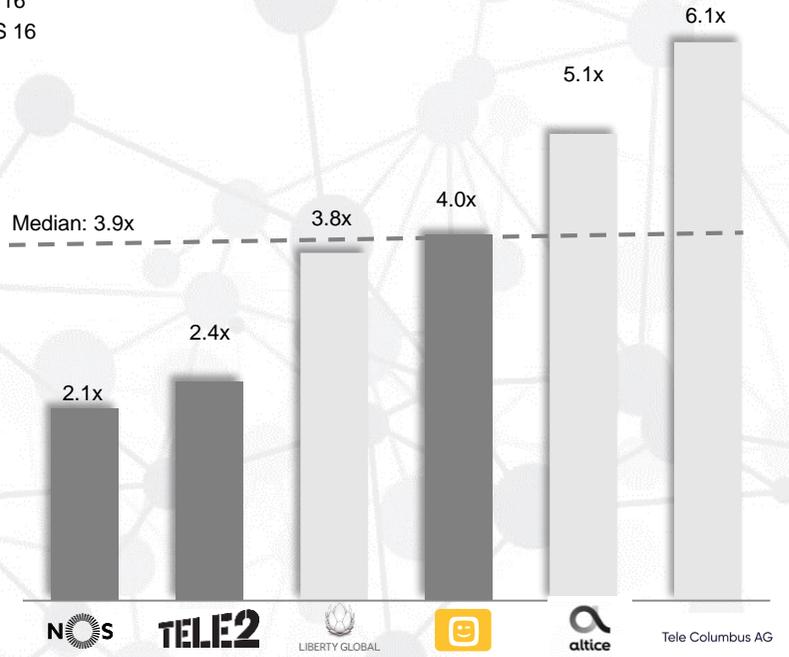
## Group net debt<sup>1</sup> to adjusted EBITDA<sup>2</sup>



## Peer net debt to adj. EBITDA<sup>4</sup>

As of Q2 2020 reported numbers

■ Pre-IFRS 16  
■ Post-IFRS 16



Notes: 1. Net debt (excluding impact of IFRS 16) for purposes of covenants computation as per Senior Secured Notes covenants. 2. Excluding impact of IFRS 16. 3. Current covenants are calculated on a pre-IFRS16 basis; 4. Data extracted from peers reporting.

# DIGI

## 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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# DIGI

## Leading commercial propositions for customers

Monthly price incl. VAT	DIGI		 	
TV	<b>Digital</b> 152 channels, 38 HD	<b>TV L</b> 137 channels, 44 HD	<b>TV Complet</b> 191 TV channels, 50 HD	<b>Global TV</b> 129 channels, 36 HD
Internet	<b>FIBERLINK 1000</b> 940 Mbps <sup>1</sup>	<b>Internet L</b> 940 Gbps <small>Limited geographic availability</small>	<b>Net 500</b> 500Mbps	<b>Home Net 1000</b> 940 Mbps <small>Limited geographic availability</small>
Mobile	<b>DIGI MOBIL OPTIM NELIMITAT</b> Unlimited national minutes, thousands international minutes, unlimited 4G, 80 GB/month 5G	<b>Mobil</b> Unlimited national minutes, unlimited SMS, 1.5 GB at 4G	<b>Red 9 National</b> Unlimited national minutes, 200 international minutes, 250 national SMS, 10GB national at 4G	<b>Fun 10</b> Unlimited national minutes and SMS, 300 international minutes, 20 GB national internet
Pricing <sup>2</sup>	€19	€22	€22	€20

Notes: Prices converted at RON:EUR FX of as of Nov 2020 for package pricings; 1. Speed subject to equipment specifications. 2. Prices estimated based on offers presented on websites and normalized promotions prices. Source: Company data; Peer websites.

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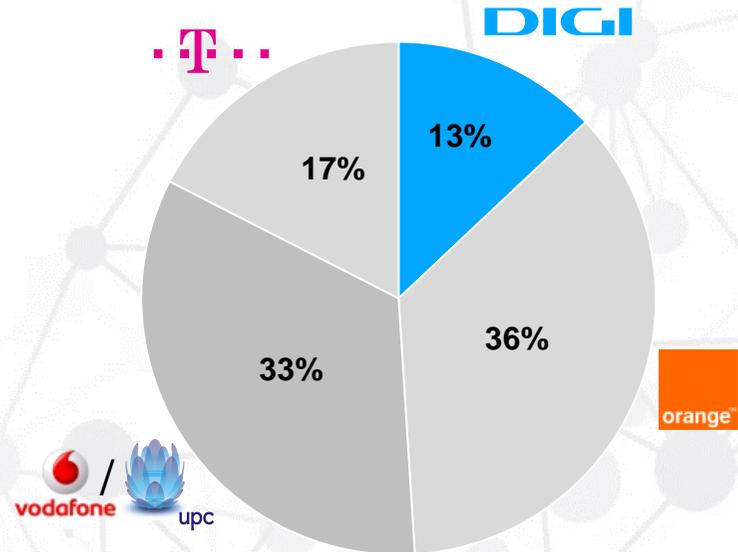
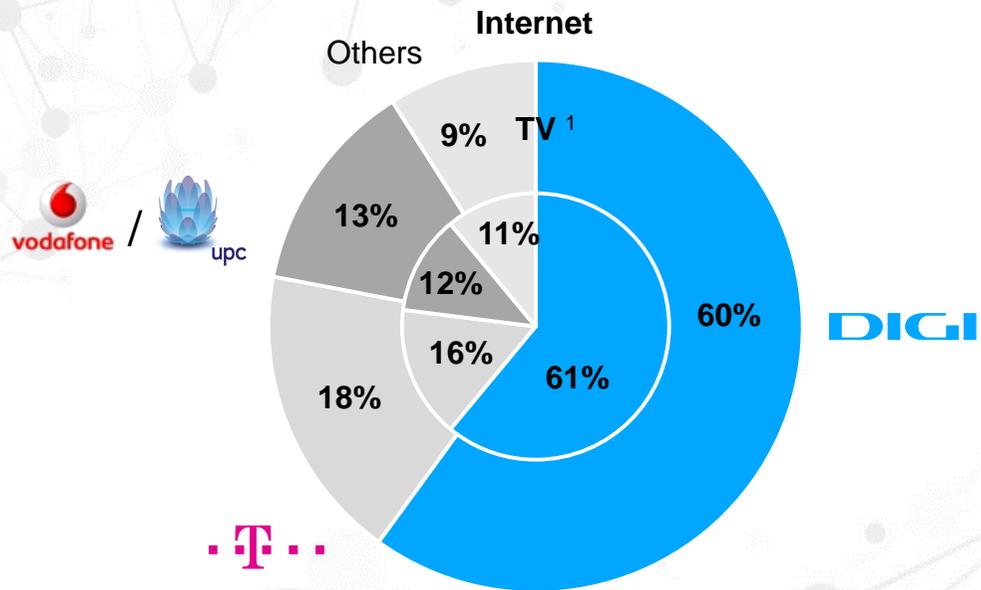




# Market Leader in Romania

## Fiber network<sup>(1)</sup>

## Mobile<sup>(1)</sup>



Note: 1. Market shares are based on company and peers reported subscriber numbers and regulator data for market size as of Q4 2019. Source: Company data, ANCOM, Peer reporting

# DIGI

## ... and Leading Challenger in Hungary

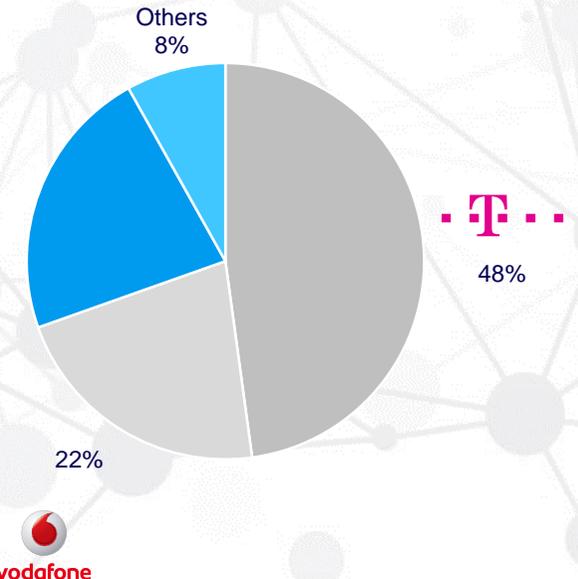
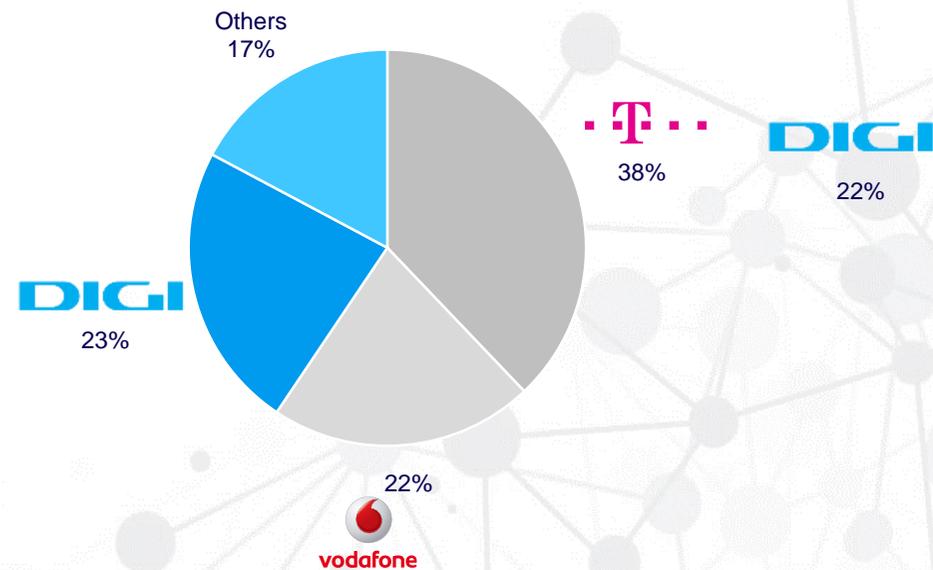
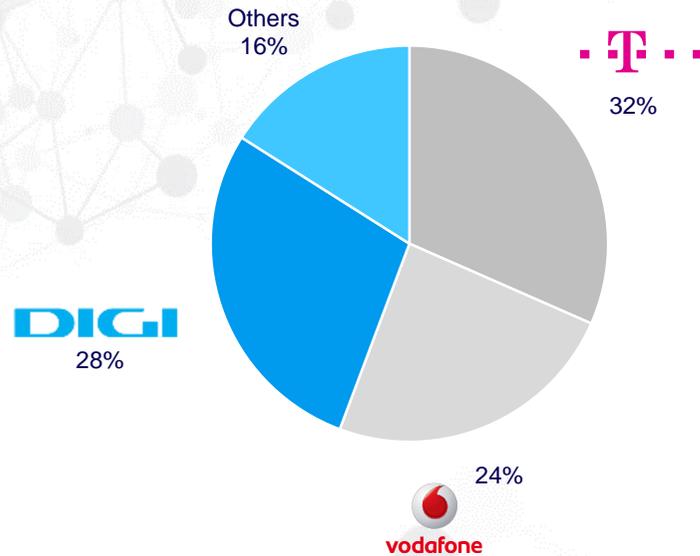
Cable TV<sup>(1)</sup>



Fixed internet and data<sup>(1)</sup>



Fixed telephony<sup>(1)</sup>

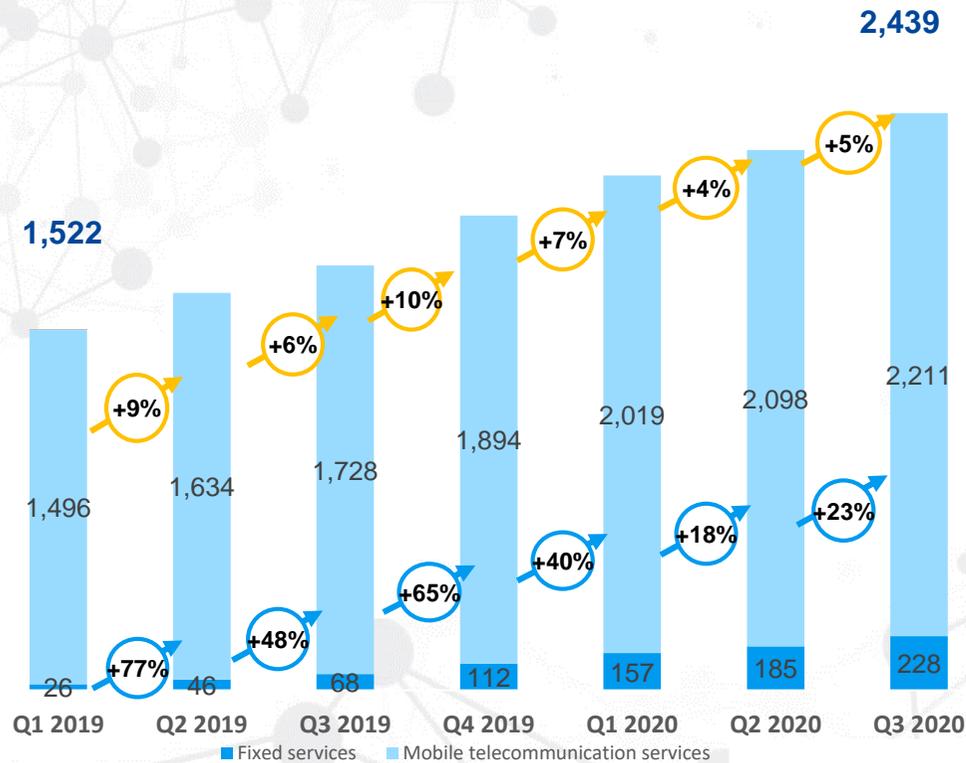


Note: 1. Market shares as of 30 June-2020.  
Source: NMHH

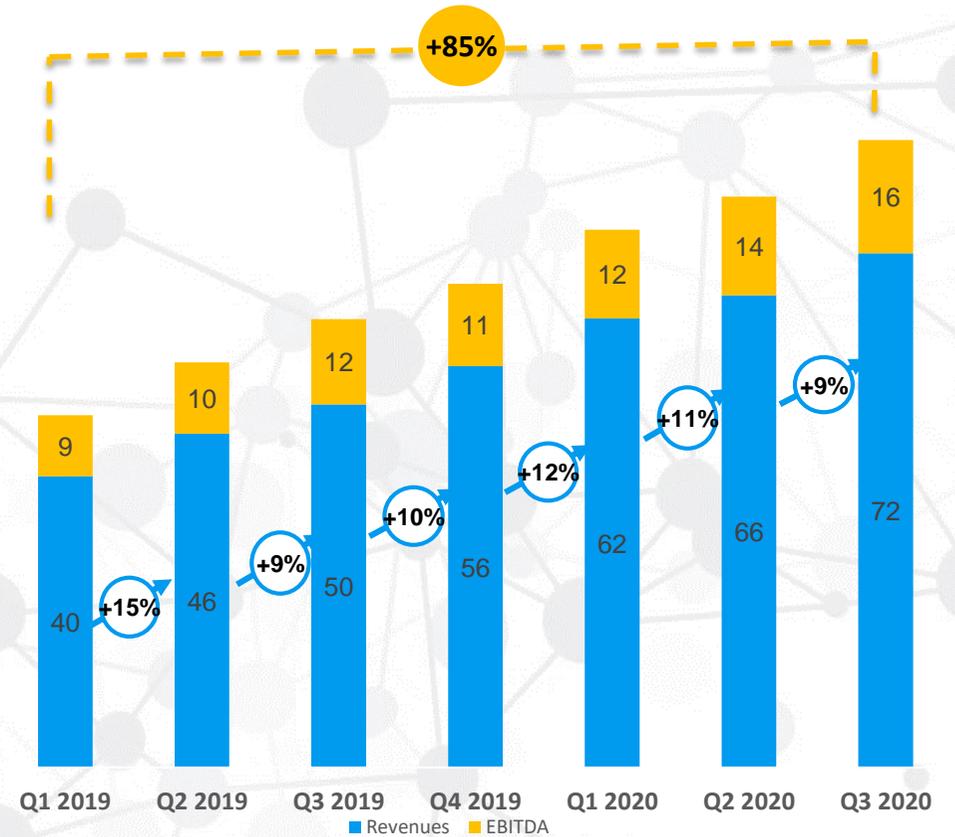
## Strong sustained commercial success in Spain

### 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



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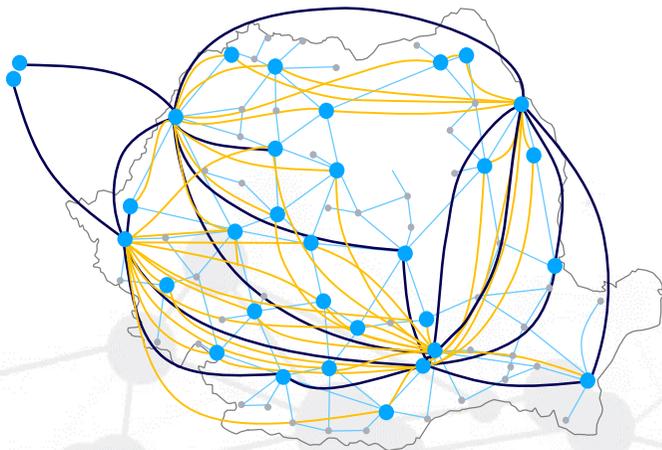


## Well invested fixed line network in Romania & Hungary

### Modern, resilient fiber-based infrastructure in Romania



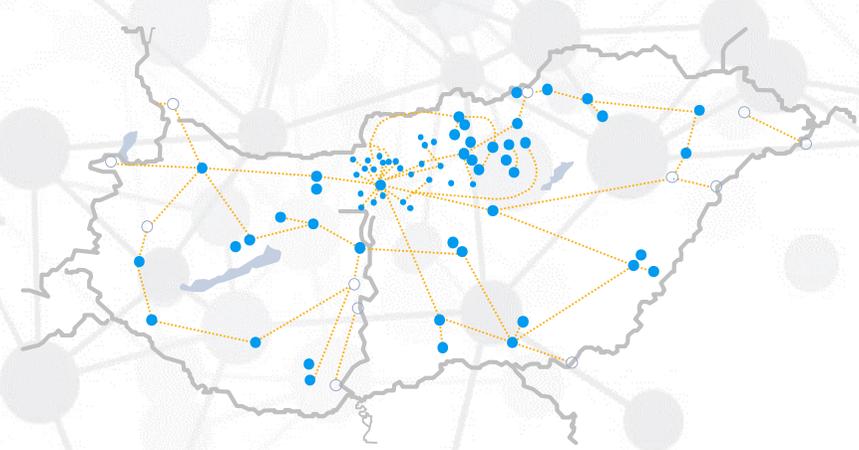
- Very **dense, nationwide network** ~100% owned
- **Nationwide last-mile 1Gbps connection with multiple 100Gbps capacities** and multiple redundancies
- **~6.3m<sup>1</sup> homes passed, covering all major cities** and certain rural areas (70% dwellings covered)
- **> 90%<sup>1</sup> FTTB/FTTH coverage** based on GPON or comparable technology
- **DTH serves as a cost efficient footprint infill** in areas without DIGI's fibre network



### Expanding fiber-footprint in Hungary



- **Technologically advanced fixed fiber network<sup>1</sup>**
- **~2.1m<sup>1</sup> homes passed** (47% dwellings covered)
- **>90%<sup>1</sup> of fixed network GPON<sup>2</sup> or similar technology** offering **speeds of up to 1,000 Mbps**





## ...and at the beginning of investment cycle in Spain

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### Rolling out fiber-footprint in Spain



- **Launch of FTTH** fixed broadband and fixed telephony in September 2018
- Indirect access on Telefonica FTTH GPON network based on the NEBA regulation

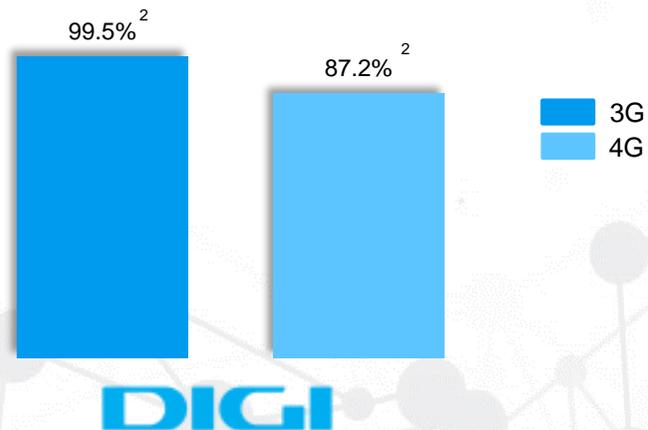




## Mobile network in expansion

### Newly built own mobile network, coverage increasing in Romania

- **~5,000 base stations** (approximately 4,350 of which are 4G)
- **Dense fiber network ideal for potential future small cell 5G rollout**
- **Launched 5G services<sup>1</sup>** in several Romanian cities in June 2019
- Efficient set-up with **synergistic use of fiber network**



### Testing proprietary network in Hungary

- **Launched own mobile network in May 2019**, with services in testing phase and available only to existing customers
- **~78% country population coverage** for network<sup>3</sup> representing strong foundation for further expansion

## Outlook



- Taking advantage of pockets of growth on a mature market
- Continue network expansions into rural areas and densification and roll out of mobile network



- Continue providing value for money offerings to its customers
- On-going development of mobile network with a view of becoming a full convergent player in this territory



- Offering attractive packages and maintaining the increasing trend of RGUs net adds
- Continue roll out of fixed services



# DIGI

Q&A



## Contact

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**Email: [ipo.relations@digi-communications.ro](mailto:ipo.relations@digi-communications.ro)**