

PRESS RELEASE

Bucharest, February 23, 2021

DIGI COMMUNICATIONS N.V. FINANCIAL PRELIMINARY RESULTS

FOR THE YEAR ENDED AT DECEMBER 31, 2020

1.3 BILLION EUR CONSOLIDATED REVENUE AND 480 MILLION EUR EBITDA

- **EUR 1.3 billion consolidated group revenue in 2020, an increase of 8.1% compared to December 31, 2019, a robust financial performance in a context marked by challenges and unpredictability**
- **Revenue Generating Units (RGUs) rise to 18.1 million from 16.1 million, across all services and markets, up by 12% as at December 31, 2020 compared to December 31, 2019**
- **EUR 480 million adjusted EBITDA (including the impact of IFRS 16), an increase of 7.5% compared to December 31, 2019 and EUR 405 million adjusted EBITDA (excluding the impact of IFRS 16), an increase of 6.6% compared to December 31, 2019**
- **Romania and Spain, the main contributors to the overall growth**

FINANCIAL STEADINESS AND OPERATIONAL CONSISTENCY

Digi Communications N.V., the leading electronic communications group with businesses in Romania, Hungary, Spain and Italy and the parent company of RCS & RDS SA (Romania), reached **EUR 1.3 billion in revenues**, in 2020, according to the company's preliminary unaudited annual financial results, issued on Tuesday, February 23, 2021. In 2020, the company increased **revenues by 8.1%** compared to 2019 (EUR 1.2 billion as at December 31, 2019). Adjusted EBITDA of **EUR 480 million** (including IFRS 16) registered a **7.5% rise** compared to the previous year (EUR 446 million as at December 31, 2019).

The commercial key indicators in 2020 confirmed Digi's market leadership profile, especially in Romania, Spain and Hungary. The number of total services provided to customers (revenue generating units – RGU's) has progressed **by 12%**, to **18.1 million RGUs** from **16.1 million RGUs** as at December 31, 2019. At the group level, significant increases in RGUs were achieved, primarily organically, for the main business lines:

- **pay-tv services (cable-tv and direct-to-home): + 12%, from 5.1 million RGUs to 5.7 million RGUs;**
- **fixed internet: + 18%, from 3.6 million RGUs to 4.3 million RGUs;**
- **mobile communications services: + 13%, from 5.7 million RGUs to 6.4 million RGUs.**

Serghei Bulgac, CEO Digi Communications declared: *"Digi teams from all our markets have ensured a constant and efficient provision of services, maintaining a high level of quality provided to all our clients. Through flexibility, discipline and care for teams and customers, Digi has managed to transform a challenging 2020 into a year of sustainable development, both operationally and financially. On behalf of Digi's Board, I would like to express our gratitude towards employees, clients, partners, for our achievements and results, in a difficult year."*

In order to maintain its leading competitive edge, the group invested a total of **EUR 371 million**, in 2020, for networks development mainly, in Romania, Spain and Hungary, aiming to consolidate and expand 4G and 5G network as well as further roll-out of fiber optic infrastructure.

The company has continued to adopt a prudent capital structure, based on a constant leverage ratio of EBITDA well below the average ratio of other cable operators in Europe. In 2020, Digi Communications N.V. reported a stable 2.6 X leverage ratio.

EVOLUTION BY TERRITORY

The operations on the group's main market, **Romania**, continued the positive trend on the fixed communications segment. Mobile voice and data business line confirmed the progressive path, in the context of changing mobile connectivity needs.

The pay-tv business line registered a **15.5%** increase of RGUs, to **4.7 million RGUs** at the end of 2020 from 4.1 million RGUs, for the prior period. As for the fixed internet service, the RGUs progressed by **19.4%**, to **3.3 million RGUs** as at December 31, 2020 compared to 2.8 million RGUs as at December 31, 2019.

Mobile voice and data communications business line increased by **6.9%** to **3.7 million RGUs** as at December 31, 2020.

In 2020, **Digi's Spanish operations** recorded increasing revenues **by 42%** from **EUR 193 million to EUR 274 million** and reconfirmed the sustained commercial success achieving a rise of **30%** compared to 2019, up to **2.6 million RGUs** at the end of 2020 from **2.0 million RGUs**, for the previous period. Mobile communications business line continued its outstanding progress, with **23% increase** from **1.9 million RGUs to 2.3 million RGUs** as at December 31, 2020, an achievement that positioned Digi Spain amongst 5 top mobile communications providers on the local market.

The expansion of the fixed network footprint and the continuous development of points of presence matrix brought a significant increase of **fixed services**, reaching **276,000 RGUs** as at December 31, 2020.

Digi's subsidiary in **Hungary** pursued the process of expanding its optical fiber network and also continued to add new mobile communications services users. The dynamics of the mobile network development turned Digi Mobil in Hungary in the most appreciated operator in terms of 4G signal availability, according to OpenSignal Mobile Network Experience Report, released in premiere for 2020, on the basis of customers reviews.

As for the operational results, RGUs for fixed communications services of Digi subsidiary were **2.3 million RGUs**, at the end of 2020, while the mobile communications services segment reached **173,000 RGUs** at the end of the year.

Italian operations provided constant results, in a difficult year for the local market, confronted to the various restrictions imposed by the sanitary crisis. At December 31, 2020, the subsidiary counted **251,000 RGUs** on mobile data and voice segment.

The preliminary report is available [here](#).

About Digi Communications N.V.

Digi Communications N.V. is the parent company of the electronic communications operator, RCS & RDS, the leader of the internet market, pay-tv and converging services in Romania, with operations in Hungary, Spain and Italy. Established over 28 years ago, the company holds almost entirely the most modern (state of the art) and extensive optical fiber network in the region, reaching 8.4 million homes passed in Romania and Hungary (December 2019).

Digi brings to the market the most affordable electronic communications services, both in fixed and mobile communications. Over time, this competitive advantage has become a benefit for millions of customers, who have thus gained faster and less expensive access to top-quality services.

The cross-media content of Digi group comprises TV stations Digi4K, the first ULTRA HD broadcasting television launched in Romania, Digi 24, DigiSport 1, 2, 3, 4, Film Now (pay-TV), Digi World, Digi Animal World, Digi Life, UTV, Music Channel and Hit Music Channel, radio stations Digi FM, ProFM, Dance FM, Chill FM and online communication platforms gathered under the umbrella DigiOnline.

Contact:

Communications & CSR Department

comunicare@rcs-rds.ro

Tel: +40 31 400 42 44

www.digi-communications.ro