

PRESS RELEASE

Bucharest, May 15, 2020

Digi Communications N.V. Group announces financial results as at March 31, 2020

Group level:

- **COVID 19-outbreak response**
 - **The Group ensured operational continuity during this period;**
 - **Fixed and mobile networks have all been working without any major capacity issues, successfully supporting the increase in fixed and mobile traffic;**
- **Sustained growth profile: 11% revenue increase, up to EUR 313.2 million and 9% RGU growth, up to 16.5 million;**

Romania:

- **Increase in fixed services RGUs reach historic levels (cable television and fixed internet segments): + 9.5% CATV RGUs up to 3.7 million and +11% fixed internet RGUs up to 2.9 million;**
- **Increase in EBITDA margin, up to 47.3% (including IFRS 16) due to strong operational performance in both fixed and mobile communications business lines;**

Spain:

- **Reach of 2 million RGU`s achieved on mobile telephony and data services;**
- **Increased its contribution to total Group's revenues (20%) and EBITDA (11%);**

On Friday, May 15th, Digi Communications NV Group published its financial results for the first quarter ended March 31st, 2020, increasing revenues by 11% compared to the same period of previous year (from EUR 281.2 million to 313.2 million EUR) and achieving 9% RGU growth, up to 16.5 million. Adjusted EBITDA was EUR 114.7 million (including IFRS 16), 26.4% increase compared to previous period.

Digi Group delivered a strong overall performance in the first quarter of 2020. Given the general public health context, since mid-March, the company focused on responding the pandemic and the restrictive measures taken by authorities in all the territories where it operates. In Romania, this started on the 23rd of March 2020, in Hungary, the 11th of March, in Spain, the 15th of March, in Italy, the 12th of March.

Digi Communications N.V. successfully implemented measures to ensure the health and safety of customers, employees and partners and the reliable delivery of services during the COVID-19 outbreak, aiming to run operations with minimum disruption. Given the unpredictability associated with the pandemic, its duration and its immediate economic impact, it is difficult at this early stage to quantify the overall financial effects on the business.

During the period of restriction, in **Romania**, we have seen an increase of usage for fixed internet and cable TV services for residential customers. The demand of new connections and the significant shift to working from home contributed to a sustained request of fixed services. This pattern was also reflected in the increase of traffic by 20-30% especially in the second half of the day.

As a result, at the end of the quarter, Digi achieved an increase of RGU on the main segments (fixed internet and cable TV) to an historic level of 3.7 million RGU (cable tv), respectively 2.9 million RGU (fixed internet).

In **Hungary**, despite the different type of restrictive measures implemented, there was no significant negative impact during the period, which remained in line with normal business periods.

In **Spain**, the pace of RGU growth changed significantly, following the portability for mobile and fixed telephony restrictions implemented during this period. Digi Spain succeeded, in the first quarter of the year, to exceed the threshold of 2 million RGU for mobile voice and data services and improved its contribution to the Group's revenue (20% out of total Group revenue) and EBITDA (11% out of total Group EBITDA).

"In the last two months, our management team's top priority was to ensure the health and safety of our employees as well as our customers and ensuring the supply of the necessary protective equipment for the teams. We have also worked hard to prevent any delays in the supply chain, have continued to develop technical facilities and been cautious to preserve liquidity. Confronted with restrictions, in all our territories and with significant changes of customers behavior, our teams focused on maintaining the same quality level of services at all times. Our fixed and mobile networks in Romania successfully supported the traffic increase, up by 30% (fixed) and 11% (mobile), in March compared to February. Corporate sales teams adapted their commercial strategies to a new reality and prioritized client support activities in order to provide the appropriate assistance to B2B clients affected by the crisis.

We are grateful for the outstanding flexibility and pro-active attitude of all our employees. Thanks to their rapid reaction and discipline, the company continued to fulfil its clients demands and succeeded to support communities, families and individuals affected by the crisis. Dedicated to our mission as a long-term partner for the society and municipalities of Romania, Digi contributed with approximately EUR 1.7 million to donations consisting in medical equipment or connectivity services to Romanian hospitals, students, rural communities or volunteer initiatives aiming to support vulnerable population", said Serghei Bulgac, Chief Executive Officer (CEO) of Digi Communications N.V..

About the Digi Communications Group

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 27 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. In Romania, the Group Digi is currently the largest private employer in the local business environment, with approximately 13,000 employees (16,500 in all markets where it operates).

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.

More information [here](#).