



DIGI



Investor presentation

September 2022



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Recent developments

Romania

- On November, 23, 2021 the Romanian Authority for Telecommunications (ANCOM) finalised the auction for the allocation of the frequency rights in the 800 MHz, 2600 MHz, 3400- 3600 MHz bands.
- ANCOM designated RCS&RDS as winner of the frequency rights in the 800 MHz (1 lot 2x5 MHz), 2600 MHz (4 lots 2x5 MHz - FDD) and 2600 MHz (1 lot 15 MHz - TDD).
- The value of the frequency rights is of EUR 42.7 million.

Hungary

- On January 3, 2022 the Company's Romanian subsidiary (RCS&RDS) and 4iG Plc. (4iG Plc.) one of the leading companies of the Hungarian IT and ICT market, successfully closed the transaction regarding the acquisition of DIGI Tavkozlesi Szolgaltato Ltd. (Digi Hungary) and of its subsidiaries, Invitel Ltd., Digi Infrastruktura Korlatolt Felelossegu Tarsasag and I TV Ltd by 4iG Plc. On 29 November 2021, the parties executed the sale and purchase agreement regarding the acquisition by 4iG Plc of the 100 percent stake held by RCS&RDS in Hungary's leading telecommunications and media service group and the assignment of all debts of Digi Hungary and of its subsidiaries to RCS & RDS. The transaction was subject to the fulfilment of certain conditions, including the Hungarian competition authority's clearance.



Recent developments

Portugal

- On October, 27, 2021, the Portuguese Authority for Telecommunications (ANACOM) finalised the auction which began on December 22, 2020, for the allocation of the frequency user rights in the 700 MHz, 900 MHz, 1800 MHz, 2.1 GHz, 2.6 GHz and 3.6 GHz bands. ANACOM designated the Group's Portuguese subsidiary, Dixarobil Telecom, Sociedade Unipessoal, Lda. (Dixarobil) as winner of the frequency user rights in the 900 MHz (2x5 MHz), 1800 MHz (2x5 MHz), 2.6 GHz (2x5 MHz FDD and 25 MHz TDD), 3.6 GHz (40MHz) bands. The total price of the frequency user rights is EUR 67.34 million.

Belgium

- As of June 6, 2022 Citymesh, part of the IT-group Cegeka and RCS & RDS, an EU telecommunications group, win the new entrant spectrum package in the 5G-auction and will start the build of a new (4th) national mobile network. Following the auction concluded on June 21, 2022, Citymesh Mobile obtained the spectrum package in the 700 MHz, 900 MHz, 1,800 MHz, 2,100 MHz and 3,600 MHz bands for a total value of EUR 114.3 million payable in full or annually in equal instalments (at the choose of the subsidiary) for the entire duration of the right of use, which is 20 years, except the 3,600 MHz rights that ends in May 2040.



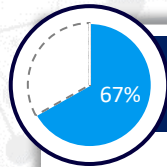
Recent developments

Digi Group secures further financing in Spain

27 July 2022: the Company's Spanish subsidiary, acting as a borrower together with the Company and RCS&RDS as original guarantors, ING Bank N.V. as sole bookrunner and mandated lead arranger and a syndicate of banks, acting as lenders, entered into an amendment agreement to the facility agreement dated July 26, 2021 under which was made available to the Company's Spanish subsidiary an additional term loan facility in a total aggregated amount of EUR 128 million for a period equal to five years, until 30 June 2027. The borrowed amount of the new term loan facility will be used by the borrower for the financing of capital expenditure in Spain and associated personnel costs.



Leading telecommunications Group with business in Romania, Spain, Italy, Portugal and Belgium



Romania

6M June 2022

Revenue¹:

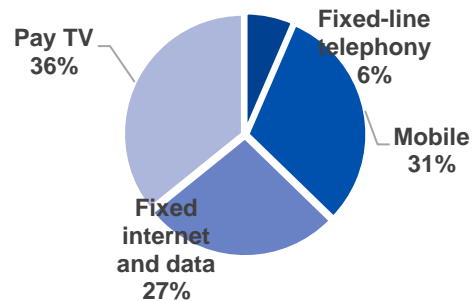
€490m



Adj. EBITDA margin²:

44%

*June' 22 RGUs: 14.7m
RGU breakdown*



Spain & Italy

6M June 2022

Revenue¹:

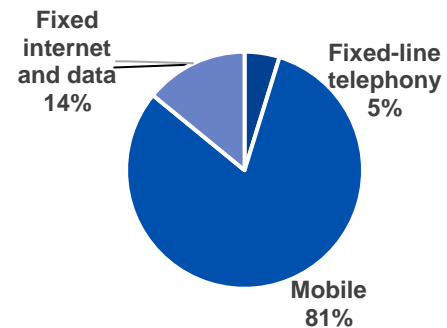
€242.6m



Adj. EBITDA Margin (Spain)²:

14%

*June' 22 RGUs: 4.7 m
RGU breakdown*



Portugal

On October 27, 2021:

Dixarobil Telecom wins frequency user rights

Belgium

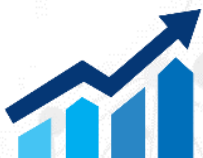
On June 6th 2022:

Citymesh Mobile wins the new entrant spectrum package in the 5G auction

Notes: 1. Excluding intersegment eliminations; 2. On a pre-IFRS 16 basis, as % revenue, incl. intersegment eliminations.



Highlights Q2 2022



Sustained financial performance and successful results reflected in revenue and EBITDA



DIGI Group

REVENUES +19% **EUR 370.4 million** *group consolidated Revenues*

RGU +15% *RGU from continuing operations YoY increase up to* **19.4 million**

EBITDA +10 % **EUR 100.9 million** *Adj EBITDA (excl IFRS 16) for 3m 2022*

+7% **EUR 120.5 million** *Adj EBITDA (incl IFRS 16) for 3m 2022*



Romania

RGU +10%

Mobile: 4.5 million RGU (+16% YoY)

Internet: 4.0 million RGU (+12% YoY)



Spain

RGU +41%

Mobile: 3.4 million RGU (+29% YoY)

Fixed: 881 thousand RGU (+101.6% YoY)



Contents



Digi at a glance: sustained growth profile, solid track record in customers, revenues & EBITDA

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, and Spain





Group overview

'Mil € June 30, 2022	 Romania	 Spain	 Italy and Group Operations	Total³
Revenues²	€ 245.4 m	€ 118 m	€ 7 m	€ 370.4 m
Adj EBITDA excl IFRS 16	€ 91.9 m	€ 12 m	€ (3) m	€ 100.9 m
Margin %	37.4%	9.7%	(38)%	27.2%
RGUs(000)	# 14,720	# 4,315	# 354	# 19,389

Source: Company data

¹ Adj EBITDA margin defined as Adj EBITDA / Revenues;

² Revenues per country include intersegment revenues in total amount of EUR 1.6 million for Q2 2022;

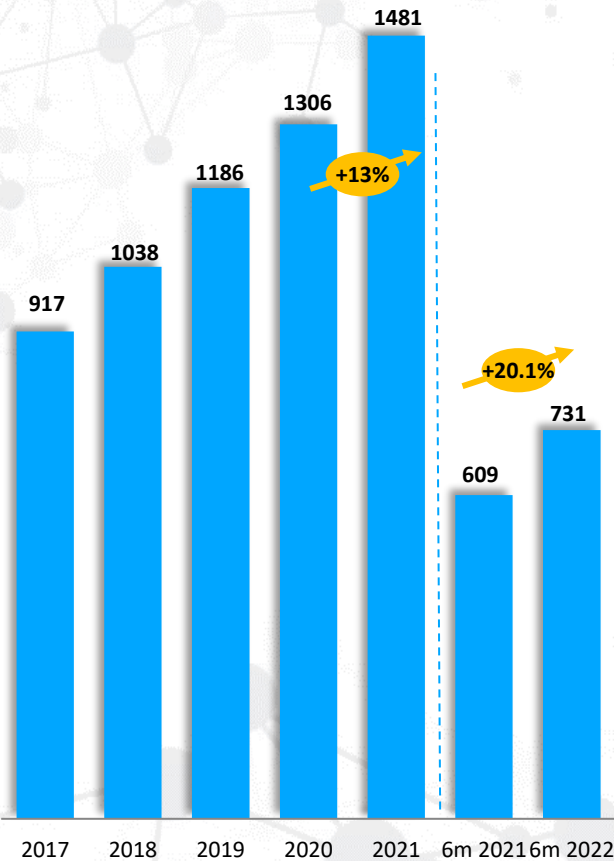
³ Total Group revenues excluding intersegment revenues;

⁴ 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, Dutch and Portuguese operations for operating expenses.

At a glance: Sustained growth profile still ongoing

Group revenue

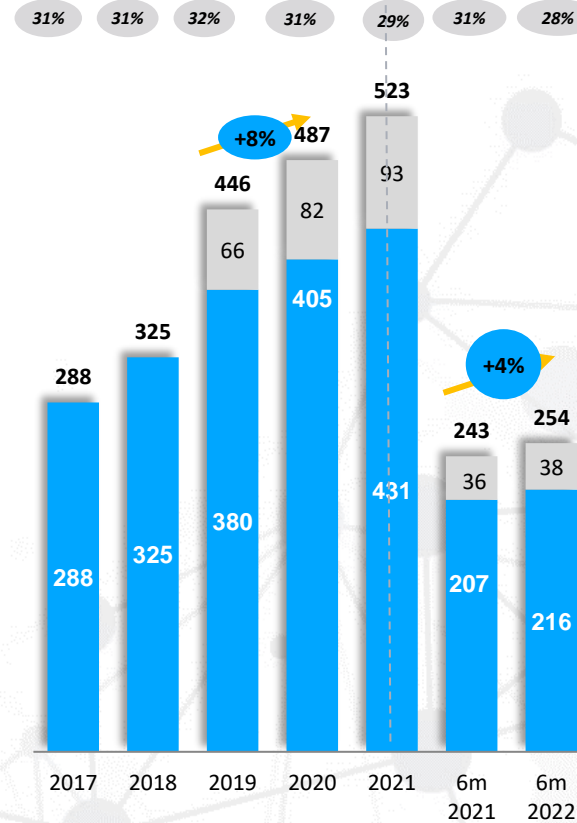
(€m)



Group adjusted EBITDA

(€m), margin (%)

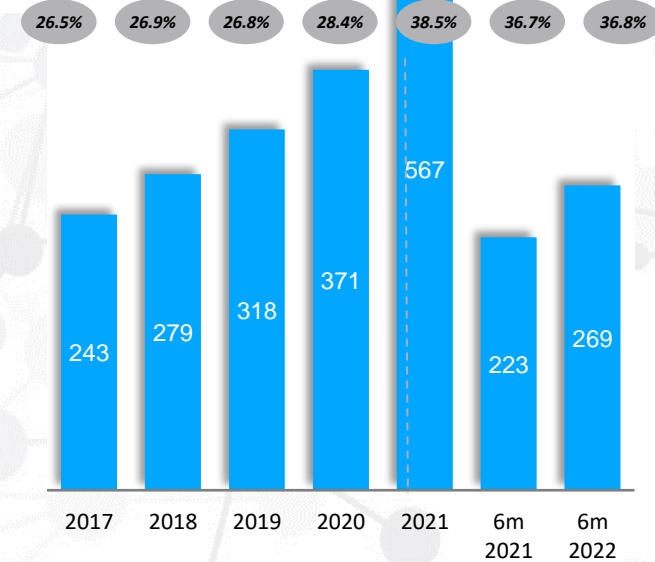
■ IFRS 16 impact



Group capex

- **Fiber network:** low maintenance capex and no large scale upgrades required¹; in Spain fixed network to be developed
- **Mobile network** in Romania significantly upgraded
- Significant portion of Capex is discretionary in nature

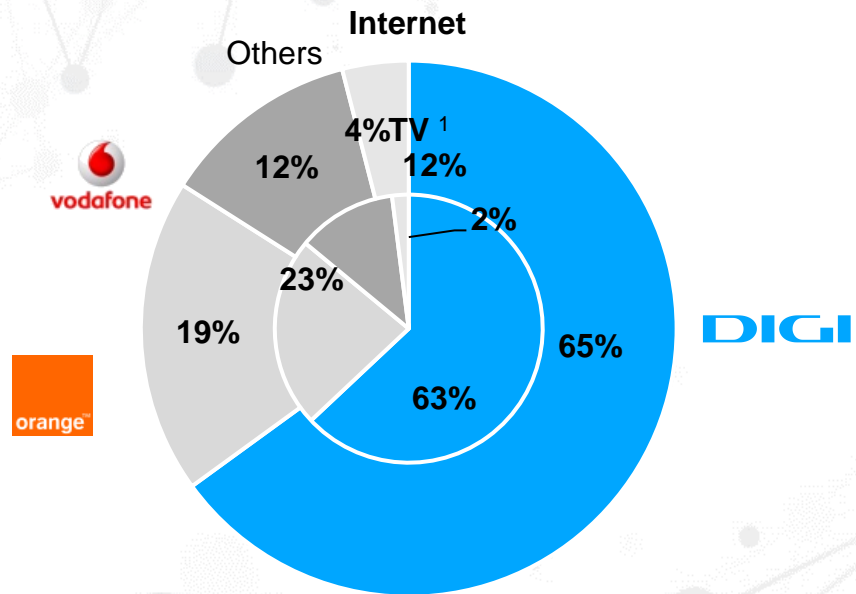
■ Total capital expenditures



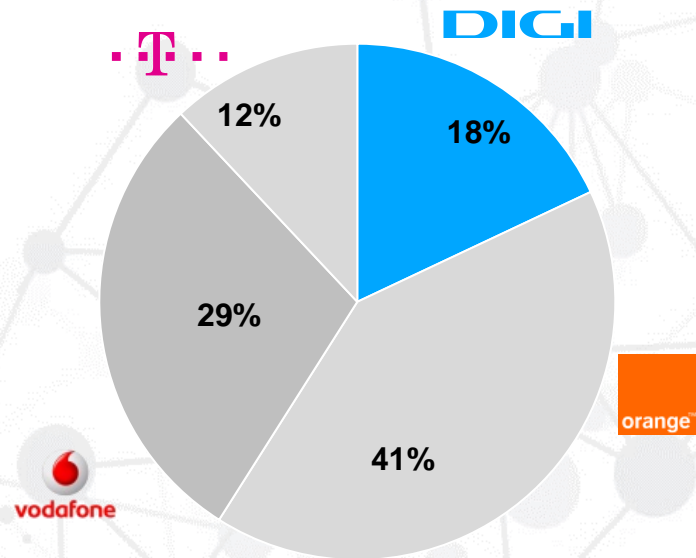


Market Leader in Romania

Fiber network⁽¹⁾



Mobile⁽¹⁾



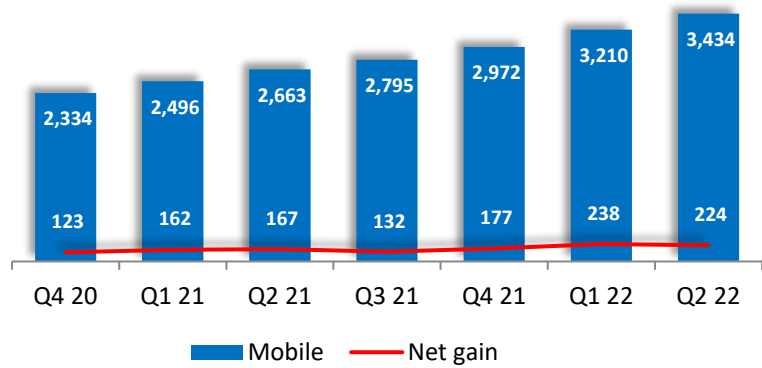
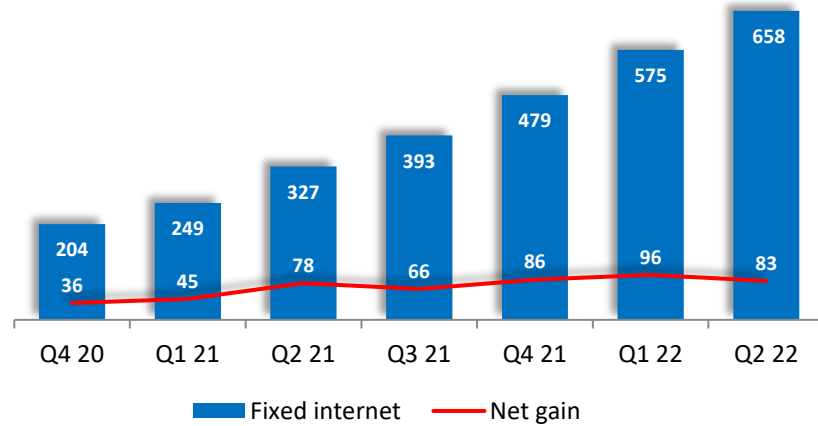
Note: 1. Market shares are based on company and peers reported subscriber numbers and regulator data for market size as of Q4 2021.
Source: Company data, ANCOM, Peer reporting



Strong sustained commercial success in Spain

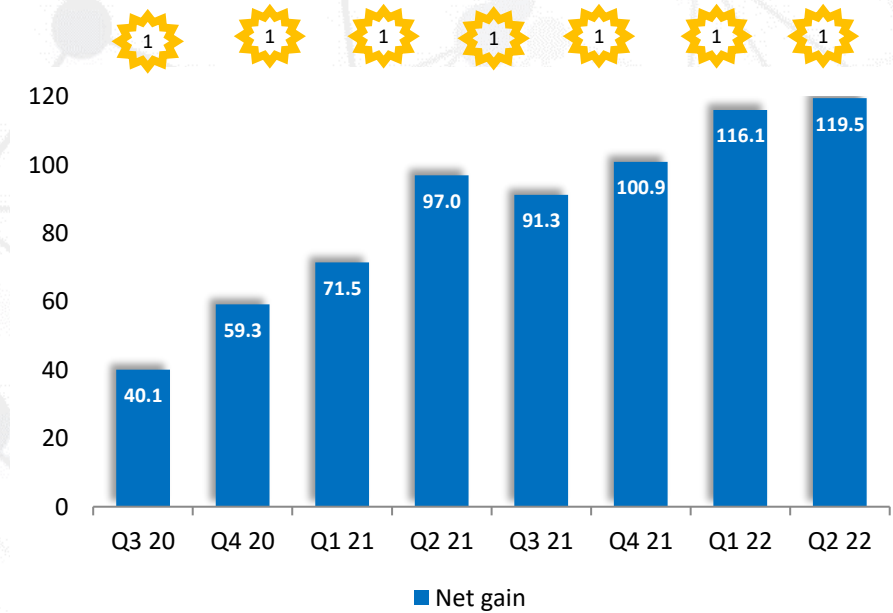
RGUs

RGU ('000)



Mobile Portability

RGUs('000)



Quarterly market position based on net mobile portability gain



Well invested in Romania and Spain

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
- **~8.6m¹ homes passed, covering all major cities** and certain rural areas (94% dwellings covered)
- **> 97%¹ FTTB/FTTH coverage** based on GPON or comparable technology
- **DTH serves as a cost efficient footprint infill** in areas without DIGI's fibre network



Newly built own mobile network, coverage increasing in Romania



- **~6,600 base stations** (approximately 99% of which are 4G)
- **Dense fiber network ideal for potential future small cell 5G rollout**
- **Launched 5G services¹** in several Romanian cities in June 2019
- Efficient set-up with **synergistic use of fiber network**
- **Over 99.5% population coverage**

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

Financial highlights

Quarterly evolution

% CAPEX/revenues

38%

34%

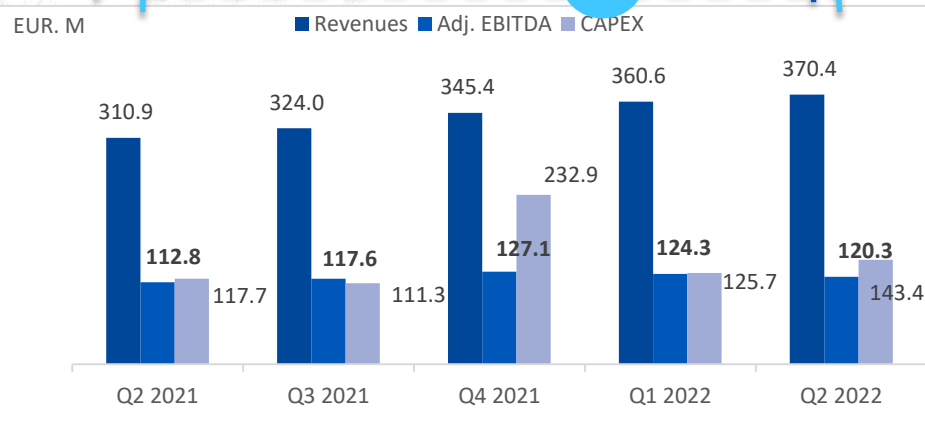
67%

35%

39%

+19%

+7%



■ Revenues ■ Adj EBITDA ■ CAPEX

YOY

Group revenue²

(€m)

310

370

19%

6

Italy

85

Spain

221

Romania

7

118

246

Q2 2021

Q2 2022

Group adjusted EBITDA¹

(€m),
margin (%)

36.1%

+8%

32.5%

111.9

120.4

21.4

IFRS 16 impact
on Adj. EBITDA

91.4

100.9

Q2 2021

Q2 2022

Key considerations

- Revenues up 19% based on strong customer growth in Spain and Romania
- Sales in Spain grew by 39% while Romania grew by more than 12%
- EBITDA increased by 7% YoY (incl. IFRS 16) amid certain inflationary pressures and cost associated to expansion to new territories.

Source: Company data

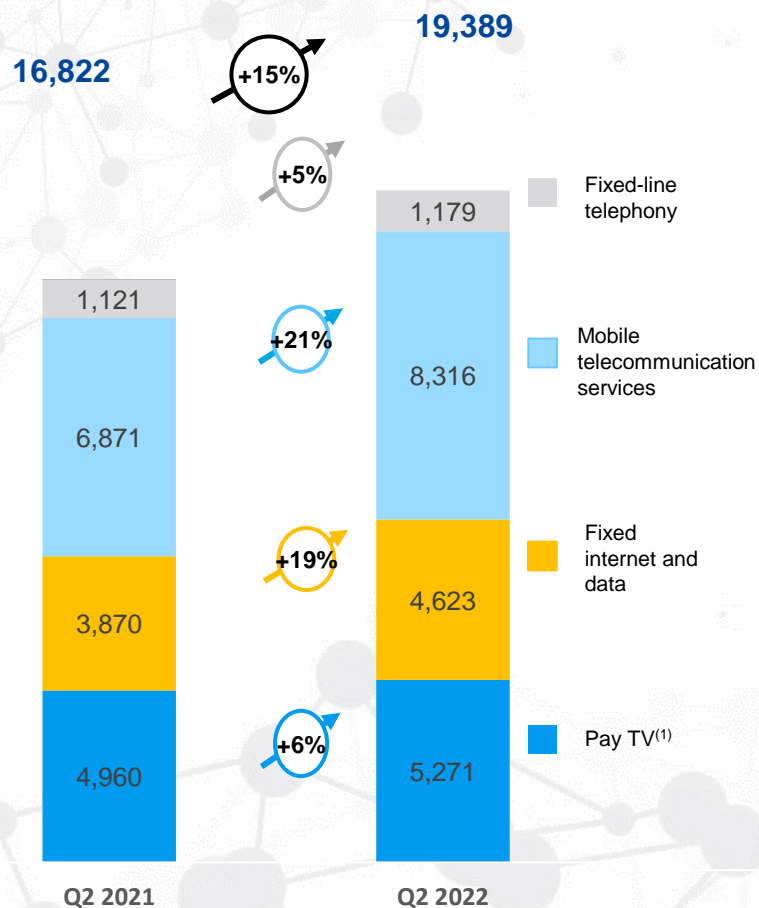
¹ EBITDA is calculated by adding back to consolidated operating profit/(loss) the charges for depreciation, amortization and impairment of assets. Adjusted EBITDA is defined as EBITDA adjusted for the effect of extraordinary or one-off/non-recurring items.

² Revenues per country include intersegment revenues in total amount of EUR 0.8 million for Q1 2022;

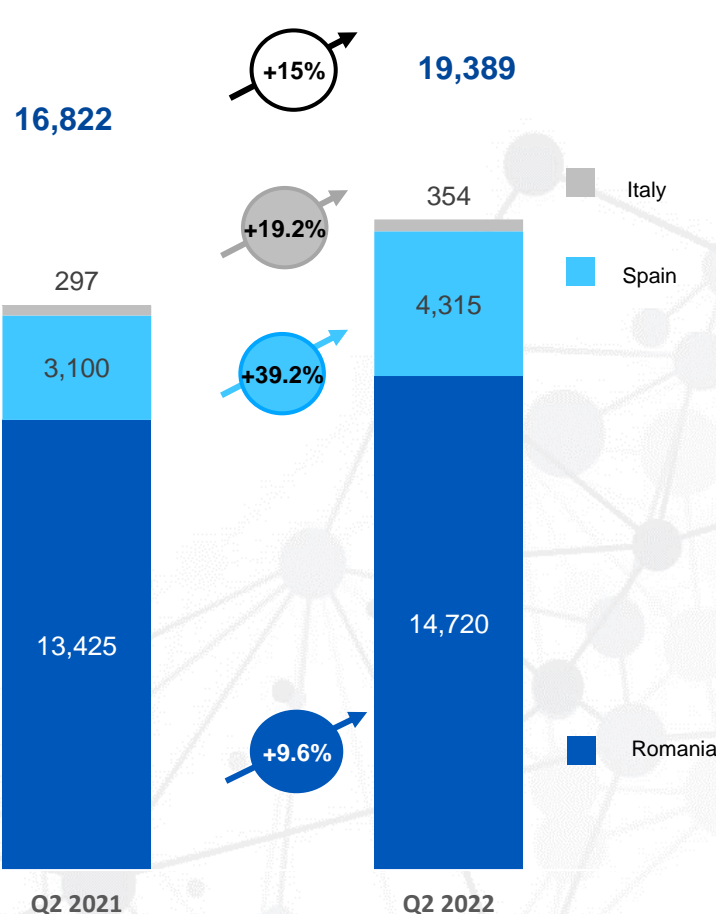


Outstanding growth for Group's RGUs

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



**RGUs ('000)
per country**



Key considerations

- Strong organic RGU growth in mobile and fixed services in Romania all markets
- Growth in Romania consistent across mobile and fixed segments
- Spain generated approx. 30% growth in mobile segment and more than doubling of fixed customer base

¹ Includes cable TV and DTH RGUs



Group Financial Profile

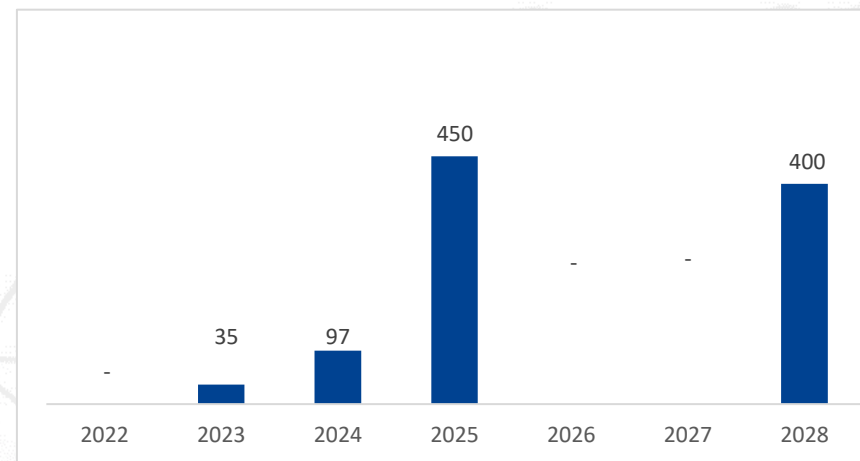
Financial liabilities as of June 30, 2022¹

Facility	Amount (Mil €)
Senior Secured Notes	850
2021 Senior Facility (term loan)	132
Financial leases	32
Other long term debt	105
Other short term debt	53
Total gross debt	1,172
Cash on BS	286
Total net debt	887

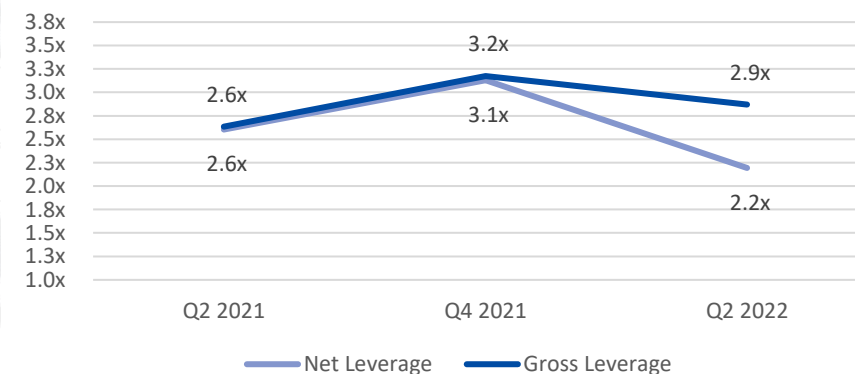
¹ Financial liabilities exclude debt related to IFRS 16.

² The Net Leverage and Gross Leverage are computed excluding IFRS 16 numbers.

Maturity profile Long term loans & Notes (Mil €)



Leverage²





Contact

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