



**1ST QUARTER 2025 – FINANCIAL REPORT**  
**for the three-month period ended March 31, 2025**

**DIGI COMMUNICATIONS N.V. (“Digi”)**



**(the “COMPANY”)**

(Digi, together with its direct and indirect consolidated subsidiaries are referred to as the  
“Group”)

**FINANCIAL REPORT (the “REPORT”)  
for the three-month period ended March 31, 2025**

*This Unaudited Condensed Consolidated Interim Financial Report for the period ended 31 March 2025 refers to the Unaudited Condensed Consolidated Interim Financial Statements prepared in accordance with IAS 34 “Interim Financial Reporting”.*

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# Important Information



## Cautionary Note Regarding Forward-Looking Statements

Certain statements in this report are not historical facts and are forward-looking. We may from time to time make written or oral forward-looking statements in reports to shareholders and in other communications. In addition, this report includes forward-looking information that has been extracted from third-party sources. Forward-looking statements include statements concerning our plans, expectations, projections, objectives, targets, goals, strategies, future events, future operating revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our competitive strengths and weaknesses, our business strategy, and the trends we anticipate in the industries and the political and legal environments in which we operate and other information that is not historical information.

Words such as “believe,” “anticipate,” “estimate,” “target,” “potential,” “expect,” “intend,” “predict,” “project,” “could,” “should,” “may,” “will,” “plan,” “aim,” “seek” and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements.

The forward-looking statements contained in this report are largely based on our expectations, which reflect estimates and assumptions made by our management. These estimates and assumptions reflect our best judgment based on currently known market conditions and other factors, some of which are discussed below. Although we believe such estimates and assumptions to be reasonable, they are inherently uncertain and involve several risks and uncertainties that are beyond our control. In addition, management’s assumptions about future events may prove to be inaccurate. We caution all readers that the forward-looking statements contained in this report are not guarantees of future performance, and we cannot assure any reader that such statements will be realized or the forward-looking events and circumstances will occur.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, many of which are beyond our control, and risks exist that the predictions, forecasts, projections, and other forward-looking statements will not be achieved. You should be aware that several important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates, and intentions expressed in such forward-looking statements.

New risks can emerge from time to time, and it is not possible for us to predict all such risks, nor can we assess the impact of all such risks on our business or the extent to which any risks, or combination of risks and other factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, you should not rely on forward-looking statements as a prediction of actual results.

Any forward-looking statements are only made as at the date of this report. Accordingly, we do not intend, and do not undertake any obligation, to update forward-looking statements set forth in this report. You should interpret all subsequent written or oral forward-looking statements attributable to us or to persons acting on our behalf as being qualified by the cautionary statements in this report. As a result, you should not place undue reliance on such forward-looking statements.

## Operating and Market Data

Throughout this Report, we refer to persons who subscribe to one or more of our services as customers. We use the term revenue generating unit (“RGU”) to designate a subscriber account of a customer in relation to one of our services. We measure RGUs at the end of each relevant period. An individual customer may represent one or several RGUs depending on the number of our services to which it subscribes.

More specifically:

- ▶ for our Pay TV services, we count each basic package that we invoice to a customer as an RGU, without counting separately the premium add-on packages that a customer may subscribe for;
- ▶ for our fixed internet and data services, we consider each subscription package to be a single RGU;
- ▶ for our fixed-line telephony services, we consider each phone line that we invoice to be a separate RGU, so that a customer will represent more than one RGU if it has subscribed for more than one phone line; and
- ▶ for our mobile telecommunication services, we consider the following to be a separate RGU: (a) for pre-paid services, each mobile voice and mobile data SIM with active traffic in the last month of the relevant period; and (b) for post-paid services, each separate SIM on a valid contract.

As our definition of RGUs is different for our different business lines, you should use caution when comparing RGUs between our different business lines. In addition, since RGUs can be defined differently by different companies within our industry, you should use caution in comparing our RGU figures to those of our competitors.

We use the term average revenue per unit (“ARPU”) to refer to the average revenue per RGU in geographic segment or the Group as a whole, for a period by dividing the total revenue of such geographic segment, or the Group, for such period, (a) if such period is a calendar month, by the total number of RGUs invoiced for services in that calendar month; or (b) if such period is longer than a calendar month, by (i) the average number of relevant RGUs invoiced for services in that period and (ii) the number of calendar months in that period. In our ARPU calculations we do not differentiate between various types of subscription packages or the number and nature of services an individual customer subscribes for. Because we calculate ARPU differently from some of our competitors, you should use caution when comparing our ARPU figures with those of other

telecommunications companies.

### Non-GAAP Financial Measures

In this report, we present certain financial measures that are not defined in and, thus, not calculated in accordance with IFRS, U.S. GAAP or generally accepted accounting principles in any other relevant jurisdiction. This includes EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin (each as defined below). Because these measures are not standardized, companies can define and calculate these measures differently, and therefore we urge you not to use them as a basis for comparing our results with those of other companies.

We calculate EBITDA by adding back to our consolidated operating profit or loss charges for depreciation, amortization and impairment of assets. Adjusted EBITDA is EBITDA adjusted for the effect of non-recurring and one-off items. Adjusted EBITDA Margin is the ratio of Adjusted EBITDA to the sum of our total revenue and other operating income. EBITDA, Adjusted EBITDA or Adjusted EBITDA Margin under our definition may not be comparable to similar measures presented by other companies and labelled “EBITDA”, “Adjusted EBITDA” or “Adjusted EBITDA Margin,” respectively. We believe that EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin are useful analytical tools for presenting a normalized measure of cash flows that disregards temporary fluctuations in working capital, including due to fluctuations in inventory levels and due to timing of payments received or payments made. Since operating profit and actual cash flows for a given period can differ significantly from this normalized measure, we urge you to consider these figures for any period together with our data for cash flows from operations and other cash flow data and our operating profit. You should not consider EBITDA, Adjusted EBITDA or Adjusted EBITDA Margin as substitutes for operating profit or cash flows from operating activities.

In Note 3 to the Interim Financial Statements, as part of our “Other” segment we reported EBITDA of (i) our Italian operations, together with operating expenses of Digi. In this Report, EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin represent the results of our Romanian, Spanish, Portuguese and Italian subsidiaries and operating expenses of Digi.

### Rounding

Certain amounts that appear in this Report have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.



# Management's Discussion and Analysis of Financial Condition and Results of Operations



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The following discussion and analysis of the financial condition and results of operations of the Group should be read in conjunction with the unaudited interim condensed consolidated financial statements of the Group as of March 31, 2025.

The following discussion includes forward-looking statements based on assumptions about our future business. Our actual results could differ materially from those contained in these forward-looking statements as a result of many factors, including but not limited to those described in sections captioned “Forward-Looking Statements” of this Report.

## Overview

Our company delivers geographically-focused telecommunication solutions across multiple European markets. We are the leading provider of telecommunication services in Romania, with significant operations in Spain and also present in Portugal, Italy and Belgium.

- ▶ **Romania.** Our offerings in Romania include Pay TV (cable TV and DTH), fixed internet and data, mobile telecommunication services and fixed-line telephony. We operate Romania's largest fixed fiber optic network and our mobile network provides the widest population coverage among mobile operators.
- ▶ **Spain.** We provide mobile telecommunication services as an MVNO and from 2025 as an MNO through the mobile network of Telefónica and future own mobile network and we offer fixed internet and data and fixed-line telephony services through our own XGSPON FTTH network and through Telefónica's fixed network and starting December 2024 cable TV services only in certain locations of our own FTTH network. In 2024 we have received mobile frequencies as part of the remedy package requested by the European Commission to allow the merger of Orange and Masmovil in Spain.
- ▶ **Portugal.** Starting with November 2024, we launched our fixed and mobile services in Portugal. Our offerings include Pay TV (cable TV), broadband, mobile telecommunication services and fixed-line telephony. On October 25, 2024 we also acquired NOWO Communications S.A, Portugal's fourth largest mobile and fixed telecom operator.
- ▶ **Italy.** We provide mobile telecommunication services as an MVNO through the mobile network of Vodafone.
- ▶ **Belgium.** In December 2024, we expanded our telecommunications presence into Belgium by introducing fixed and mobile service offerings through our Joint Venture with Citymesh, a subsidiary of the Cegeka group. Our offerings include fixed internet and data and fixed-line telephony and mobile telecommunication services as an MVNO.

For the three months ended March 31, 2025, we had revenues and other income of €532 million, net profit of €6.8 million and Adjusted EBITDA of €170.6 million.

## Basis of Financial Presentation

The Group prepared its Interim Financial Statements as of March 31, 2025 in accordance with IFRS as adopted by EU. For the periods discussed in this Report, the Group's presentation currency was the euro. The Group's financial year ends on December 31 of each calendar year.

All amounts presented are for continuing operations unless otherwise stated.

## Functional Currencies and Presentation Currency

Each Group entity prepares individual financial statements in its functional currency, which is the currency of the primary economic environment in which such entity operates. As our operations in Romania and Spain generated approximately 54% and 41%, respectively, of our consolidated revenue for the three months ended March 31, 2025 our principal functional currencies are the Romanian leu and EUR.

The Group presents its Interim Condensed Consolidated Financial Statements in euros. The Group uses the euro as the presentation currency of its Interim Condensed Consolidated Financial Statements because management analysis and reporting are prepared in euros, as the euro is the most used reference currency in the telecommunication industry in the European Union.

## Presentation of Revenue and Operating Expenses

Our Board of Directors evaluates business and market opportunities and considers our results primarily on a country-by-country basis. We currently generate revenue in Romania, Spain, Italy and Portugal. We currently incur operating expenses in Romania, Spain, Italy and Portugal.

Revenue and operating expenses from our operations are broken down into the following geographic segments: Romania, Spain, Portugal and Other (the Other segment includes Italy). Digi Belgium because of its joint ventures



structure is not consolidated hence no impact on the segment report.

In line with our management's consideration of the Group's revenue generation we further break down revenue generated by each of our three geographic segments in accordance with our five principal business lines: (1) Pay TV; (2) fixed internet and data; (3) mobile telecommunication services; and (4) fixed-line telephony.

### Exchange rates

In the three-month period ended March 31, 2025 the Romanian leu has depreciated by approximately 0.1% compared to EUR.

In the three-month period ended March 31, 2025 the average rate of Romanian leu versus U.S. dollar has appreciated by 3.1%.

The following table sets out, where applicable, the period-end and average exchange rates for the periods under review of the euro against each of our principal functional currencies and the U.S. dollar, in each case as reported by the relevant central bank on its website (unless otherwise stated):

Value of one euro in the relevant currency	As at and for the three months ended March 31,	
	2025	2024
<b>Romanian leu (RON)<sup>(1)</sup></b>		
Period end rate	4.98	4.97
Average rate	4.98	4.97
<b>U.S. dollar (USD)<sup>(1)</sup></b>		
Period end rate	1.08	1.08
Average rate	1.05	1.09

(1) According to the exchange rates published by the National Bank of Romania

In the three-month ended March 31, 2025 we had a net foreign exchange gain of €1.6 million, compared to a net foreign exchange loss of 0.3 million in the three months ended March 31, 2024.

## Growth in Business, RGUs and ARPU

Our revenue is mostly a function of the number of our RGUs and ARPU. Neither of these terms is a measure of financial performance under IFRS, nor have these measures been reviewed by an outside auditor, consultant, or expert. Each of these measures is derived from management estimates. As defined by our management, these terms may not be comparable to similar terms used by other companies.

The following table shows our RGUs (thousand) by geographic segment and business line and monthly ARPU (€/month) by geographic segment as at and for the three-month period ended March 31, 2025 and 2024:

RGUs (thousand)/ARPU (€/month)	As at and for the three months ended March 31,		% change
	2025	2024	
Romania			
RGUs			
Pay TV <sup>(1)</sup>	5,910	5,718	3.4%
Fixed internet and data <sup>(2)</sup>	4,962	4,646	6.8%
Mobile telecommunication services <sup>(3)</sup>	6,787	6,023	12.7%
Fixed-line telephony <sup>(2)</sup>	839	879	(4.6%)
ARPU <sup>(4)</sup>	4.4	4.4	0.0%
Spain			
RGUs			
Pay TV	47	-	-
Fixed internet and data	2,115	1,525	38.7%
Mobile telecommunication services <sup>(3)</sup>	6,237	5,006	24.6%
Fixed-line telephony	676	496	36.3%
ARPU <sup>(4)</sup>	8.2	8.8	(6.8%)
Portugal			
RGUs			
Pay TV	125	-	-
Fixed internet and data	137	-	-
Mobile telecommunication services <sup>(3)</sup>	389	-	-
Fixed-line telephony	104	-	-
ARPU <sup>(4)</sup>	7.7	-	-
Italy			
RGUs			
Mobile telecommunication services <sup>(3)</sup>	501	435	15.2%
ARPU <sup>(4)(5)</sup>	5.4	5.9	(8.5%)

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

(2) Includes residential and business RGUs.

(3) Includes mobile telephony and mobile internet and data RGUs.

(4) ARPU refers to the average revenue per RGU in a geographic segment, or the Group as a whole, for a period, by dividing the total revenue of such geographic segment, or the Group, for such period.

(5) ARPU is calculated without revenues and RGUs from the Fixed internet and data business line, as they are immaterial.

Our joint venture with Citymesh in Belgium started operations in December 2024, and by March 31 2025 it had expanded to about 53 thousand mobile telecommunications RGUs.

## Historical Results of Operations

### Results of Operations for the three months ended March 31, 2025 and 2024

	As at and for the three months ended March 31,	
	2025	2024
	(€ millions)	
<b>Revenues</b>		
Romania	287.9	260.7
Spain	216.6	177.5
Portugal	17.7	0.0
Other	8.1	7.6
Elimination of intersegment revenues	(0.9)	(0.5)
<b>Total revenues</b>	<b>529.5</b>	<b>445.3</b>
<b>Other income</b>	<b>23.5</b>	<b>1.4</b>
<b>Other expense</b>	<b>(0.2)</b>	<b>(0.0)</b>
<b>Operating expenses</b>		
Romania	(151.5)	(137.3)
Spain	(176.0)	(138.0)
Spain	(26.4)	(2.1)
Other	(8.4)	(6.8)
Elimination of intersegment expenses	0.9	0.5
Depreciation, amortization and impairment of tangible and intangible assets	(144.9)	(113.3)
<b>Total operating expenses</b>	<b>(506.3)</b>	<b>(396.9)</b>
<b>Operating profit</b>	<b>46.4</b>	<b>49.7</b>
Finance income	5.1	2.6
Finance expense	(31.2)	(21.5)
<b>Net finance costs</b>	<b>(26.1)</b>	<b>(19.0)</b>
Share of loss of equity-accounted investees	0.0	(0.8)
<b>Profit before taxation</b>	<b>20.3</b>	<b>30.0</b>
<b>Income tax expense</b>	<b>(11.6)</b>	<b>(4.4)</b>
<b>Profit for the period</b>	<b>8.7</b>	<b>25.6</b>

  

	Three months ended 31 March 2025	Three months ended 31 March 2024
<b>Revenues</b>	<b>529.5</b>	<b>445.3</b>
<b>Other income</b>	<b>23.5</b>	<b>1.4</b>
Operating profit	46.4	49.7
Depreciation, amortization and impairment and revaluation impact	144.9	113.3
<b>EBITDA</b>	<b>191.4</b>	<b>163.0</b>
Other expenses	(20.9)	-
Other expenses	0.2	0.0
<b>Adjusted EBITDA</b>	<b>170.6</b>	<b>163.1</b>
<b>IFRS 16 impact</b>	<b>(30.2)</b>	<b>(23.2)</b>
<b>Adjusted EBITDA excluding IFRS 16 impact</b>	<b>140.4</b>	<b>139.9</b>



## Revenue

Our revenue (excluding intersegment revenue and other income) for the three-month period ended March 31, 2025 was €529.5 million, compared with €445.3 million for the three-month period ended March 31, 2024, an increase of 18.9%.

The following table shows the distribution of revenue by geographic segment and business line for the three-month period ended March 31, 2025 and 2024:

	As at and for the three months ended March 31,		
	2025	2024	% change
<b>(€ millions)</b>			
<b>Geographical segment</b>			
Romania	287.2	260.3	10.3%
Spain	216.4	177.4	22.0%
Portugal	17.7	-	-
Other <sup>(1)</sup>	8.1	7.6	6.6%
<b>Total</b>	<b>529.5</b>	<b>445.3</b>	<b>18.9%</b>
<b>Category</b>			
Fixed services <sup>(2)</sup>	268.0	228.6	17.2%
Mobile services	216.8	182.5	18.8%
Other <sup>(3)</sup>	44.8	34.1	31.4%
<b>Total</b>	<b>529.5</b>	<b>445.3</b>	<b>18.9%</b>

(1) Includes revenues from operations in Italy.

(2) Includes revenues from DTH operations.

(3) Includes mainly revenues from sale of handsets and other CPE, sale of electricity, as well as advertising revenues.

**Revenue in Romania** for the three-month period ended March 31, 2025 was €287.2 million compared with €260.3 million for the three-month period ended March 31, 2024, an increase of 10.3%.

Revenue growth in Romania was mainly the result of the increase of mobile telecommunication services, fixed internet and data and pay TV RGUs in the period.

Our Pay TV RGUs increased from approximately 5,718 thousand as at March 31, 2024 to approximately 5,910 thousand as at March 31, 2025, an increase of approximately 3.4%, and our fixed internet and data RGUs increased from approximately 4,646 thousand as at March 31, 2024 to approximately 4,962 thousand as at March 31, 2025, an increase of approximately 6.8%. These increases were obtained organically, primarily due to our attractive fixed internet and data and pay TV packages.

Mobile telecommunication services RGUs increased from approximately 6,023 thousand as at March 31, 2024 to approximately 6,787 thousand as at March 31, 2025, an increase of approximately 12.7%, mainly driven by our attractive offerings.

Fixed-line telephony RGUs decreased from approximately 879 thousand as at March 31, 2024 to approximately 839 thousand as at March 31, 2025, a decrease of approximately 4.6%, as a result of the general trend away from fixed-line telephony and towards mobile telecommunication services.

Other revenues include mainly sales of equipment, energy, green certificates, but also contains services of filming sport events and advertising revenue. Sales of equipment includes mainly mobile handsets and other equipment.

**Revenue in Spain** for the three-month period ended March 31, 2025 was €216.4 million, compared with €177.4 million for the three-month period ended March 31, 2024, an increase of 22.0%.

The increase in revenues generated by our operations in Spain was due to the increase in mobile telecommunication services and fixed internet and data RGUs in the period, mainly driven by our attractive offerings.

Mobile telecommunication services RGUs increased from approximately 5,006 thousand as at March 31, 2024 to approximately 6,237 thousand as at March 31, 2025, an increase of approximately 24.6%.

Fixed internet and data RGUs increased from approximately 1,525 thousand as at March 31, 2024 to approximately 2,115 thousand as at March 31, 2025, an increase of approximately 38.7% and fixed-line telephony RGUs increased from approximately 496 thousand as at March 31, 2024 to approximately 676 thousand as at March 31, 2025, an increase of approximately 36.3%.

Starting December 2024, we launched cable TV services only in certain locations of our own FTTH network and as at March 31, 2025 we reached approximately 47 thousand RGUs.

**Revenue in Portugal** for the three-month period ended March 31, 2025 was €17.7 million. Starting with November

2024, we launched our fixed and mobile services in Portugal and as at March 31, 2025 we reached approximately 389 thousand mobile telecommunications RGUs, approximately 125 thousand pay TV RGUs, approximately 137 thousand fixed internet and data RGUs and approximately 104 thousand fixed-line telephony RGUs.

**Revenue in Other** represented revenue from our operations in Italy and for the three-month period ended March 31, 2025 was €8.1 million, compared with €7.6 million for the three-month period ended March 31, 2024, an increase of 6.6%, primarily due to attracting new customers. Mobile telecommunication services RGUs increased from approximately 435 thousand as at March 31, 2024 to approximately 501 thousand as at March 31, 2025, an increase of approximately 15.2%.

### Total operating expenses

Our total operating expenses (excluding intersegment expenses) for the three-month period ended March 31, 2025 was €506.3 million, compared with €396.9 million for the three-month period ended March 31, 2024, an increase of 27.6%, respectively.

	As at and for the three months ended March 31,	
	2025	2024
Romania	151.4	137.2
Spain	175.5	137.7
Portugal	26.4	2.1
Other <sup>(1)</sup>	8.1	6.6
Depreciation, amortization and impairment of tangible and intangible assets	144.9	113.3
<b>Total operating expenses</b>	<b>506.3</b>	<b>396.9</b>

(1) Includes operating expenses of operations in Italy and operating expenses of Digi.

**Operating expenses in Romania** for three-month period ended March 31, 2025 was €151.4 million, compared with €137.2 million for the three-month period ended March 31, 2024, an increase of 10.3%.

**Operating expenses in Spain** for the three-month period ended March 31, 2025 were €175.5 million, compared with €137.7 million for the three-month period ended March 31, 2024, an increase of 27.5%. Operating expenses follow the evolution of increase in mobile telephony services RGUs between the two periods, as a result of business development.

**Operating expenses in Portugal** for the three-month period ended March 31, 2025 were €26.4 million, compared with €2.1 million for the three-month period ended March 31, 2024. The increase comes as a result of the launch of services in November 2024, quarter one 2025 being the first full quarter of operations.

**Operating expenses in Other** represent expenses of our operations in Italy and expenses of Digi and for the three-month period ended March 31, 2025 was €8.1 million, compared with €6.6 million for the three-month period ended March 31, 2024, an increase of 22.7%.

## Depreciation, amortization and impairment of tangible and intangible assets

The table below sets out information on depreciation, amortization and impairment of our tangible and intangible assets for the three-month period ended March 31, 2025 and 2024:

	As at and for the three months ended March 31,	
	2025	2024
	(€ millions)	
Depreciation of property, plant and equipment	62.2	47.8
Amortization of non-current intangible assets	42.9	24.5
Amortisation of Subscriber acquisition costs	9.9	15.1
Depreciation of right of use assets	28.8	25.1
Impairment of property, plant and equipment and subscriber acquisition costs	1.1	0.9
<b>Total</b>	<b>144.9</b>	<b>113.3</b>

### Other income

We recorded €23.5 million of other income in the three-month period ended March 31, 2025 compared with €1.4 million of other income in the three-month ended March 31, 2024. For the period ended March 31, 2025 this represents revenue from Digi Spain's sale of a Fibre-to-the-Home (FTTH) network across 12 provinces in Spain and income from energy subvention and for previously period only energy subvention.

### Operating profit

For the reasons set forth above, our operating profit was €46.4 million for the three-month period ended March 31, 2025, compared with €49.7 million for the three-month period ended March 31, 2024.

### Net finance expense

We recognized net finance expense of €26.1 million in the three-month period ended March 31, 2025, compared with €19 million for the three-month period ended March 31, 2024, an increase of 37.6%.

### Profit before taxation

For the reasons set forth above, our profit before taxation was €20.3 million in the three-month period ended March 31, 2025, compared with profit of €30 million for the three-month period ended March 31, 2024.

### Income tax expense

An income tax expense of €11.6 million was recognized in the three-month period ended March 31, 2025, compared to an expense of €4.4 million recognized in the three-month period ended March 31, 2024.

### Net profit for the period

For the reasons set forth above, our net profit was €8.7 million in the three-month period ended March 31, 2025, compared to net profit of the prior period of €25.6 million for the three months ended March 31, 2024.

### Liquidity and Capital Resources

Historically, our principal sources of liquidity have been our operating cash flows as well as debt financing. Going forward, we expect to fund our cash obligations and capital expenditures primarily out of our operating cash flows, credit facilities and letter of guarantee facilities. We believe that our operating cash flows will continue to allow us to maintain a flexible capital expenditure policy.

Our businesses have historically produced positive operating cash flows that are relatively constant from month to month. Variations in our aggregate cash flow during the periods under review principally represented increased or decreased cash flow used in investing activities and cash flow from financing activities.

We have made and intend to continue to make significant investments in the growth of our businesses by expanding our mobile and fixed networks, acquiring new and renewing existing content rights, procuring CPE which we provide to our customers and exploring other investment opportunities in line with our current business model.

We believe that we will be able to continue to meet our cash flow needs by the acceleration or deceleration of our growth and expansion plans.



## Historical cash flows

The following table sets forth our consolidated cash flows from operating activities for the three-month period ended March 31, 2025 and 2024, cash flows used in investing activities and cash flows from/(used in) financing activities:

	As at and for the three months ended March 31,	
	2025	2024
	(€ millions)	
<b>Cash flows from operations before working capital changes</b>	<b>197.1</b>	<b>160.5</b>
Cash flows from changes in working capital	8.0	(13.6)
<b>Cash flows from operations</b>	<b>205.1</b>	<b>146.9</b>
Interest paid	(22.2)	(21.7)
Interest received	0.2	1.3
<b>Cash flow from operating activities</b>	<b>183.1</b>	<b>126.5</b>
<b>Cash flow from / (used) in investing activities</b>	<b>(193.3)</b>	<b>(168.4)</b>
<b>Cash flows from / (used) in financing activities</b>	<b>(11.2)</b>	<b>(14.7)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(21.4)</b>	<b>(56.6)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>66.5</b>	<b>221.3</b>
<b>Cash and cash equivalents at the closing of the period</b>	<b>45.1</b>	<b>164.7</b>

Cash flows from operations before working capital changes were €197.1 million in the three-month period ended March 31, 2025 and €160.5 million in the three-month period ended March 31, 2024 for the reasons discussed in “—Historical Results of Operations—Results of operations for the three-month period ended March 31, 2025 and 2024”.

The following table shows changes in our working capital:

	For the three months ended March 31,	
	2025	2024
	(€ millions)	
Increase in trade receivables and other assets	(25.3)	0.8
(Increase)/Decrease in inventories	17.9	2.4
(Increase)/Decrease in programme assets	(5.5)	(7.2)
Decrease in trade payables and other current liabilities	11.7	(14.2)
Increase in contract liabilities	9.2	4.5
<b>Total</b>	<b>8.0</b>	<b>(13.6)</b>

We had a working capital surplus of €8.0 million in the three-month period ended March 31, 2025 (compared with a working capital requirement of €13.6 million in the three-month period ended March 31, 2024).

**Cash flows from operating activities** were €183.1 million in the three-month period ended March 31, 2025 and €126.5 million in the three-month period ended March 31, 2024. Included in these amounts are deductions for interest paid. No income tax was paid in the three months ended March 31, 2025 and for the three months ended March 31, 2024. Interest paid was €22.2 million in the three-month ended March 31, 2025, compared with €21.7 million in the three-month ended March 31, 2024. The increase in cash flows from operating activities in the three-month ended March 31, 2024 was primarily due to changes in working capital discussed above.

**Cash flows from / (used) in investing activities** were €193.3 million in the three-month period ended March 31, 2025 and €168.4 million in the three-month period ended March 31, 2024.

Purchases of property, plant and equipment were €132.3 million in the three-months ended March 31, 2025 and €134 million in the three-month ended March 31, 2024.

**Cash flows from / (used) in financing activities** were €11.2 million outflows in the three-month period ended March 31, 2025 and €14.7 million outflows for the three months ended March 31, 2024.

# **DIGI COMMUNICATIONS NV**

## **UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**PREPARED IN ACCORDANCE WITH  
IAS 34 INTERIM FINANCIAL REPORTING  
for the three-month period ended 31 March 2025**

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## **GENERAL INFORMATION**

### **Directors:**

Serghei Bulgac

Bogdan Ciobotaru

Valentin Popoviciu

Jose Manuel Arnaiz de Castro

Emil Jugaru

Marius Catalin Varzaru

Zoltan Teszari

### **Registered Office:**

#### **Digi Communications N.V.**

75 Dr. Nicolae Staicovici Street, 5<sup>th</sup> District,  
Bucharest, Romania

**DIGI Communications N.V.****Interim Condensed Consolidated Statement of Financial Position  
for the period ended 31 March 2025***(all amounts are in thousand EUR, unless specified otherwise)*

	Notes	31 March 2025	31 December 2024 Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	2,260,179	2,203,388
Right of use assets	5	502,503	480,314
Intangible assets and goodwill	6	461,924	469,763
Subscriber acquisition costs		62,867	62,151
Investment property		12,754	12,762
Financial assets at fair value through OCI	16	80,719	77,976
Equity accounted investees		582	617
Long term receivables		73,761	69,747
Loans receivable from related parties		78,195	56,250
Other non-current assets		3,580	3,758
Derivative financial assets		14,030	14,030
Other long term assets		1,036	1,420
Deferred tax asset		30,236	30,328
<b>Total non-current assets</b>		<b>3,582,366</b>	<b>3,482,504</b>
<b>Current assets</b>			
Inventories		40,114	46,640
Programme assets	6	17,936	29,643
Trade and other receivables		85,380	80,984
Loans receivable from related parties		40,770	31,679
Contract assets		107,536	98,022
Other assets		30,813	21,499
Derivative financial assets	16	1,263	1,263
Cash and cash equivalents		45,090	66,529
<b>Total current assets</b>		<b>368,902</b>	<b>376,259</b>
<b>Total assets</b>		<b>3,951,268</b>	<b>3,858,763</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
	7		
Share capital		6,810	6,810
Share premium		3,406	3,406
Treasury shares		(13,614)	(13,614)
Reserves		27,411	25,584
Retained earnings		1,040,516	1,033,804
<b>Equity attributable to owners of the Company</b>		<b>1,064,529</b>	<b>1,055,990</b>
Non-controlling interest		182,958	180,210
<b>Total equity</b>		<b>1,247,487</b>	<b>1,236,200</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Loans and borrowings	8	1,098,064	1,019,525
Lease liabilities	9	386,628	376,534
Deferred tax liabilities		99,229	96,883
Decommissioning provision		15,537	15,202
Trade and other payables		42,634	44,666
Contract liabilities		6,030	6,161
<b>Total non-current liabilities</b>		<b>1,648,122</b>	<b>1,558,971</b>
<b>Current liabilities</b>			
Trade and other payables		569,683	554,857
Employee benefits		59,783	59,473
Loans and borrowings	8	254,548	305,202
Lease liabilities	9	111,089	102,104
Income tax payable		22,675	13,245
Provisions		7,450	7,636
Contract liabilities		30,431	21,075
<b>Total current liabilities</b>		<b>1,055,659</b>	<b>1,063,592</b>
<b>Total liabilities</b>		<b>2,703,781</b>	<b>2,622,563</b>
<b>Total equity and liabilities</b>		<b>3,951,268</b>	<b>3,858,763</b>

The notes on pages 8 to 26 are an integral part of these interim condensed consolidated financial statements. The condensed consolidated interim financial report was issued on 15 May 2025.

**DIGI Communications N.V.****Interim Condensed Consolidated Statement of Comprehensive Income****for the three-month period ended 31 March 2025***(all amounts in EUR '000, unless specified otherwise)*

	Notes	Three-month period ended 31 March 2025	Three-month period ended 31 March 2024
Revenues	11	529,466	445,250
Other income		23,493	1,434
Operating expenses	12	(409,335)	(320,401)
Employee benefits	12	(96,992)	(76,545)
Other expenses	19	(210)	(7)
<b>Operating profit</b>		<b>46,422</b>	<b>49,731</b>
Finance income		5,100	2,565
Finance costs		(31,193)	(21,526)
<b>Net finance costs</b>	<b>13</b>	<b>(26,093)</b>	<b>(18,961)</b>
Share of loss of equity-accounted investees		-	(767)
<b>Profit before taxation</b>		<b>20,329</b>	<b>30,003</b>
Income tax expense		(11,608)	(4,439)
<b>Profit for the period</b>		<b>8,721</b>	<b>25,564</b>
<i>Attributable to owners</i>		<i>5,935</i>	<i>21,706</i>
<i>Attributable to non-controlling interests</i>		<i>2,786</i>	<i>3,858</i>
<b>Other comprehensive income</b>			
<i>Items that are or may be reclassified to profit or loss, net of income tax</i>			
Foreign operations – foreign currency translation differences		(891)	411
<i>Items that will not be reclassified to profit or loss</i>			
Revaluation of equity instruments measured at fair value through OCI		2,792	6,987
<b>Other comprehensive income/(loss) for the period, net of income tax</b>		<b>1,901</b>	<b>7,398</b>
<b>Total comprehensive income for the period</b>		<b>10,622</b>	<b>32,962</b>
<i>Attributable to owners</i>		<i>7,887</i>	<i>29,080</i>
<i>Attributable to non-controlling interests</i>		<i>2,735</i>	<i>3,882</i>

*The notes on pages 8 to 26 are an integral part of these interim condensed consolidated financial statements.*

The condensed consolidated interim financial report was issued on 15 May 2025.

**DIGI Communications N.V.****Interim Condensed Consolidated Cash Flow Statement****for the three-month period ended 31 March 2025***(all amounts in EUR '000, unless specified otherwise)*

	Notes	Three-month period ended 31 March 2025	Three-month period ended 31 March 2024
<b>Cash flows from operating activities</b>			
<b>Profit before taxation from continuing operations</b>		<b>20,329</b>	<b>30,003</b>
<b>Profit before taxation from discontinued operations</b>			<b>-</b>
<b>Adjustments for:</b>			
Depreciation	12	91,040	72,860
Amortisation	12	52,809	39,595
Impairment	12	1,085	858
Net movement in decommissioning provision		335	255
Interest expense	13	28,183	17,278
Interest revenue		(191)	(1,278)
Impairment of trade and other receivables	12	2,056	2,166
Reversal of provisions		(11)	(22)
(Gain)/Losses on derivative financial instruments		-	1,158
Share of loss of equity-accounted investees, net of tax		985	767
Equity settled share-based payments		665	263
Unrealised foreign exchange loss		(227)	(5,710)
Gain on sale of assets		-	2,356
<b>Cash flows from operations before working capital changes</b>		<b>197,058</b>	<b>160,549</b>
<b>Changes in:</b>			
Increase in trade receivables, other assets and contract assets		(25,325)	780
(Increase)/Decrease in inventories		17,876	2,412
Increase/Decrease in programme assets		(5,462)	(7,150)
Increase/Decrease in trade payables and other current liabilities		11,691	(14,152)
Increase/Decrease in contract liabilities		9,224	4,509
<b>Cash flows from operations</b>		<b>205,062</b>	<b>146,948</b>
Interest paid		(22,184)	(21,717)
Interest received		191	1,278
<b>Net cash flows from operating activities</b>		<b>183,069</b>	<b>126,509</b>
<b>Cash flow from investing activities</b>			
Purchases of property, plant and equipment		(132,339)	(133,891)
Purchases of intangibles		(15,357)	(13,633)
Payments to obtain sales contracts		(15,488)	(14,514)
Acquisition of subsidiaries, net of cash acquired		(808)	
Loans to related parties borrowings		(29,315)	(6,350)
<b>Net cash flows from investing activities</b>		<b>(193,307)</b>	<b>(168,388)</b>
<b>Cash flows from financing activities</b>			
Dividends paid to shareholders		(1,276)	(15,981)
Proceeds from loans and borrowings	8	279,096	59,209
Repayment of loans and borrowings	8	(249,307)	(30,927)
Transaction costs paid		(3,781)	(214)
Payment of lease liabilities		(35,933)	(26,819)
<b>Net cash flows (used in)/from financing activities</b>		<b>(11,201)</b>	<b>(14,732)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(21,439)</b>	<b>(56,611)</b>
Cash and cash equivalents at the beginning of the period		<b>66,529</b>	<b>221,342</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>45,090</b>	<b>164,731</b>



**Interim Condensed Consolidated Cash Flow Statement**  
**for the three-month period ended 31 March 2025**  
*(all amounts in EUR '000, unless specified otherwise)*

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*The Interim Condensed Consolidated statement of cash flows is prepared using the indirect method. Cash and cash equivalents include cash and investments that are readily convertible to a known amount of cash without a significant risk of changes in value.*

*The Interim Condensed Consolidated statement of cash flows distinguishes between operating, investing and financing activities. Cash flow in foreign currencies are converted at the exchange rate at the dates of the transactions. Currency exchange differences on cash held are separately shown. Receipts and payments of interest, receipts of dividends and income taxes are presented within the cash flows from operating activities. Payments of dividends are presented within the cash flows from financing activities.*

*The notes on pages 8 to 26 are an integral part of these interim condensed consolidated financial statements.*

**DIGI Communications N.V.**
**Interim Condensed Consolidated Statement of Changes in Equity  
for the period ended 31 March 2025  
(all amounts in EUR '000, unless specified otherwise)**

	Share capital	Share premium	Treasury shares	Translation reserve	Revaluation reserve	Fair value reserves	Retained earnings	Total equity attributable to equity holders of the parent	Non- controlling interest	Total equity
<b>Balance at 1 January 2025 (audited)</b>	<b>6,810</b>	<b>3,406</b>	<b>(13,614)</b>	<b>(22,102)</b>	<b>14,732</b>	<b>32,954</b>	<b>1,033,804</b>	<b>1,055,990</b>	<b>180,210</b>	<b>1,236,200</b>
<b>Comprehensive income for the period</b>										
Profit for the period	-	-	-	-	-	-	5,935	5,935	2,786	8,721
Foreign currency translation differences	-	-	-	(840)	-	-	-	(840)	(51)	(891)
Revaluation of equity instruments measured at fair value through OCI	-	-	-	-	-	2,792	-	2,792	-	2,792
Transfer of revaluation reserve (depreciation)	-	-	-	-	(125)	-	125	-	-	-
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(840)</b>	<b>(125)</b>	<b>2,792</b>	<b>6,060</b>	<b>7,887</b>	<b>2,735</b>	<b>10,622</b>
<b>Transactions with owners, recognized directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Equity-settled share-based payment transactions	-	-	-	-	-	-	652	652	13	665
Dividends distributed	-	-	-	-	-	-	-	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>652</b>	<b>652</b>	<b>13</b>	<b>665</b>
<b>Changes in ownership interests in subsidiaries</b>										
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-
<b>Total changes in ownership interests in subsidiaries</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>652</b>	<b>652</b>	<b>13</b>	<b>665</b>
<b>Balance at 31 March 2025</b>	<b>6,810</b>	<b>3,406</b>	<b>(13,614)</b>	<b>(22,942)</b>	<b>14,607</b>	<b>35,746</b>	<b>1,040,516</b>	<b>1,064,529</b>	<b>182,958</b>	<b>1,247,487</b>

The notes on pages 8 to 26 are an integral part of these interim condensed consolidated financial statements.

**DIGI Communications N.V.**
**Interim Condensed Consolidated Statement of Changes in Equity**  
**for the period ended 31 March 2025**  
*(all amounts in EUR '000, unless specified otherwise)*

	Share capital	Share premium	Treasury shares	Translation reserve	Revaluation reserve	Fair value reserves	Retained earnings	Total equity attributable to equity holders of the parent	Non- controlling interest	Total equity
<b>Balance at 1 January 2024 (audited)</b>	<b>6,810</b>	<b>3,406</b>	<b>(14,135)</b>	<b>(21,747)</b>	<b>9,046</b>	<b>9,687</b>	<b>667,179</b>	<b>660,246</b>	<b>124,048</b>	<b>784,294</b>
<b>Comprehensive income for the period</b>										
Profit for the period	-	-	-	-	-	-	21,706	<b>21,706</b>	3,858	<b>25,564</b>
Foreign currency translation differences	-	-	-	387	-	-	-	<b>387</b>	24	<b>411</b>
Revaluation of equity instruments measured at fair value through OCI	-	-	-	-	-	6,987	-	<b>6,987</b>	-	<b>6,987</b>
Transfer of revaluation reserve (depreciation)	-	-	-	-	(65)	-	65	-	-	-
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>387</b>	<b>(65)</b>	<b>6,987</b>	<b>21,771</b>	<b>29,080</b>	<b>3,882</b>	<b>32,962</b>
<b>Transactions with owners, recognized directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Equity-settled share-based payment transactions	-	-	93	-	-	-	170	<b>263</b>	-	<b>263</b>
Dividends distributed	-	-	-	-	-	-	-	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>170</b>	<b>263</b>	<b>-</b>	<b>263</b>
<b>Changes in ownership interests in subsidiaries</b>										
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-
<b>Total changes in ownership interests in subsidiaries</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>93</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>170</b>	<b>263</b>	<b>-</b>	<b>263</b>
<b>Balance at 31 March 2024</b>	<b>6,810</b>	<b>3,406</b>	<b>(14,042)</b>	<b>(21,360)</b>	<b>8,981</b>	<b>16,674</b>	<b>689,120</b>	<b>689,589</b>	<b>127,930</b>	<b>817,519</b>

The notes on pages 8 to 26 are an integral part of these interim condensed consolidated financial statements.

## **1. CORPORATE INFORMATION**

Digi Communications Group (“the Group”, or “DIGI Group”) comprises Digi Communications N.V., DIGI Romania S.A. and their subsidiaries.

The parent company of the Group is Digi Communications N.V. (“DIGI”, “the Company”, or “the Parent”), a company incorporated in Netherlands Chamber of Commerce registration number 34132532/29.03.2000 with place of business and registered office in Romania. The controlling shareholder of DIGI is RCS Management SA (“RCSM”) a company incorporated in Romania. The ultimate controlling shareholder of RCSM is Mr. Zoltan Teszari. DIGI and RCSM have no operational activities, except for holding activities, and their primary asset is the ownership of DIGI Romania S.A (Romania) (“DIGI Romania”) and respectively DIGI.

The main operations are carried by Digi Romania S.A. (“DIGI Romania”), Digi Spain Telecom SLU (“DIGI Spain”), Digi Portugal LDA (DIGI Portugal) and Digi Italy SL (“DIGI Italy”).

DIGI registered office is located in 75 Dr. Nicolae Staicovici Street, 5<sup>th</sup> District, Bucharest, Romania.

DIGI Romania is a company incorporated in Romania and its registered office is located at 75 Dr. Staicovici Street, 5<sup>th</sup> District, Bucharest, Romania.

The Group provides telecommunication services of cable TV (television), fixed internet and data, fixed-line telephony (“CBT”), mobile telephony and internet and direct to home television (“DTH”) services in Romania and Spain and mobile telephony services in Italy. In November and respectively December 2024 we started operations in Portugal and Belgium, where we were attributed mobile spectrum at the 5G auction from 2021 and, respectively, 2022. This allowed the Group to expand its business on the Portuguese and Belgian market, in order to provide high quality, affordable telecommunication services. The development of our presence in the 2 new territories continued over the course of 2025.

The interim condensed consolidated financial statements were authorized for issue on 15 May 2025.



## **2. BASIS OF PREPARATION AND ACCOUNTING POLICIES**

### **2.1 BASIS OF PREPARATION**

#### **(a) Statement of compliance**

These unaudited interim condensed consolidated financial statements for the three-month period ended 31 March 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2024. These interim condensed consolidated financial statements do not include all the information required for full annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2024 which were prepared in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Section 2:362(9) of the Dutch Civil Code.

#### **(b) Basis of measurement**

The interim condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties measured at fair value, land and buildings measured at revalued amount, financial assets measured at fair value through OCI, derivative financial instruments measured at fair value and liabilities for equity share-based payments arrangements measured at fair value through Profit or loss.

#### **(c) Judgements and estimates**

Preparing the interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial statements, significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

#### **(d) Functional and presentation currency**

The functional currency as well as the presentation currency for the financial statements of each Group entity is the currency of the primary economic environment in which the entity operates (the local currency), or in which the main economic transactions are undertaken (Romania: RON; Spain, Portugal, Italy and Belgium: EUR).

The interim condensed consolidated financial statements are presented in Euro ("EUR") and all values are rounded to the nearest thousand EUR, except when otherwise indicated. The Group uses the EUR as a presentation currency of the interim condensed consolidated financial statements under IFRS based on the following considerations:

- management analysis and reporting are prepared in EUR;
- EUR is used as a reference currency in telecommunication industry in the European Union;
- Main debt finance instruments are denominated in EUR.

The assets and liabilities of the subsidiaries are translated into the presentation currency at the rate of exchange ruling at the reporting date (none of the functional currencies of the subsidiaries or the Parent is hyperinflationary for the reporting periods). The income and expenses of the Parent and of the subsidiaries are translated at transaction date exchange rates. The exchange differences arising on the translation from functional currency to presentation currency are taken directly to equity under translation reserve. On disposal of a foreign entity, accumulated exchange differences relating to it and previously recognized in equity as translation reserve are recognized in profit or loss as component of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operation and translated at the closing rate.

**2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)****2.1 BASIS OF PREPARATION (continued)**

The following rates were applicable at various time periods according to the National Bank of Romania:

Currency	2025			2024		
	1 Jan	Average for the 3 months	31 March	1 Jan	Average for the 3 months	31 March
RON per 1EUR	4.9741	4.9763	4.9771	4.9746	4.9695	4.9695
USD per 1EUR	1.0389	1.0525	1.0815	1.1050	1.0857	1.0811

**2.2. GOING CONCERN**

Management believes that the Group will continue as a going concern for the foreseeable future. In the current year and recent years, the Group has managed to achieve consistently strong local currency revenue streams and cash flows from operating activities and has continued to grow the business. These results have been achieved during a period of significant investments in technological upgrades, new services and footprint expansion. The ability to offer multiple services is a central element of DIGI Group strategy and helps the Group to attract new customers, to expand the uptake of service offerings within the existing customer base and to increase customer loyalty by offering high value-for-money package offerings of services and attractive content.

For further information refer to Note 14 b) Liquidity risk.

**2.3 MATERIAL ACCOUNTING POLICIES**

Material accounting policies applied by the Group in these unaudited interim condensed consolidated financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The accounting policies used are consistent with those of the previous financial year.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

## 3. SEGMENT REPORTING

Three months ended 31 March 2025	Romania	Spain	Portugal	Other	Eliminations	Reconciling item	Group
Segment revenue	287,237	216,434	17,683	8,112	-	-	529,466
Other income	2,560	-	-	-	-	-	2,560
Inter-segment revenues	704	143	-	21	(868)	-	-
Segment operating expenses	(151,464)	(175,983)	(26,384)	(8,430)	868	-	(361,393)
<b>Adjusted EBITDA</b>	<b>139,037</b>	<b>40,594</b>	<b>(8,701)</b>	<b>(297)</b>	-	-	<b>170,633</b>
Depreciation, amortisation and impairment of non-current assets	-	-	-	-	-	(144,934)	(144,934)
Other income (Note 19)	-	20,933	-	-	-	-	20,933
Other expenses (Note 19)	(210)	-	-	-	-	-	(210)
<b>Operating profit</b>							<b>46,422</b>
<b>Additions to non-current assets</b>	<b>73,297</b>	<b>88,426</b>	<b>50,355</b>	<b>6,187</b>	-	-	<b>218,265</b>
<i>Carrying amount of:</i>							
Non-current assets	1,876,378	837,309	753,579	33,799	-	-	3,501,065
Investments in associates and financial assets at fair value through OCI	582	-	-	80,719	-	-	81,301

The types of products and services from which each segment derives its revenues are disclosed in Note 11.

## 3. SEGMENT REPORTING (continued)

Three months ended 31 March 2024	Romania	Spain	Portugal	Other	Eliminations	Reconciling item	Group
Segment revenue	260,258	177,422	7	7,563	-	-	445,250
Other income	1,434	-	-	-	-	-	1,434
Inter-segment revenues	434	52	-	16	(502)	-	-
Segment operating expenses	(137,258)	(137,954)	(2,141)	(6,782)	502	-	(283,633)
<b>Adjusted EBITDA</b>	<b>124,868</b>	<b>39,520</b>	<b>(2,134)</b>	<b>797</b>	<b>-</b>	<b>-</b>	<b>163,051</b>
Depreciation, amortisation and impairment of non-current assets	-	-	-	-	-	(113,313)	(113,313)
Other expenses (Note 19)	(7)	-	-	-	-	-	(7)
<b>Operating profit</b>							<b>49,731</b>
<b>Additions to non-current assets</b>	<b>71,803</b>	<b>75,333</b>	<b>37,580</b>	<b>4,206</b>	<b>-</b>	<b>-</b>	<b>188,922</b>
<i>Carrying amount of:</i>							
Non-current assets	1,726,183	740,118	447,408	15,871	-	-	2,929,581
Investments in associates and financial assets at fair value through OCI	900	-	-	58,222	-	-	59,122

The types of products and services from which each segment derives its revenues are disclosed in Note 11.

**4. PROPERTY, PLANT AND EQUIPMENT****Acquisitions and disposals**

During the three-month period ended 31 March 2025, the Group acquired property, plant and equipment with a cost of EUR 132,097 (three-month period ended 31 March 2024: EUR 129,739).

The acquisitions related mainly to networks EUR 53,468 (three-month period ended 31 March 2024: EUR 61,322), construction in progress of EUR 55,803 (three-month period ended 31 March 2024: EUR 28,715) and equipment and devices of EUR 17,636 (three-month period ended 31 March 2024: EUR 25,390).

**5. RIGHT OF USE ASSETS**

The Group has lease contracts for various items of land, commercial spaces, network, vehicles, equipment, etc. used in its operations. Right of use assets are accounted for at cost and depreciated over the contract period.

During the three-month period ended 31 March 2025, right of use assets additions are in amount of EUR 54,153 (three-month period ended 31 March 2024: EUR 30,188).

**6. NON-CURRENT INTANGIBLE ASSETS, CURRENT PROGRAMME ASSETS****a) Intangible assets****Acquisitions***Non-current intangible assets*

During the three-month period ended 31 March 2025, the Group acquired non-current intangible assets with a cost of EUR 31,741 (three-month period ended 31 March 2024: EUR 28,994).

The additions were as follows:

- Software and licences in amount of EUR 14,600 (three-month period ended 31 March 2024: EUR 13,070);
- Customer relationships by acquiring CATV and fixed internet subscribers in amount of EUR 95 (three-month period ended 31 March 2024: EUR 63);
- Costs to obtain contracts with customers (Subscriber Acquisition Costs "SAC") in amount of EUR 17,047 (three-month period ended 31 March 2024: EUR 15,861); SAC represents third party costs for acquiring and connecting customers of the Group;

**Goodwill**

<i>(i) Reconciliation of carrying amount</i>	
<b>Balance at 1 January 2025</b>	<b>76,335</b>
Additions	273
Disposals	
Effect of movement in exchange rates	(27)
<b>Balance at 31 March 2025</b>	<b>76,581</b>
<i>(i) Reconciliation of carrying amount</i>	
<b>Balance at 1 January 2024</b>	<b>51,459</b>
Additions	-
Disposals	-
Effect of movement in exchange rates	52
<b>Balance at 31 March 2024</b>	<b>51,511</b>



**6. NON-CURRENT INTANGIBLE ASSETS, CURRENT PROGRAMME ASSETS (CONTINUED)*****Impairment testing of goodwill***

Goodwill is not amortized but is tested for impairment annually (as at 31 December) and when circumstances indicate the carrying values may be impaired. There were no impairment indicators for the cash generating units to which goodwill was allocated as of 31 March 2025.

***b) Programme assets***

During the three-month period ended 31 March 2025, additions of programme assets in the amount of EUR 2,994 (three-month period ended 31 March 2024: EUR 4,050) represent broadcasting rights for sports competitions for 2025/2026 season and related advance payments for future seasons and also rights for movies and documentaries.

**7. EQUITY**

There were no changes in the share capital structure during the period ended 31 March 2025.

For stock option plan exercised during the period, please see Note 15.

As at 31 March 2025, the Company had 4.60 million treasury shares (31 March 2024: 4.75 million).

**8. LOANS AND BORROWINGS**

Included in long term loans and borrowings are bonds of EUR 400,356 (December 2024: EUR 400,388) and bank loans EUR 697,707 (December 2024: EUR 619,137).

Included in short term loans and borrowing are bank loans of EUR 122,159 (December 2024: EUR 103,879), short portion of long-term loans of EUR 129,339 (December 2024: EUR 194,338) and interest payable amounting to EUR 3,050 (December 2024: EUR 6,985).

The movement in total loans and borrowings is presented in the table below:

	<b>Carrying amount</b>
<b>Balance as of 1 January 2025</b>	<b>1,324,727</b>
Proceeds from borrowings	279,096
Repayment of borrowings	(249,307)
Interest expense	15,218
Interest paid	(19,153)
Finance cost	(3,839)
Amortization of deferred finance costs	5,992
Effect of movements in exchange rates	(122)
<b>Balance as of 31 March 2025</b>	<b>1,352,612</b>

**9. LEASE LIABILITY**

The Group leases mainly network pillars, land, commercial spaces, cars and equipment. As at 31 March 2025, the financial leasing liability of EUR 497,717 (31 December 2024: EUR 478,638) was impacted by the variation of the foreign exchange rate for the Group's main functional currencies, by additions, as well as by modifications for certain leasing contracts related to rent amount and contract period.

**10. RELATED PARTY DISCLOSURES**

		31 March 2025	31 December 2024
<b>Receivables from related Parties</b>			
Joint Ventures in Belgium	(i)	119,551	88,482
Other		(434)	(455)
<b>Total</b>		<b>119,117</b>	<b>88,027</b>
<b>Payables to related Parties</b>			
RCSM	(ii)	4,528	5,616
Other		193	384
<b>Total</b>		<b>4,721</b>	<b>6,000</b>
(i)	Joint Venture		
(ii)	Shareholder of DIGI		

**Compensation of key management personnel of the Group**

	Three months ended 31 March 2025	Three months ended 31 March 2024
Short term employee benefits –salaries	1,306	1,769

**11. REVENUES**

Allocation of revenues through business lines and geographical areas is as follows:

	Three months ended 31 March 2025	Three months ended 31 March 2024
<b>Country</b>		
Romania	287,235	260,258
Spain	216,435	177,422
Portugal	17,684	7
Other <sup>(1)</sup>	8,112	7,563
<b>Total revenues</b>	<b>529,466</b>	<b>445,250</b>
<b>Category</b>		
Fixed services <sup>(2)</sup>	267,954	228,640
Mobile services	216,750	182,540
Other <sup>(3)</sup>	44,762	34,070
<b>Total revenues</b>	<b>529,466</b>	<b>445,250</b>

(1) Includes revenue from operations in Italy.

(2) Includes revenues from DTH operations.

(3) Includes mainly revenues from sale of handsets and other CPE, sale of electricity, as well as advertising revenues.

Revenues from services include mainly subscription fees for fixed and mobile services, revenues from interconnection and roaming services.

Other revenues include mainly sales of equipment, energy, green certificates, but also contains services of filming sport events and advertising revenue. Sales of equipment includes mainly mobile handsets and other equipment.

The split of revenues based on timing of revenue recognition is presented below:

Timing of revenue recognition	Three months ended 31 March 2025	Three months ended 31 March 2024
Goods transferred at a point in time	14,333	14,228
Services transferred over time	515,133	431,022
<b>Total revenues</b>	<b>529,466</b>	<b>445,250</b>

The transfer of goods to the customer at a point in time are presented in the first table above as *Other revenues*. The rest of the services provided to customers are presented as revenues for each category line and country.

**12. OPERATING EXPENSES**

	Three months ended 31 March 2025	Three months ended 31 March 2024
Depreciation of property, plant and equipment	62,201	47,771
Depreciation of right of use assets	28,839	25,089
Amortization of non-current intangible assets and programme assets	42,939	24,534
Amortization of subscriber acquisition costs	9,870	15,061
Impairment of property, plant and equipment	657	360
Impairment of subscriber acquisition costs	428	498
Employee benefits	96,992	76,545
Content related to fixed services	62,924	42,784
Telephony expenses	113,384	96,156
Cost of materials sold	13,400	13,733
Invoicing and collection expenses	4,563	4,838
Taxes and penalties	5,079	2,488
Electricity cost and other utilities	26,012	19,727
Impairment of receivables and other assets, net of reversals	2,056	2,166
Taxes to authorities	5,745	4,020
Other materials and subcontractors	2,208	1,925
Other services	10,355	7,839
Other operating expenses	18,675	11,411
<b>Total operating expenses</b>	<b>506,327</b>	<b>396,945</b>

Share option plans' expenses accrued in the period are included in the caption *Salaries and related taxes*.

For details, please see Note 15.

**13. NET FINANCE COSTS**

	Three months ended 31 March 2025	Three months ended 31 March 2024
<b><i>Finance income</i></b>		
Interest from banks	191	1,278
Other financial revenues	3,297	1,287
Foreign exchange differences (net)	1,612	-
	<b>5,100</b>	<b>2,565</b>
<b><i>Finance costs</i></b>		
Interest expense	(21,669)	(14,521)
Interest expense for lease liability	(6,515)	(2,757)
Net gain/(loss) on derivative financial instruments	-	(1,158)
Other financial expenses	(3,009)	(2,811)
Foreign exchange differences (net)	-	(279)
	<b>(31,193)</b>	<b>(21,526)</b>
<b>Net Financial Cost</b>	<b>(26,093)</b>	<b>(18,961)</b>

**14. FINANCIAL RISK MANAGEMENT**

The Group has exposure to the following risks from the use of financial instruments:

- credit risk
- liquidity risk
- market risk (including currency risk and interest rate risk).

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

**(a) Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade receivables from customers.

Management mitigates customer credit risk mainly by monitoring the subscribers to continuous services (telecommunications and energy) and identifying potential bad debt cases, which are suspended, in general between 10 and 30 days after the invoice due.



**14. FINANCIAL RISK MANAGEMENT (continued)**

The carrying amount of the non-derivative financial assets, net of the recorded allowances for expected credit losses, represents the maximum amount exposed to credit risk. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low. Although collection of receivables could be influenced by macro-economic factors, management believes that there is no significant risk of loss to the Group beyond the allowances already recorded.

The credit exposure for derivatives is limited, as there will be no incoming cash-flow arising from the embedded derivatives.

Cash and cash equivalents are placed in financial institutions, which are considered at time of deposit to have minimal risk of default.

The credit risk on cash and cash equivalents is very small, since the cash and cash equivalents are held at reputable banks in different countries.

**(b) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, vendor financing and reverse factoring agreements. Management monitors on a monthly basis the forecast of cash outflows and inflows in order to determine its funding needs.

At 31 March 2025, the Group had net current liabilities of EUR 686,757 (31 December 2024: EUR 687,333). As a result of the volume and nature of the telecommunication business current liabilities exceed current assets. A large part of the current liabilities is generated by investment activities. Management considers that the Group will generate sufficient funds to cover the current liabilities from future revenues.

The Group's policy on liquidity is to maintain sufficient liquid resources to meet its obligations as they fall due and to keep the Group's leverage optimized. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, finance leases and working capital, whilst considering future cash flows from operations. Management believes that there is no significant risk that the Group will encounter liquidity problems in the foreseeable future.

**(c) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, market electricity prices and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**Exposure to currency risk**

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures (other than the functional currency of each legal entity), primarily with respect to the EUR and USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in currencies other than the functional currencies of the Company and each of its subsidiaries.

Management has set up a policy to manage the foreign exchange risk against the functional currency. To manage their foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, the Group used forward/option contracts, transacted with local banks.

The Group imports services and equipment and attracts substantial amount of foreign currency denominated borrowings.

## **14. FINANCIAL RISK MANAGEMENT (continued)**

### **Interest rate risk**

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk (EUR and USD) through market fluctuations of interest rates. Details of borrowings are disclosed in Note 8.

### **d) Capital Management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal structure to reduce the cost of capital. Management monitors "total net debt to EBITDA" ratio which is computed in accordance with the Senior Facilities Agreement.

### **(e) Fair values**

The Group measures at fair value the following: financial assets at fair value through other comprehensive income and embedded derivatives.

### **(f) Climate risks**

In the three months period ended March 2025, the Group analyzed potential sustainability risks in the areas of climate change and scarcity of resources. The Group did not identify any key risks to its business model in either area and, as such, also does not currently anticipate any significant impacts from such risks on its business model or on the presentation of its results of operations or financial position.

### **(g) Situation in Ukraine**

The evolution of the situation in Ukraine is uncertain and is closely followed by the Group with respect to potential indirect consequences on the financial markets that could impact refinancing conditions in the future. The Group has no direct interests in Ukraine and the areas at conflict and as a result the Group estimates that the situation in Ukraine will have limited effect on its operations and financial performance for future periods.

## **15. SHARE-BASED PAYMENT**

The Group implemented share-based payment plans for certain members of the management team and key employees. The options vest if and when certain performance conditions, such as revenue, subscriber targets and other targets of the Group were met. Some of the share option plans vested in past years and were closed.

For the three-month period ended at 31 March 2025, the related share option expense is included within Operating expenses (Salaries and related taxes caption) in the Interim condensed Consolidated statement of comprehensive income (Note 12).

## **16. DERIVATIVE FINANCIAL INSTRUMENTS**

For assets and liabilities that are measured at fair value on a recurring or non-recurring basis in the Interim condensed consolidated statement of financial position, after initial recognition, the valuation techniques and inputs used to develop those measurements are presented below:

### **Financial assets at fair value through OCI**

Financial assets at fair value through OCI comprise shares in RCSM. In 2017 the Company's class B shares were listed on the Bucharest Stock Exchange. As at 31 March 2025, the fair value assessment of the shares held in RCSM was consequently performed based on the average quoted price/share of the shares of the Company as of the valuation date (RON/share 66.4), adjusted for the impact of other assets and liabilities of RCSM, given that the main asset of RCSM is the holding of the majority of the shares of the Company. The fair value assessment also takes into account the cross-holdings between the Group and RCSM.

***Embedded derivatives***

As at 31 March 2025, the valuation method was consistent with the one used as at 31 December 2024.

As at 31 March 2025, the Group had derivative financial assets in amount of EUR 1,263 (31 December 2024: EUR 1,263), represented by the embedded derivatives related to the 2028 Senior Secured Notes.

***Derivative financial assets***

As at 31 March 2025, the Group had non-current derivative financial assets related to the transaction between Digi Spain and abrdn in amount of EUR 14,030 (31 December 2024: EUR 14,030).

As at 31 March 2025 the Group had no derivative financial liabilities.

***Fair value measurement***

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	<b>Level 1</b>	<b>Level 2</b>	<b>Total</b>
<b>31 March 2025</b>			
Financial assets at fair value through OCI	80,719	-	<b>80,719</b>
Financial derivative assets	14,030	-	<b>14,030</b>
Embedded derivatives	-	1,263	<b>1,263</b>
<b>Total</b>	<b>94,749</b>	<b>1,263</b>	<b>96,012</b>
<b>31 December 2024</b>			
Financial assets at fair value through OCI	77,976	-	<b>77,976</b>
Financial derivative assets	14,030	-	<b>14,030</b>
Embedded derivatives	-	1,263	<b>1,263</b>
<b>Total</b>	<b>92,006</b>	<b>1,263</b>	<b>93,269</b>

## 17. GENERAL COMMITMENTS AND CONTINGENCIES

## (a) Contractual commitments

Capital commitments are presented both on a discounted and an undiscounted basis, using the weighted average cost of capital for each geographical segment.

31 March 2025						
	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
<b>Undiscounted</b>						
Annual fee for spectrum license	800,423	21,452	13,456	60,759	169,849	534,907
Capital expenditure	863,105	214,842	258,914	289,140	88,853	11,356
Contractual obligations for programme assets	83,036	39,515	39,515	2,740	1,266	-
Contractual obligations for rent and energy contracts	2,389,307	34,953	34,953	87,217	260,079	1,972,105
	<b>4,135,871</b>	<b>310,762</b>	<b>346,838</b>	<b>439,856</b>	<b>520,047</b>	<b>2,518,368</b>
<b>Discounted</b>						
Annual fee for spectrum license	429,282	19,681	12,289	51,190	121,975	224,147
Capital expenditure	756,798	198,031	238,305	247,532	66,946	5,984
Contractual obligations for programme assets	74,265	35,567	35,567	2,209	922	-
Contractual obligations for rent and energy contracts	939,859	31,595	31,595	73,687	188,697	614,285
	<b>2,200,204</b>	<b>284,874</b>	<b>317,756</b>	<b>374,618</b>	<b>378,540</b>	<b>844,416</b>

  

31 December 2024						
	Contractual cash flows	6 months or less	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
<b>Undiscounted</b>						
Annual fee for spectrum license	815,205	21,497	21,497	60,759	172,598	538,854
Capital expenditure	956,076	217,023	271,459	366,604	88,915	12,075
Contractual obligations for programme assets	85,374	32,592	32,592	18,232	1,958	-
Contractual obligations for rent and energy contracts	2,403,568	39,832	39,831	91,720	260,079	1,972,106
	<b>4,260,223</b>	<b>310,944</b>	<b>365,379</b>	<b>537,315</b>	<b>523,550</b>	<b>2,523,035</b>
<b>Discounted</b>						
Annual fee for spectrum license	430,254	19,654	19,654	50,865	122,068	218,013
Capital expenditure	833,037	199,484	249,112	312,027	66,272	6,142
Contractual obligations for programme assets	74,483	29,216	29,216	14,680	1,371	-
Contractual obligations for rent and energy contracts	952,538	36,162	36,162	77,232	188,697	614,285
	<b>2,290,312</b>	<b>284,516</b>	<b>334,144</b>	<b>454,804</b>	<b>378,408</b>	<b>838,440</b>

**17. GENERAL COMMITMENTS AND CONTINGENCIES (continued)****(b) Letters of guarantee**

As of 31 March 2025, there were bank letters of guarantee and letters of credit issued in amount of EUR 77,494 mostly in favour of content and satellite suppliers and for participation to tenders (31 December 2024: EUR 86,658).

We have cash collateral agreements for issuance of letters of counter guarantees. As at 31 March 2025 we had letters of guarantee issued in amount of EUR 2,671 (31 December 2024: EUR 2,671). These agreements are secured with moveable mortgage over cash collateral accounts.

**(c) Legal proceedings****Uncertainties associated with the fiscal and legal system**

The tax legislation in Romania and other Eastern and Central Europe countries are subject to frequent changes (some of them resulting from EU membership, others from the domestic fiscal policy) and often subject of contradictory interpretations, which might be applied retrospectively.

Furthermore, the Romanian and other Eastern and Central Europe governments work via a number of agencies authorized to carry on audits of the companies operating in these countries. These audits cover not only fiscal aspects but also legal and regulatory ones that are of interest to these agencies.

The Dutch, Romanian and other Eastern and Central Europe Fiscal legislation include detailed regulations regarding transfer pricing between related parties and includes specific methods for determining transfer prices between related prices at arm's length. Transfer pricing documentation requirements have been introduced so that taxpayers who carry out transactions with affiliated parties are required to prepare a transfer pricing file that needs to be presented to the tax authorities upon request.

The Company and its subsidiaries entered into various transactions within the Group, as well as other transactions with related parties. In light of this, if observance of arm's length principle cannot be proved, a future tax control could challenge the values of transactions between related parties and adjust the fiscal result of the Company and/ or its subsidiaries with additional taxable revenues/ non-deductible expenses (i.e., assess additional profit tax liability and related penalties).

Group management believes that it has paid or accrued all taxes, penalties and interest that are applicable, at the Company and subsidiaries level.

The Group is currently involved in a number of legal proceedings, including inquiries from, or discussions with, government authorities that are incidental to their operations. In the opinion of the management, there are no current legal proceedings or other claims outstanding which could have a material effect on the result of operations or financial position of the Group and which have not been accrued or disclosed in these consolidated financial statements. For the litigation described below, the Group did not recognize provisions. In all cases, the determination of the probability of successfully defending a claim against the Group involves always the subjective evaluation, therefore the outcome is inherently uncertain. The determination of the value of any future outflows of cash or other resources, and the timing of such outflows, involves the use of estimates.

**Criminal case brought to court by the Romanian National Anti-Corruption Agency**

During June – July 2017, Digi Romania S.A and part of its directors were indicted by the Romanian National Anti-Corruption Agency (DNA) for the offences of bribery and accessory to bribery, money laundering and accessory to money laundering.

The presumed offences of bribery and accessory to bribery are alleged to have been committed through the 2009 joint-venture agreement between Digi Romania S.A and Bodu S.R.L. with respect to the events hall in Bucharest and the broadcasting rights for Liga 1 football matches, while the presumed offences of money laundering and accessory to money laundering are alleged to have been perpetrated through Digi Romania S.A's acquisition of the Bodu S.R.L. events hall in 2016.



On 15 January 2019, the Bucharest Tribunal, convicted Digi Romania S.A. in connection with the offence of money laundering for which the court applied a criminal fine. The Bucharest Tribunal's decision also decided on the confiscation from Digi Romania S.A. of an amount of money and maintained the seizure over the two real estate assets first instituted by the DNA. Through the same judgement, Mr. Bendei Ioan (at that time member of the Board of directors of Digi Romania S.A. and director of Integrasoft S.R.L.) was convicted, while the rest of the directors were acquitted in connection with all the accusations brought against them by the DNA. The decision also cancels the joint-venture agreement from 2009 concluded between Digi Romania S.A. and Bodu S.R.L., as well as all the agreements concluded between Digi Romania S.A., Bodu S.R.L. and Integrasoft S.R.L. in 2015 and 2016.

The first court decision was appealed. On 1 November 2021, the Bucharest Court of Appeal granted the appeals of Digi Romania S.A, Integrasoft S.R.L. and of certain directors and quashed the decision of the Bucharest Tribunal from 15 January 2019 in its entirety. The file was sent for retrial, to the competent court, which is the Bucharest Court of Appeal, starting with the procedure of the preliminary chamber. On 1 July 2022, in the course of the preliminary chamber procedure, the Bucharest Court of Appeal dismissed as unfounded the claims and exceptions raised by Digi Romania S.A, INTEGRASOFT S.R.L. and their current and former officers.

The appeal against this solution was partially granted by the High Court of Cassation and Justice on 20 June 2023. The court decided that some of the evidences used by the Romanian National Anti-Corruption Agency must be removed from the court file and that the Romanian National Anti-Corruption Agency has to decide whether it requests the continuation of the trial under these circumstances. On 10 October 2023, the High Court of Cassation and Justice ruled definitively on the applications submitted in the preliminary chamber and ordered the file to be sent to the Court of Appeal and the start of the trial on the merits. The evidence indicated in the conclusion from 20 June 2023 remained excluded from the file. The Bucharest Court of Appeal will retrial the case with the next hearing term set for 10 June 2025.

We strongly believe that Digi Romania S.A., INTEGRASOFT S.R.L. and their current and former officers have acted appropriately and in compliance with the law, and we strongly restate that we will continue to defend against all the above allegations while expecting a final solution that corresponds to the factual and legal situation.

## **18. SUBSEQUENT EVENTS**

In April 2025, Digi Romania S.A., as borrower, the Company and Digi Spain Telecom, S.L.U. as original guarantors, ING Bank N.V., London Branch as facility agent and other financial institutions as incremental facility lenders have executed an incremental facility notice under the Senior Facilities Agreement dated 21 April 2023, pursuant to which the parties thereto established an additional facility for an amount of EUR 200 million with a maturity of 5 (five) years after the signing date. The borrowed amounts will be used by DIGI Romania for capital expenditure and general corporate purposes.

On 14 May 2025, Digi Andalucia S.L., a Group's subsidiary in Spain, has concluded a facility agreement in a total principal amount of EUR 84 million with Banco Bilbao Vizcaya Argentaria, S.A., Banco Santander, S.A., ING Bank N.V., Sucursal En España, as mandated lead arrangers, with a maturity of 7 years. The facility was contracted for supporting the investment in the FTTH network currently being deployed in Andalusia, Spain, aiming to cover 2,500,000 homes passed, made by Digi Spain Telecom S.L.U. and Aberdeen plc.

For details regarding the up-date of the litigations, please see Note 17 above.

**19. EBITDA**

In the telecommunications industry the benchmark for measuring profitability is EBITDA (earnings before interest, taxes, depreciation and amortization). EBITDA is a non-IFRS accounting measure.

For the purposes of disclosure in these notes, EBITDA is calculated by adding back to consolidated operating profit/(loss) the charges for depreciation, amortization and impairment of assets. Our Adjusted EBITDA is EBITDA adjusted for the effect of non-recurring and one-off items.

	<b>Three months ended 31 March 2025</b>	<b>Three months ended 31 March 2024</b>
<b>Revenues</b>	<b>529,466</b>	<b>445,250</b>
<b>Other income</b>	<b>23,493</b>	<b>1,434</b>
<b>EBITDA</b>		
Operating profit	46,422	49,731
Depreciation, amortization and impairment and revaluation impact	144,934	113,313
<b>EBITDA</b>	<b>191,356</b>	<b>163,044</b>
Other income	(20,933)	-
Other expenses	210	7
<b>Adjusted EBITDA</b>	<b>170,633</b>	<b>163,051</b>
<i>Adjusted EBITDA (%)</i>	<i>30.86%</i>	<i>36.50%</i>

For the three-month period ended 31 March 2025, other expenses are related to share option plans vested and are expected to be one-time events (for details, please see Note 15) in amount of EUR 210 (EUR 7 for the three-month period ended 31 March 2024).

**20. FINANCIAL INDICATORS**

<b>Financial Indicator</b>	<b>Value as at 31 March 2025</b>
<b>Current ratio</b>	
Current assets/Current liabilities	0.35
<b>Debt to equity ratio</b>	
Long term debt/Equity x 100 (where Long term debt = Borrowings over 1 year)	91%
Long term debt/Capital employed x 100 (where Capital employed = Long term debt+ Equity)	48%
<b>Trade receivables turnover</b>	
Average receivables/Revenues x 90	37.77
<b>Non-current assets turnover</b>	
(Revenues/Non-current assets)	0.62

The Board notes that the Interim Condensed Financial Statements of Digi Communications NV Group for the period ended 31 March 2025 have not been audited and also no (limited) review was conducted by the statutory auditor.

On behalf of the Board of Directors of Digi Communications N.V.

Serghei Bulgac,

CEO

Valentin Popoviciu,

Executive Director

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