



DOMINION

Mid Term Financial Report 9 months 2021

27th OCTOBER 2021

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2021 9 months P&L evolution

We are **growing at high rates compared to 2019**, with growth levels **above the historical average**.

(€m)	2019 9M	2021 9M vs 2019 9M	2020 9M	2021 9M vs 2020 9M	2021 9M
Turnover	807.3		712.8		832.0
Adjusted Turnover ⁽¹⁾	654.6	15%	613.8	23%	752.2
EBITDA ⁽²⁾	71.7	12%	48.2	67%	80.6
% EBITDA on Turnover	11.0%		7.9%		10.7%
EBITA ⁽²⁾	40.5	17%	16.8	183%	47.4
% EBITA on Turnover	6.2%		2.7%		6.3%
EBIT ⁽²⁾	36.8	21%	13.4	232%	44.5
% EBIT on Turnover	5.6%		2.2%		5.9%
Net Income ⁽³⁾	24.7	22%	4.1	644%	30.2
% Net Income on Turnover	3.8%		0.7%		4.0%

(1) Scope of consolidation changes compared to 9M 2020 due to: i) the exclusion of 6 months' results of Telco services activities divested in 2020; ii) the inclusion of 9 months of bolt-on acquisitions carried out in 2020; and iii) the inclusion of 8 months of Tankiac and 6 months of MINISO (2021 acquisitions).

(2) The scope of consolidation varies compared to 9M 2019 due to: i) the exclusion of the results of 6 months of Telco services activities (divested in 2020) and 9 months of non-strategic IT activities (divested in 2019); ii) the inclusion of 8 months of Tankiac and 6 months of MINISO (acquisitions 2021); 9 months of bolt-on acquisitions carried out in 2020; and 1 month of Bygging India and 2 months of Alterna (acquisitions 2019).

Highlights_

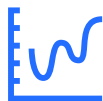


2021 is set to be a record year.

The average growth rates are well above the historical average, due to the **strong push of 360 Projects**. Additionally, **B2B Services recovers and surpasses pre-Covid levels**.



Sales



Compared to 2020 9M, **organic** growth of **+23%** in constant currency.

The inorganic effect is positive (+0.6%) and the FOREX effect is negative (-1%).

Compared to 2019 9M, **+18% organic** growth. Inorganic effect c. zero (-0.1%) and a negative FOREX effect (-3%).

Margins



Operating leverage:

+12% EBITDA, +17% EBITA y +21% EBIT vs 2019 9M.

High margin levels in the B2B segment, which continue to grow compared to the first half of the year, are **particularly noteworthy**.

Net Income

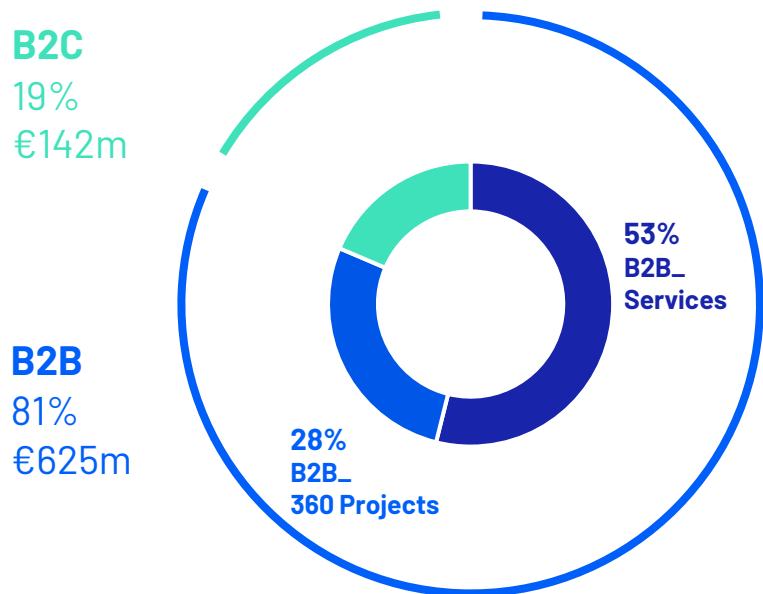


Net profit of 30 €m, which is an **all-time high figure**.

Growing **+22% compared to 2019 9M**.

Adjusted Turnover⁽¹⁾ distribution by segment

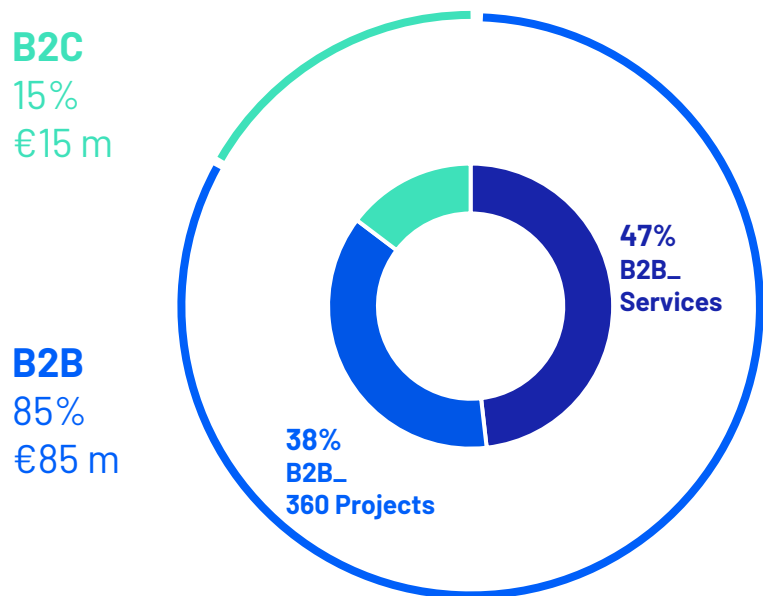
Double digit growth compared to 2020, as well as to 2019, in all segments.



	2020 9M		2021 9M
B2B_Services	€305.7 m	+30%	€398.9 m
B2B_360 Projects	€189.5 m	+11%	€210.9 m
B2C	€118.6 m	+20%	€142.4 m

Contribution margin⁽⁴⁾ distribution by segment_

Contribution margin **reaches record levels** in all segments.



	2020 9M		2021 9M
B2B_ Services	€32.6 m	+44%	€47.0 m
B2B_ 360 Projects	€31.6 m	+20%	€38.0 m
B2C	€2.8 m	430%	€14.7 m

B2B Segment in detail

B2B_ Services

11.8%
CM on Turnover

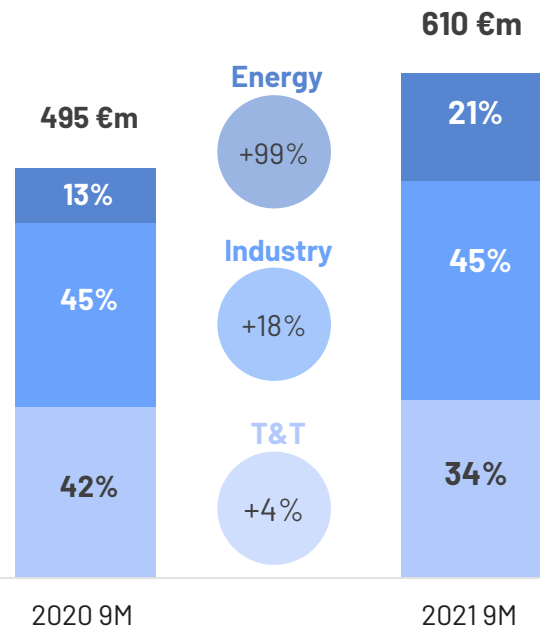
- **Strong growth** continues, well above the historical average.
- Sales **grew organically** at **double digit**, both compared to 9M 2020 and 9M 2019 (+10%), **consolidating the segment's growth potential**.
- **Margins reached strategic levels** in the last two quarters (12.6% in Q2 and Q3).

B2B_ 360 Projects

18.0%
CM on Turnover

- Sales **growing at double-digit rates**, driven by the growth of executions.
- **Margins continue to be above strategic targets**, with Q3 CM at 18.9%.
- The **carterization** and **enhancement plans for the renewables project** continue.

Turnover⁽¹⁾ by activity field



B2C Segment in detail

B2C

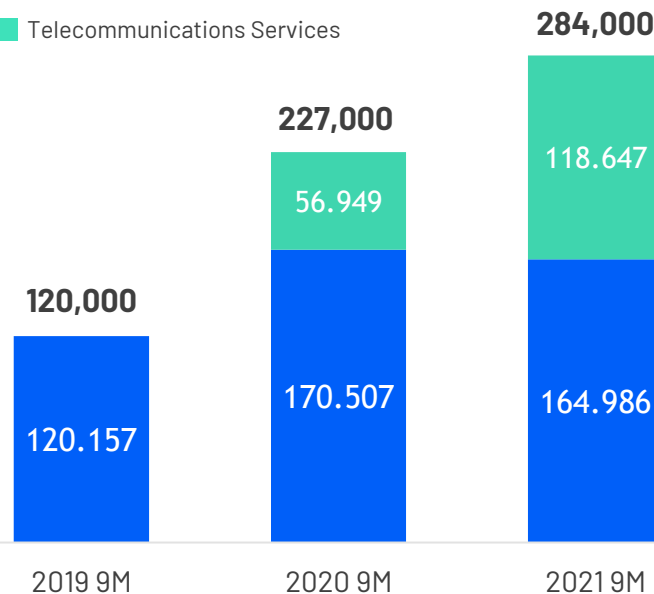
**284,000
Active
Services**

- YoY total service base growth (+56.000 net new services)
- The rate of acquisition in the telecommunications vertical is increasing.
- In Energy, there was a slight correction in the number of active services due to the turbulent situation in the energy market, which caused a temporary increase in the churn rate and adjustments in the portfolio due to non-payments.
- Contribution margin remains stable in figure and sales grow driven by the high price of energy, leading to a reduction in the margin's percentage on sales.
- A year of transformation for the segment, which continues to suffer from the failure to fully recover consumption habits in the physical channel, the transformation of the client acquisition channels and the convulsions in the energy market.

No. of services by type of supply

Energy Services

Telecommunications Services



2021 Perspectives_

In view of the results obtained...

2021

... we reaffirm our previously announced objectives.

By **2021**, we will be **well above pre-Covid** levels of activity and profitability

... **growing vs 2019** above strategic plan **targets**

Strategic Plan
Objectives

Sales

>5%

Double-digit growth

EBITA

>10%

Growth **>10%**

Net Income

>20%

Growth **>25%**

... and with a generation of

free operating cash >75% EBITA

Share buy-back programme_



We have completed the "2020 Share buy-back programme" and will redeem 5% of the treasury shares acquired.

No. of current shares	169,496,963
No. of treasury shares	8,795,186
Repurchase program shares (5%)	8,475,000
Previous treasury shares (0.19%)	320,186
No. of post-amortization shares	160,701,777



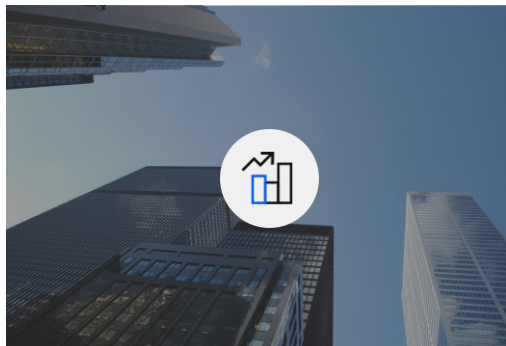
Result:
EPS + 5.47%



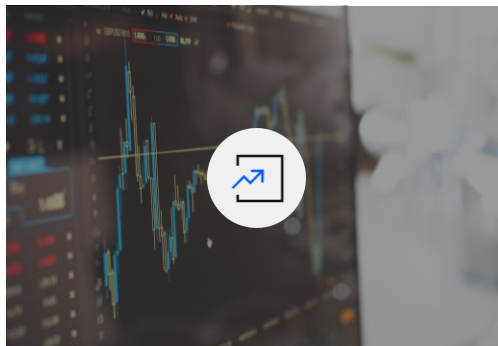
We will launch a **new share buy-back programme** for an additional 5% of the company's shares

Committed to generating value for our shareholders_

The Strategic 2019-2023 Plan creates value and rewards shareholders through



Net Income growth,
which will double EPS
(>0.4€ per share)



Share buy-back programme,
which will increase EPS by more than
10%.



**The distribution of > €65m as
dividend**
(1/3 of every year net income)

Q3 Results and comparative performance_

(€m)	2019 Q3	2021 Q3 vs 2019 Q3	2020 Q3	2021 Q3 vs 2020 Q3	2021 Q3
Turnover	281.8		248.8		268.9
Adjusted Turnover ⁽¹⁾	229.6	8%	211.0	18%	248.4
EBITDA ⁽²⁾	26,1	7%	18.2	53%	27.8
% EBITDA on Turnover	11.4%		8.6%		11.2%
EBITA ⁽²⁾	16.7	-2%	6.8	143%	16.4
% EBITA on Turnover	7.3%		3.2%		6.6%
EBIT ⁽²⁾	15.5	-1%	5.6	173%	15.4
% EBIT on Turnover	6.7%		2.7%		6.2%
Net Income ⁽³⁾	10.2	10%	3.2	252%	11.2
% Result on Turnover	4.4%		1.5%		4.5%

Appendix_

- (1) Adjusted turnover:** Annual Accounts Turnover without revenues from sold devices
- (2) EBITDA:** Net Operating Income + Depreciation
EBITA: Net Operating Income + PPA's
EBIT: Net Operating Income
- (3) Net Income:** if not indicated otherwise, it refers to the Net Income from continuing operations
- (4) Contribution Margin (CM):** EBITDA before corporate structure and central administration costs
- (5) Net Financial Debt:** Financial Debt (Long and short Term) +/- Derivative financial instruments – Cash and Short-Term Investments
- (6) Free Operating Cash Flow:** EBITDA – difference between CAPEX and Amortization – NWC variation – Net Financial Income – Tax payment; (acquisitions excluded)
- (7) RONA:** $EBITA / (\text{Total non-current assets} - \text{Deferred assets} - \text{Goodwill not associated to cash} + \text{PPAs amortization current year} + \text{Net WC})$; excluded acquisitions of the year).
- (8) WC:** Working capital

We help our clients transform to become more efficient.

We apply technology to make this happen.

We are DOMINION.



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