DOMINION

# Mid Term Financial Report
# First Half 2021

22nd JULY 2021

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# 2021 H1 P&L evolution_

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

| (€m) | H1 2019 | H1 2021 vs H1 2019 | H1 2020 | H1 2021 vs H1 2020 | H1 2021 |
|---|---|---|---|---|---|
| **Turnover** | 525.5 | | 464.0 | | 563.3 |
| **Adjusted Turnover**[1] | 425.0 | **19%** | 402.8 | **25%** | 503.9 |
| **EBITDA** [2] | 45.7 | **15%** | 30.0 | **76%** | 52.7 |
| **% EBITDA on Turnover** | **10.8%** | | **7.5%** | | **10.5%** |
| **EBITA**[2] | 23.8 | **30%** | 10.0 | **210%** | 31.0 |
| **% EBITA on Turnover** | **5.6%** | | **2.5%** | | **6.2%** |
| **EBIT** [2] | 21.3 | **37%** | 7.8 | **275%** | 29.2 |
| **% EBIT on Turnover** | **5.0%** | | **1.9%** | | **5.8%** |
| **Net Income** [3] | 14.5 | **31%** | 0.9 | **2056%** | **19.0** |
| **Net Income on Turnover** | **3.2%** | | **0.2%** | | **3.8%** |

(1) Scope of consolidation varies with respect to H1 2020 due to: i) the exclusion of 6 months' results of Telco services activities divested in 2020; ii) the inclusion of 6 months of bolt-on acquisitions carried out in 2020; and iii) the inclusion of 5 months of Tankiac and 3 months of MINISO (2021 acquisitions).

(2) The scope of consolidation varies compared to H1 2019 due to: i) the exclusion of the results of 6 months of Telco services activities (divested in 2020) and 6 months of non-strategic IT activities (divested in 2019); ii) the inclusion of 5 months of Tankiac and 3 months of MINISO (2021 acquisitions); 6 months of bolt-on acquisitions carried out in 2020; and 1 month of Bygging India and 2 months of Alterna (2019 acquisitions).

# Highlights_

DOMINION's excellent recovery is confirmed. effective already in the last quarter of 2020.

High growth compared to pre-pandemic levels. exceeding historical average growth. despite the fact that we are still under the effects of Covid-19, especially in some businesses.

## Sales

Regarding the H1 2020. organic sales grow **+26%** in constant currency.
The inorganic effect is negative (-0.6%) and the FOREX effect -0.6%.

**Organic** growth **+21% compared to 2019 H1 .**

**Double-digit** growth **in all business segments.**

## Margins

**Operating leverage:**
+15% EBITDA, +30% EBITA and +37% EBIT vs 2019 H1.

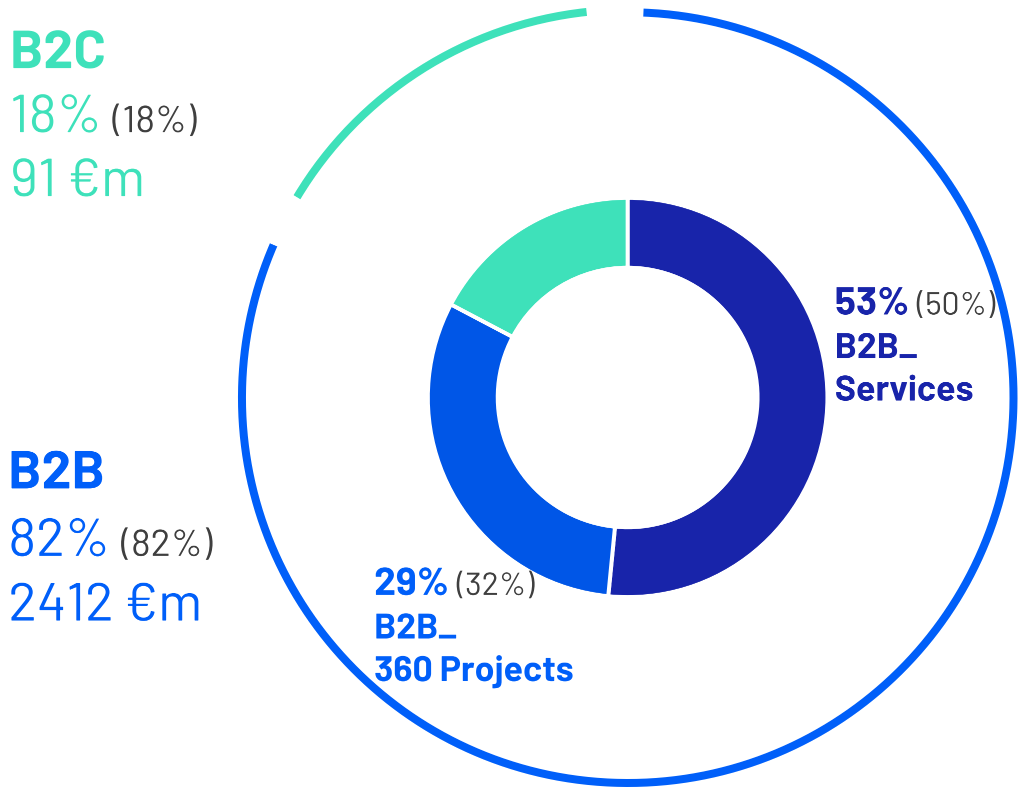
High margin levels in the B2B segment. **exceeding historical first quarter margins.**

## Net Income

Net profit of €19m. which is a **half-yearly record.**
Growing **+31% compared to 2019 H1.**

# Adjusted Turnover(1) by segment_

Growth in all segments; with strong recovery in B2B Services



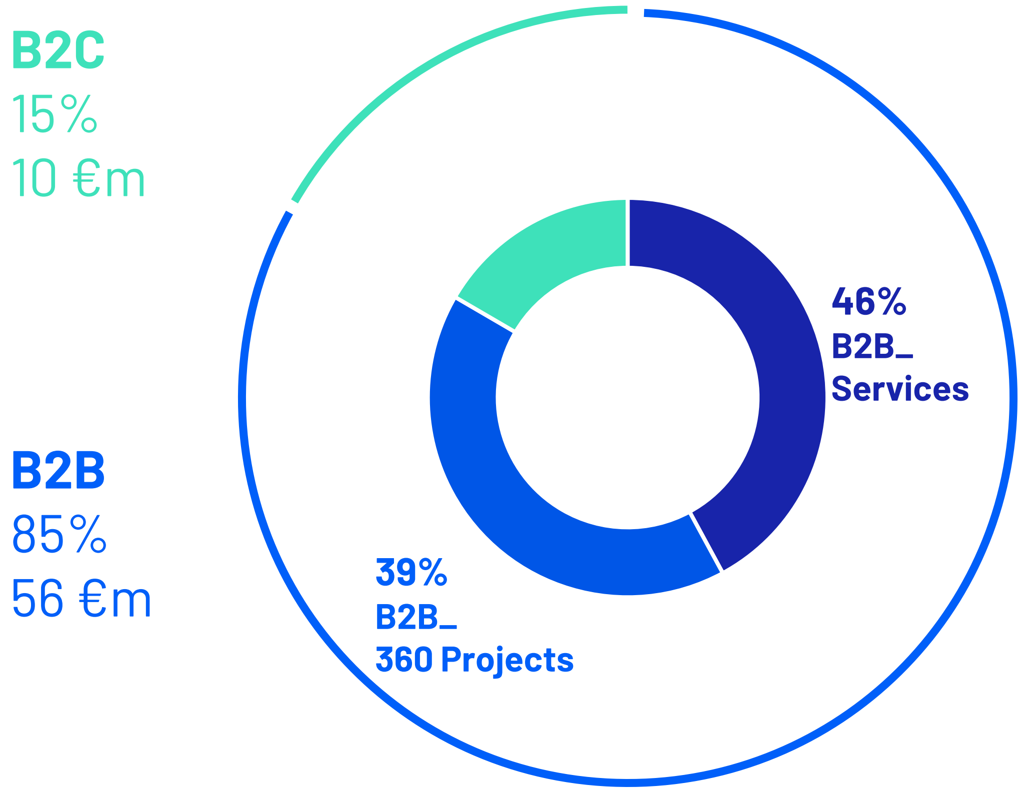

| | H1 2020 | | H1 2021 |
|---|---|---|---|
| B2B_ Services | 202.3 €m | +32% | 267.9 €m* |
| B2B_ 360 Projects | 127.1€M | +14% | 144.5 €m |
| B2C | 73.5 €m | +25% | 91.4 €m |

* B2B Services has a smaller scope of consolidation in 2021 H1 than in 2020 H1, because the divestments carried out in 2020 were higher than the investments.

Organic growth B2B Services= 35%

# Contribution Margin (4) distribution by segment_

Contribution margin reaches record levels in all segments.




| | H1 2020 | | H1 2021 |
|---|---|---|---|
| **B2B_ Services** | 21.6 €m | +41% | 30.5 €m |
| **B2B_ 360 Projects** | 20.8 €m | +22% | 25.4 €m |
| **B2C** | 0.7 €m | +1,251% | 10.1 €m |

# B2B Segment in detail_

## B2B_ Services

11.4%
CM on Turnover

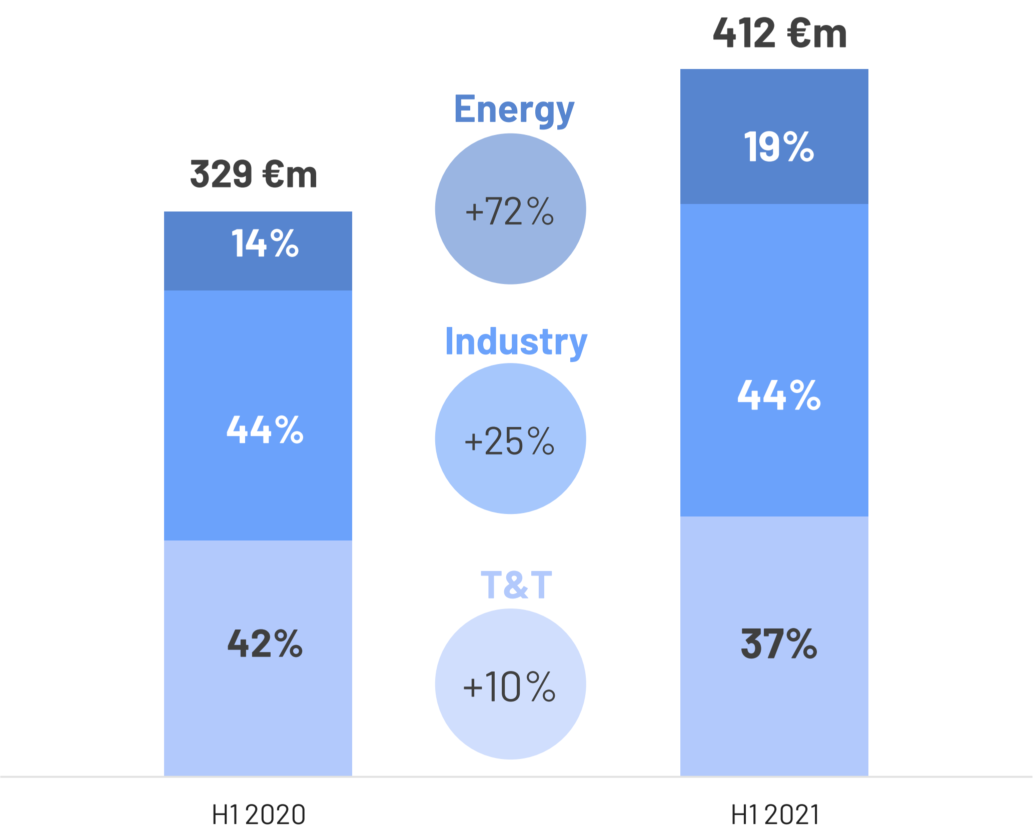
- A semester of strong growth, well above the historical average.
- Sales grew organically by double digits, both compared to H1 2020 (+35%) and H1 2019 (+14%), consolidating the segment's growth potential.
- Strong recovery of margins, which reached strategic levels in the quarter (12.6% in 2Q).

## B2B_ 360 Projects

17.6%
CM on Turnover

- Sales growing at double-digit rates, driven by the growth of executions.
- Margins continue to be above strategic targets, with one-off events during 2Q 2021 bringing quarterly MC to levels of 19%.
- The carterization and enhancement plans for the renewables project continue.

Turnover(1) by activity field

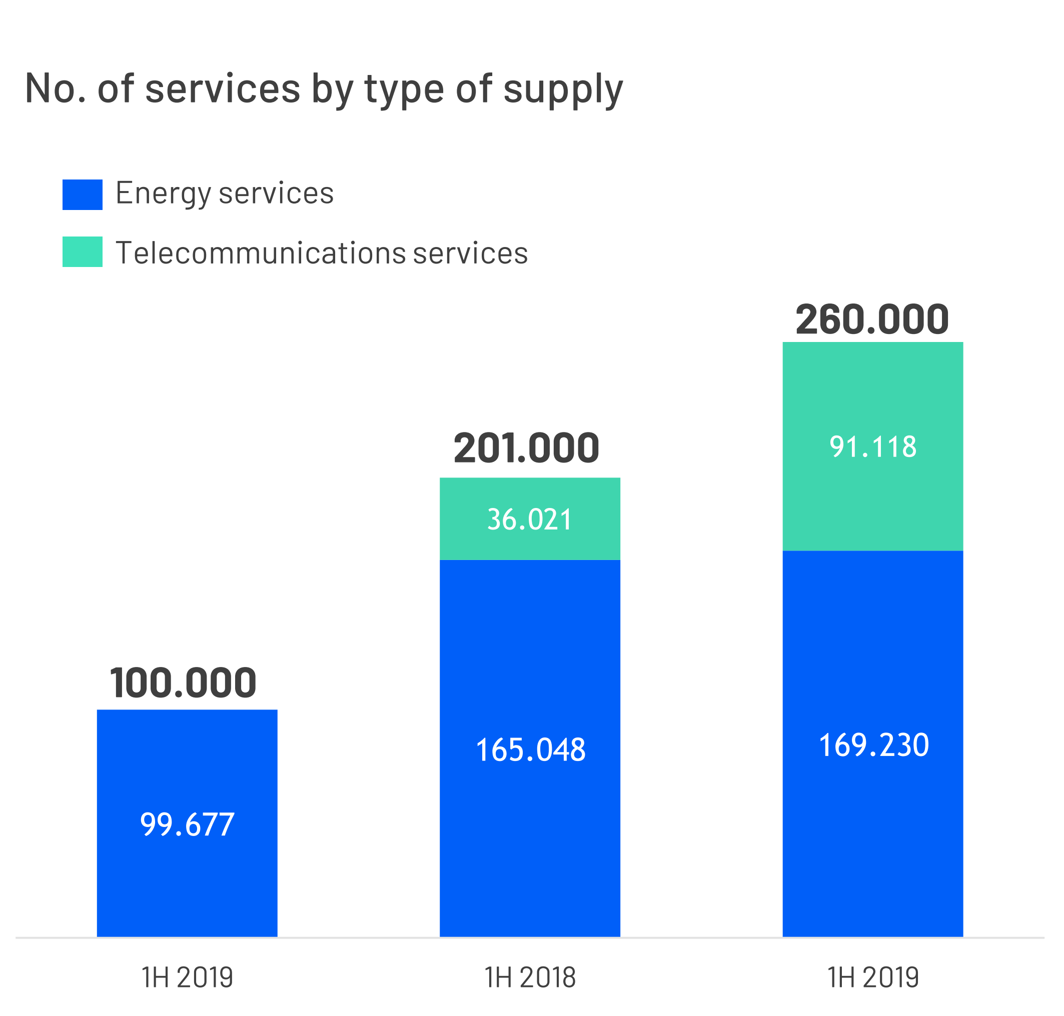


# B2C Segment in detail_

## B2C_

- YoY service base growth (+59,000 net new services), despite the fact that the first half of the year continues to suffer from the slow recovery of consumption habits in the physical channel and the transformation of customer acquisition channels.
- Strong uptake in the telecommunications vertical.
- Temporary increase in the energy churn rate as a result of the tariff changes implemented in June.
- Sales driven by high energy prices during 2Q.
- High potential for recovery in this B2C segment during the second half of the year.

**260.000 Active Services**



# Balance sheet_

| (€m) | DECEMBER 2020 | JUNE 2021 |
|---|---|---|
| Fixed Assets | 479.5 | 489.4 |
| Net Working Capital | (191.6) | (196.8) |
| **Total Net Assets** | **287.9** | **292.6** |
| Net Equity | 319.7 | 330.2 |
| Net Financial Debt (5) | (87.4) | (82.6) |
| Other | 55.5 | 45.0 |
| **Total Net Equity and Liability** | **287.9** | **292.6** |

- ✓ **Operating cash flow** generation **greater than 75% of EBITA**.
- ✓ Variation in net cash explained by **earn outs, M&A and treasury stock transactions**.
- ✓ The **dividend to be paid** in July has already been deducted from equity.

# 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 Objetives | |
|---|---|---|
| **Sales** | >5% | **Double-digit** growth |
| **EBITA** | >10% | Growth **>10%** |
| **Net Income** | >20% | Growth **>25%** |

... and with a generation of **free operating cash >75% EBITA**

# 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**: 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 / (Total non-current assets – Deferred assets – Goodwill not associated to cash + PPAs amortization current year +Net WC ; excluded acquisitions of the year).

**8) WC:** Working capital

# 2Q Results and comparative performance_

| ( m€) | 2Q 2019 | 2Q 2021 vs 2Q 2019 | 2Q 2020 | 2Q 2021 vs 2Q 2020 | 2Q 2021 |
|---|---|---|---|---|---|
| **Turnover** | 240.1 | | 196.2 | | 277.0 |
| **Adjusted Turnover**[1] | 212.4 | **18%** | 178.2 | **41%** | 250.8 |
| **EBITDA** [2] | 24.7 | **13%** | 12.0 | **132%** | 28.0 |
| **% EBITDA on Turnover** | **11.6%** | | **6.8%** | | **11.1%** |
| **EBITA**[2] | 12.1 | **35%** | 1.1 | **1.442%** | 16.3 |
| **% EBITA on Turnover** | **5.7%** | | **0.6%** | | **6.5%** |
| **EBIT** [2] | 10.9 | **41%** | 0.0 | **NA** | 15.3 |
| **% EBIT on Turnover** | **5.1%** | | **0.0%** | | **6.1%** |
| **Net Income** | 7.8 | **28%** | -3.0 | **NA** | 10.0 |
| **% Net income on Turnover** | **3.7%** | | **-1.7%** | | **4.0%** |

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We apply technology to make this happen.

We are DOMINION.

DOMINION

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