



To: **The Romanian Financial Supervisory Authority**
Financial Instruments and Investments Sector
The Bucharest Stock Exchange
Regulated Spot Market, Category Int'l (Shares)

From **DIGI COMMUNICATIONS N.V.**

CURRENT REPORT

pursuant to Law no. 24/2007 on issuers of financial instruments and market operations and to the Romanian National Securities Commission Regulation no. 1/2006 on issuers and operations with securities, as subsequently amended and supplemented and the provisions of Article 99 of the Bucharest Stock Exchange Code, Title II, Issuers and Financial Instruments

Report date: 21 July 2017

Name of the issuing entity: **DIGI COMMUNICATIONS N.V.** (the “Company”)

Statutory seat: Amsterdam, The Netherlands

Visiting address: Bucharest, 75 Dr. N. Staicovici, Forum 2000 Building, Phase I, 4th floor, 5th District, Romania

Phone/Fax number: +4031.400.65.05/ +4031.400.65.06

Registration number with The Netherlands Chamber of Commerce Business Register and Dutch Legal Entities and Partnerships Identification Number (RSIN): Registration number with The Netherlands Chamber of Commerce Business Register: 34132532/29.03.2000
RSIN: 808800322

Romanian Tax Registration Code: RO 37449310

Share Capital: EUR 6,918,042.52

Number of shares in issue: 100,000,000 (out of which (i) 65,756,028 class A shares with a nominal value of ten eurocents (€ 0.10) each and (ii) 34,243,972 class B shares, with a nominal value of one eurocent (€ 0.01) each)

Number of listed shares: 34,243,972 class B shares

Regulated market on which the issued securities are traded: Bucharest Stock Exchange, Main Segment, Category Int'l (Shares)

Important events to be reported: *Signing of a share-purchase agreement for the acquisition by the Company's Hungarian subsidiary, DIGI Távközlési és Szolgáltató Kft., of the Hungarian telecommunications operator Invitel Távközlési Zrt.*

The Company would like to inform its shareholders that on 21 July 2017 its Hungarian subsidiary, DIGI Távközlési és Szolgáltató Kft. (“**Digi HU**”), acting as purchaser, has signed a share-purchase agreement (“**SPA**”) with Ilford Holding Kft. and Invitel Technocom Távközlési Kft., acting as sellers (the “**Sellers**”; the Sellers are controlled by China Central and Eastern Europe Investment Co-operation Fund SCS SICAV-SIF, which is managed by Luxembourg Investment Solutions S.A.) for the acquisition of shares representing in total 99.998395% of the share capital and voting rights of Invitel Távközlési Zrt. (the “**Target**”) (the “**Proposed Transaction**”).

The Target is part of the Invitel Group and is one of the key operators on the Hungarian telecommunications market with over 20 years’ experience. The Target offers an extensive portfolio of services to residential and small business customers, including a variety of multimedia and entertainment services such as interactive, digital and HD television, fast internet offerings and fixed telephony services across its regional networks and is positioned as second-largest incumbent fixed line telecommunications and broadband internet services provider in the residential and small business customers segment in Hungary. For the year 2016, the Target had a revenue of HUF 26 billion (approximately EUR 85 million) and EBITDA of HUF 7.1 billion (approximately EUR 23.2 million) on a pro-forma basis (the Target went through a demerger mid-year 2016). At 31 May 2017, the Target had 691,664 RGUs in cable TV, broadband internet and fixed telephony. The Proposed Transaction, once completed, will consolidate Digi HU’s and, respectively, the Company’s group position on the Hungarian telecommunications market, allowing it to expand its customer reach and experience, and creating better operational synergies. Invitech Solutions, the Invitel Group’s B2B and wholesale unit, is not part of the Proposed Transaction.

Pursuant to the SPA, the total consideration to be paid by Digi HU to the Sellers for the acquisition of shares in the Target is EUR 140 million, this amount being subject to further price adjustments, as customary for transactions of this size in the telecommunications industry. The completion of the Proposed Transaction is subject to fulfilment of various conditions, including (i) the approval of the Proposed Transaction by the Hungarian Competition Authority (in Hungarian: “*Gazdasági Versenyhivatal*”); and (ii) execution between Digi HU and the Target on the one hand and Invitech Solutions on the other hand of reciprocal services and cooperation agreements, so as to allow them a successful integration of the Target in the Company’s group, development of the respective businesses of both Digi HU and the Sellers in Hungary, as well as implementation of synergistic operational processes at the parties’ level. The completion of the Proposed Transaction is currently contemplated by 14 March 2018 (Digi HU and the Sellers may subsequently agree on another date). The reciprocal services agreements with Invitech Solutions will be concluded for a total period of at least ten (10) full calendar years following completion of the Proposed Transaction and for a minimum aggregate value of services in the amount of HUF 28 billion (approximately EUR 91.6 million), in Digi HU’s case HUF 5 billion (approximately EUR 16.4 million), in Invitech Solutions’ case. Going forward, the Company will keep its shareholders updated in connection with further developments in the process of implementation and completion of the Proposed Transaction.

Serghei Bulgac

Chief Executive Officer