Pro-forma separate income statement for the year ended December 31, 2019 and related explanatory notes of Infrastrutture Wireless Italiane S.p.A.

1. Introduction

This document includes the pro-forma separate income statement for the year ended December 31, 2019 of Infrastrutture Wireless Italiane SpA (hereinafter referred to as "**Inwit**" or the "**Company**"), accompanied by the explanatory notes (hereinafter the "**Pro-forma Financial Information**").
The Pro-forma Financial Information has been prepared for:

- its inclusion in the prospectus, drawn up according to the format set out in Annexes 3 and 12 of Delegated Regulation (EU) 2019/980, regarding admission to trading of the new Inwit ordinary shares issued, without capital increase, to Vodafone Europe BV (hereinafter "**VOD EU**" and, jointly with Inwit, the "**Parties**") - to service the exchange of shares under the merger of Vodafone Towers Srl (hereinafter "**VOD Towers**") into Inwit - against elimination of the equity investment held by VAD EU in VOD Towers (hereinafter the "**Merger**"), and

- any other document potentially prepared in connection with any capital markets transaction.

It should be noted that no pro-forma statement of financial position at December 31, 2019 has been prepared as the Merger was completed by March 31, 2020 and its accounting was already reflected in the interim financial statements at March 31, 2020 prepared the Company and approved by the Board of Directors of the Company and published on May 11, 2020

Specifically, the Pro-forma Financial Information has been prepared to represent the main effects of the following transactions on the Company's the separate income statement for the year ended December 31, 2019:

(i) the signing of a loan agreement with a pool of banks (hereinafter the "**Loan**"),

(ii) the signing of certain commercial contracts with Telecom Italia S.p.A. ("**TIM**") and Vodafone Italia S.p.A. ("**VOD**") (hereinafter the "**Contracts**")

(iii) the acquisition from VOD EU of 43.4% of the share capital of VOD Towers (hereinafter the "**Minority Shareholding**") for Euro 2,140 million, and the subsequent Merger (hereinafter "**Business Combination**" and together with the Loan and the Contracts, collectively referred to as the "**Transaction**").

For further details on the Transaction see paragraph 3 below.

As previously noted, the Pro-forma Financial Information has been prepared to simulate, according to measurement criteria consistent with historical financial information and in compliance with the applicable legislation, the main effects of the Transaction on the Company's separate income statements, as if the transaction had occurred on January 1, 2019.

It should also be noted that the information contained in the Pro-forma Financial Information is a simulation, which is provided for illustrative purposes only, of the potential effects of the Transaction. In particular, since pro-forma financial information is developed to retroactively reflect the effects of subsequent transactions, despite compliance with commonly accepted rules and the use of reasonable assumptions, there are limits inherent in the very nature of pro-forma financial information. Therefore, it should be noted that if the Transaction had taken place on the assumed date, the same results shown in the Pro-forma Financial Information would not necessarily have been obtained.

Lastly, it should be noted that the Pro-forma Financial Information is not intended as a forecast of the Company's future results and should therefore not be used for such purpose.
The Pro-forma Financial Information must be read in conjunction with:

- individual financial statements of the Company for the year ended December 31, 2019, approved by the relevant board of directors on March 5, 2020 and by the shareholders' meeting on April 6, 2020 (hereinafter the "**2019 Financial Statements**") and audited by the independent auditors PricewaterhouseCoopers S.p.A. (hereinafter the "**Independent Auditors**") that issued their report with an unqualified opinion on March 13, 2020;
- interim financial statements of the Company for the three months ended March 31, 2020, approved by the relevant board of directors on May 11, 2020 (hereinafter the "**Interim Financial Statements March 2020**") and subject to limited review by the Independent Auditors that issued their report on May 11, 2020;
- *carve-out* financial statements of VOD Towers for the year ended December 31, 2019, approved by the relevant board of directors of VOD Towers on March 2, 2020 (hereinafter the "**Carve-out Financial Statements**") and audited by the independent auditors that issued their report with an unqualified opinion on March 4, 2020.

2. Pro-forma Financial Information

The following table contains the *pro-forma* separate income statement for the financial year ended December 31, 2019 of Inwit (hereinafter the "**Pro-forma Separate Income Statement**"), with evidence of the *pro-forma* entries made to represent the significant effects of the Transaction to the Company's separate income statement.

Pro-forma separate income statement

(in thousands of Euro)	Company historical financial information	VOD Towers carve-out financial information	Pro-forma adjustments: Loan Agreement	Pro-forma adjustments: Effects of Contracts	Pro-forma adjustments: Preliminary accounting of VOD Towers acquisition	Pro-forma adjustments: Other adjustments	Pro-forma Inwit
	Note A	*Note B*	*Note C*	*Note D*	*Note E*	*Note F*	*Total*
Revenues	395,396	85,261	-	263,907	-	-	744,564
Purchases of materials and services – ordinary charges	(27,178)	(39,527)	-	34,139	-	-	(32,566)
Purchases of materials and services – charges related to non-recurring transactions	(5,252)	-	-	-	-	(3,390)	(8,642)
Personnel costs – ordinary charges	(10,574)	(2,423)	-	-	-	-	(12,997)
Personnel costs – restructuring and rationalization costs	(573)	-	-	-	-	-	(573)
Other operating costs	(2,043)	(5,273)	-	-	-	-	(7,316)
Operating profit or loss before amortization, depreciation, capital gains/(losses) and reversals/ (write-downs) of non-current assets (EBITDA)	**349,776**	**38,038**	**-**	**298,046**	**-**	**(3,390)**	**682,470**
Amortization, depreciation, capital gains/(losses) on disposals and write-downs of non-current assets	(130,024)	(139,116)	-	-	17,780	-	(251,360)
EBIT	**219,752**	**(101,078)**	**-**	**298,046**	**17,780**	**(3,390)**	**431,110**
Finance income	450	-	-	-	-	-	450
Finance expense	(24,621)	(8,776)	(52,289)	-	(3,924)	-	(89,610)
Profit (loss) before taxes	**195,581**	**(109,854)**	**(52,289)**	**298,046**	**13,856**	**(3,390)**	**341,950**
Income taxes	(56,267)	(3,193)	12,549	(84,943)	4,125	966	(126,763)
Profit (loss) for the period	**139,314**	**(113,047)**	**(39,740)**	**213,103**	**17,981**	**(2,424)**	**215,188**

The descriptions of the pro forma adjustments used in the construction of the Pro-forma Separate Income Statement are shown below in paragraph 4.2.

3. The Transaction

Introduction

The purpose of the Transaction is the aggregation of VOD *towers business unit*, as defined below, with Inwit. In this regard, it should be noted that, by deed of August 1, 2019, registered on August 5, 2019, the company VOD Towers was incorporated, with registered office in Italy; as a result of a partial demerger of VOD completed on December 4, 2019, VOD Towers was the beneficiary of the VOD business unit mainly consisting of passive infrastructures for the construction of transmission systems for mobile telephony and radio networks, contracts for use of the areas hosting the towers and hosting agreements and services for other operators (hereinafter the "**Towers Business Unit**"). The Merger was effective on March 31, 2020 (hereinafter the "**Effective Date**") and, since the Effective Date, Inwit controls VOD Towers.

3.1 Loan agreement

In order to carry out the Transaction, Inwit and a pool of banks signed a contract on December 19, 2019 for the granting of a loan to Inwit for a total principal amount of Euro 3,000 million, broken down as follows:

(i) Euro 1,500 million through an 18-month Bridge Facility (hereinafter "**Bridge Facility**"), which can be extended by a further 6 months, fully repayable at maturity, bearing interest at Euribor plus a spread (90-270 bps p.a. depending on the term of the facility, with an initial value of 90 bps p.a.);

(ii) Euro 1,000 million through a medium-long term line of credit called Term Facility (hereinafter "**Term Facility**"), with a 5 year term, fully repayable at maturity, bearing interest at Euribor plus a spread (100-275 bps p.a. depending on the net leverage ratio, with an initial value of 155 bps p.a.);

(iii) Euro 500 million through a five-year Revolving Facility (hereinafter "**Revolving Facility**") bearing interest at Euribor plus a spread (70 – 245 bps p.a. depending on the net leverage ratio, with an initial value of 125 bps p.a.) and with fees depending on the amount used (0 -50 bps p.a.).

The sources and uses of the Loan are detailed below:

(in thousands of Euros)	**Sources**		**Uses**
Bridge Facility	1,000,000	Purchase of Minority Shareholding	2,140,000
Term Facility	1,500,000	Extraordinary dividend	570,000
Revolving Facility	220,500	Outstanding transaction costs of the Loan	10,500
	2,720,500		**2,720,500**

3.2 Merger

In execution of the Framework Agreement, on November 18, 2019, the governing bodies of Inwit and VOD Towers approved the plan for the merger of VOD Towers into Inwit pursuant to art. 2501-ter and on a voluntary basis pursuant to art. 2501 bis, paragraph 2, of the Italian Civil Code, as well as art. 70 of the Issuers' Regulation by allotment of 360,200,000 Inwit ordinary shares (hereinafter the "**New Ordinary Shares**") to VOD EU, to cover the exchange of shares, against elimination of the entire VOD EU stake held in VOD Towers following completion of the purchase and sale of the Minority Shareholding.

On December 19, 2019, the shareholders' meetings of Inwit and VOD Towers approved the Merger and on March 25, 2020 (hereinafter the "**Closing Date**") the Parties signed the related merger deed with effect from March 31, 2020.

3.3 Signing of commercial contracts between TIM, VOD and Inwit

The contractual terms and conditions of the contracts signed between TIM, VOD and Inwit, in force as of the Effective Date, are shown below.

TIM Master Service Agreement

The agreement for the provision of services regarding the sites, called the *master service agreement*, signed between Inwit and TIM on March 13, 2015 (hereinafter "**TIM MSA 2015**"), is replaced by a new *master service agreement* with effect from the Effective Date (hereinafter "**TIM MSA**").

Pursuant to the TIM MSA, Inwit undertakes to provide TIM with a series of integrated hosting services for mobile telecommunication operators and other customers for the development and operation of "wireless" communications.

The overall base consideration for the first effective year of the contract amounts to Euro 317.7 million for the sites on which TIM is present as at the Effective Date (hereinafter "**TIM Effective Date Sites Fee**"); in addition an annual fee will be charged for any additional site on which TIM will be present after the Effective Date (hereinafter "**TIM Next Site Fee**"). The above considerations will be adjusted by 100% of the percentage change, if positive, of the ISTAT consumer price index for worker and employee households by as of January 1, 2019 and January 1, 2021 respectively for TIM Effective Date Sites Fee and the TIM Next Site Fee.

From the Effective Date, TIM's occupation of a new site will result in an automatic decrease of a TIM Effective Site Fee, time by time, to the extent of 50% of the value of TIM Next Site Fee.

TIM MSA has a duration of 8 years and will be renewed automatically for further 8-year periods, unless cancelled. As a partial exception to the foregoing, in the event of "change of control" (i.e., TIM and VOD EU cease to have joint control on Inwit pursuant to Article 2359, paragraph 1(1) and 1(2) of the Italian Civil Code), each party will have the option to automatically renew the TIM MSA for a further period of 8 years as of the option exercise date, subject to renewal for a further 8 years, the party being notified the exercise of the option not being entitled to terminate the agreement (therefore, for a total of 16 years).

VOD Master Service Agreement

With effect from the Effective Date, VOD and Inwit entered into a *master service agreement* (hereinafter "**VOD MSA**"), under which Inwit has undertaken, against payment of a fee, to provide VOD with the same services agreed with TIM under the TIM MSA, on the sites available to Inwit following the Merger.

The VOD MSA differs from the TIM MSA only as regards the economic conditions. More specifically, the overall base consideration for the first effective year of the contract amounts to Euro 320.3 million for the sites on which VOD is present as at the Effective Date (hereinafter "**VOD Effective Date Sites Fee**"); in addition an annual fee will be charged for any additional sites on which VOD will be present after the Effective Date (hereinafter "**VOD Next Site Fee**"). The above considerations will be adjusted by 100% of the percentage change, if positive, of the ISTAT consumer price index for worker and employee households as of January 1, 2019 and January 1, 2021 respectively for the VOD Effective Date Sites Fee and the VOD Next Site Fee.

From the Effective Date, VOD occupation of a new site will result in an automatic decrease of a VOD Effective Site Fee, time by time, to the extent of 50% of the value of VOD Next Site Fee.

4. Explanatory notes

4.1 Basis of presentation and accounting principles used

The Pro-forma Financial Information were prepared in compliance with Consob Communication no. DEM / 1052803 of July 5, 2001, which governs the preparation of *pro-forma* financial information. In particular, the aforementioned statements were prepared by adjusting the Company's historical financial information taken from the 2019 Financial Statements, in order to simulate the main effects to the separate income statements that could arise from the Transaction.

The accounting principles adopted for the preparation of the Pro-forma Financial Information are the same used for the preparation of the 2019 Financial Statements and, in particular, the *International Financial Reporting Standards* which include all the "*International Accounting Standards*", all the "*International Financial Reporting Standards*" and all the interpretations of the "*International Financial Reporting Interpretations Committee*" adopted by the European Union (hereinafter "**IFRS**").

4.2 Description of the pro-forma adjustments made for the preparation of the Pro-forma Financial Information

The pro-forma adjustments made for the preparation of the Pro-forma Financial Information are briefly described below.

Pro-forma separate income statement

Note (A) - Company historical financial information

This column includes the Company's separate income statement for the financial year December 31, 2019, taken from the 2019 Financial Statements.

Note (B) - VOD Towers carve-out

This column includes VOD Towers' separate income statement for the financial year December 31, 2019, taken from the Carve-out Financial Statements. For this purpose, it should be noted that the directors of VOD Towers report that the Carve-out Financial Statements reflect the carve-out information relating to income statement and financial results, cash flows and the financial position, directly or indirectly attributable to the Towers Business Units, including an allocation of indirect VOD structure costs. More specifically, the elements of the statement of financial position, as well as revenues and costs were allocated, where possible, using allocation parameters that were considered most appropriate given the circumstances. However, it should be noted that if the assets and liabilities of the Towers Business Unit had actually been attributable to the Company for the entire 2019 financial year, the financial position and results of the Towers Business Unit would not necessarily have been those shown in the Carve-out Financial Statements. Therefore, these financial information do not represent the actual financial position and results that the Towers Business Unit would have achieved if it had carried out operations as a separate company during the financial year. In addition, the revenues associated with the activities the Towers Business Unit carried out in favour of VOD are valued for the month of December 2019 only (Euro 23,612 thousand), by virtue of the master *service agreement* between VOD Towers and VOD, effective from December 1, 2019 until the Effective Date (hereinafter "**VOD MSA 2019**"). Revenue associated with third parties are valued for the entire year 2019 (Euro 61,649 thousand of which Euro 37,508 thousand recognised from TIM).

Note (C) - Loan Agreement

The column in question includes finance expense of Euro 52,289 thousand relating to the Loan, calculated on the basis of the assumptions summarized in the following table:

(in thousands of Euros)	**Term Facility**	**Bridge Facility**	**Revolving Facility**	**Total**
Notional principal amount	1,000,000	1,500,000	220,500	**2,720,500**
Effective interest rate (1)	1.74%	1.90%	1.64%	
Total Loan interest	**17,129**	**28,264**	**3,517**	**48,910**
Commitment fees (2)	1,098	990	1,291	**3,379**
Total finance expense	**18,227**	**29,254**	**4,808**	**52,289**

(1) The effective interest rates were determined as shown in the following table by assuming i) the current pro-forma Net Leverage ratio (which determines the spread to be used) equal to the initial value as contractually established and ii) the repayment of the Loan at maturity (for the Bridge Facility the spread increases over time).

(in percentages)	**Term Facility**	**Bridge Facility[a]**	**Revolving Facility**
Contractual interest rate	1,55%	1,72%	1,25%
Amortized cost method impact	0,19%	0,18%	0,39%
Effective Interest Rate	**1,74%**	**1,90%**	**1,64%**

(a) Contractual interest rate varies depending on credit line duration from 0.9% to 2.70%.

(2) The commitment fees, in accordance with the Loan contract, were determined by applying 30% of the spread of each credit line under the Loan to the unused amount of said credit lines. The unused amounts of each credit line is determined on the basis of drawdowns reported in Note 3.1. Commitment fees have been estimated based on these factors for the period of non-use of each credit line, net of the portion of expense already accounted for at December 31, 2019 amounting to Euro 352 thousand.

The column in question also shows the tax effect of the previously described expense, amounting to Euro 12,540 thousand, determined on the basis of the tax rate applicable to Inwit (IRES 24.0%).

Note (D) - Effects of the Contracts

The column in question includes the pro-forma adjustments applied to the TIM MSA and VOD MSA for the 2019 financial year.
Revenues generated by the TIM MSA and VOD MSA represent 96.2% of the pro-forma revenues generated for the year ended, December 31, 2019, that which related to TIM and VOD, equal to Euro 674,146 thousand.

(in thousands of Euros)	**Pro-forma adjustments**			
	TIM MSA (a)	VOD MSA (b)	Chargebacks to VOD for energy and other costs (c)	**Total adjustments**
MSA revenues indexed (i)	322,811	325,455	n.a.	n.a.
Historical revenues (ii)	(320,560)	(70,216)	n.a.	n.a.
Revenues (i) - (ii)	2,251	255,239	6,417	**263,907**
Purchases of materials and services - ordinary charges	-	-	34,139	**34,139**

** Indexation impact has been quantified as Euro 5,101 thousand for MSA TIM ed Euro 5,142 thousand for MSA VOD*

a. TIM MSA

Pursuant to the TIM MSA, Inwit undertakes, as of the Effective Date, to provide TIM with a series of integrated hosting services for mobile telecommunication operators and other customers for the development and operation of "wireless" communications.

The pro-forma adjustment in question amounts to Euro 2,251 thousand, which includes TIM Effective Date Sites Fee, adjusted to reflect the effect of the ISTAT consumer price index for worker and employee households from January 1, 2019, net of revenues from TIM recognized in the 2019 Financial Statements in relation to the TIM MSA 2015 of Euro 283,052 thousand and revenues from TIM recognized in the Carve-out Financial Statements by VOD Towers in relation to hosting services of Euro 37,508 thousand.

b. VOD MSA

Pursuant to the VOD MSA, Inwit undertakes, as of the Effective Date, to provide VOD with certain integrated hosting services for mobile telecommunication operators and other customers for the development and operation of "wireless" communications.

The pro-forma adjustment in question amounts to Euro 255,239 thousand, which include VOD Effective Date Sites Fee, adjusted to reflect the effect of the ISTAT consumer price index for worker and employee households from January 1, 2019 equal to Euro 325,455 thousand, net of revenues from VOD recognized by Inwit in the 2019 Financial Statements in relation to hosting services equal to Euro 46,604 thousand and revenues recognized in the Carve-out Financial Statements by VOD Towers in relation to the VOD MSA 2019 equal to Euro 23,612 thousand.

c. Chargebacks to VOD for energy and other costs

The pro-forma adjustment in question amounts to Euro 40,556 thousand and includes the chargeback to VOD of energy and other costs incurred by VOD Towers in the period from January 1, 2019 and November 30, 2019 in accordance with the provisions of the MSA VOD 2019 and resulted in an increase in the "revenues" line item for Euro 6,417 thousand and a decrease in the "Purchases of materials and services – ordinary charges" for Euro 34,139 thousand.

This column also shows the tax effect of the adjustments, amounting to Euro 84,943 thousand, determined on the basis of the tax rate applicable to Inwit (IRES 24% and IRAP 4.5%).

Note (E) – Provisional accounting of VOD Towers acquisition

Determination of the consideration of the Business Combination

The acquisition of the Minority Shareholding and the Merger were treated as one transaction, aimed at the acquisition of 100% of VOD Towers whose accounting is determined by IFRS 3 – Business Combination (hereinafter "**IFRS 3**"). The Business Combination has been accounted in accordance with IFRS 3, which requires that, at the acquisition date that is the date when control is obtained, identifiable assets acquired, liabilities and contingent liabilities assumed should be recognized at fair value, except for deferred tax assets and liabilities, assets and liabilities associated with employee benefits and assets held for sale which are accounted in accordance with their respective accounting standards.

At the date of preparation of the Pro-forma financial information, it has been preliminary identified fair value of certain assets, including their respective useful life, whereas for certain others such intangible assets, the assessment is still ongoing. In this respect, it should be noted that paragraph 45 of IFRS 3 considers a "measurement period" in which the Company should make a provisional accounting of the acquisition and then completes measurement of the net assets acquired in a subsequent period but not after 12 months from the date of acquisition.

The following table shows the provisional allocation of goodwill recorded in the Interim Financial Statements following the Business Combination, which was obtained by comparing the purchase price to the fair value of the net assets acquired as of the acquisition date.

(in millions of Euro, unless otherwise indicated)	
Number of New Ordinary Shares	360.200.000
Fair value of Inwit shares as of 31 March 2020 (in Euro)	9,88
Fair value of New Ordinary Shares	3.559
Consideration for minority interests	2.140
Consideration for the business combination	**5.699**
Provisional fair value of net assets acquired	(398)
Provisional Goodwill	**5.301**

The following table shows the detail of the fair value of the net assets acquired, as provisionally determined:

(in millions of Euro)	
Non-current assets	965
of which: Tangible assets	*493*
of which: Right of use third party assets	*460*
Current assets	145
Non-current liabilities	(563)
of which: Non-current financial liabilities	*(374)*
Current liabilities	(149)
of which: Current financial liabilities	*(66)*
Provisional fair value of net assets acquired	**398**

The column in question includes the pro-forma adjustments made on the basis of the preliminary results of the net assets acquired of VOD Towers. In particular, based on the preliminary determination of the initial value of the tangible assets and lease contracts, the following table shows the breakdown of the pro-forma adjustments made:

(in thousands of Euro)	Pro-forma adjustments		
	(a) Property, plant and equipment	(b) Lease contracts	**Total adjustments**
Depreciation			
Pro-forma amounts	(51,236)	(70,100)	(121,336)
Historical financial information	51,136	87,980	139,116
Pro-forma adjustments	**(100)**	**17,880**	**17,780**
Financial expenses			
Pro-forma amounts	-	(12,700)	(12,700)
Historical financial information	-	8,776	8,776
Pro-forma adjustments	**-**	**(3,924)**	**(3,924)**

a. Property, plant and equipment

The pro-forma adjustment in question, which amounts to Euro 100 thousand, includes the recalculation of the depreciation of the property, plant and equipment acquired and recognized at their fair value at the acquisition date of VOD Towers.

As above mentioned, completion of the fair value assessment of the net assets acquired from VOD Towers will determine an adjustment to their fair value with impact to the amount of goodwill recognized in the Interim Financial Statements March 2020 of the Company and to the depreciation and amortization of the assets.

b. Lease Contracts

The pro-forma adjustment in question includes the recalculation of: i) interest expenses associated with the financial liabilities of the leasing contracts entered into and recorded on the basis of the residual payments and discount rate identified on the date control was obtained of VOD Towers which it has resulted in an increase of the "*finance expenses*" line item by Euro 3,924 thousand and ii) depreciation associated with the right-of-use assets acquired and recognized on the balance sheet which it as resulted in a decrease of "*amortization, depreciation, capital gains/(losses) on disposals and write-downs of non-current assets*" line item by Euro 17,880 thousand. In this regard, it should be noted that when applying IFRS 16, the Company considered that a greater number of renewals of the contracts in question were likely to occur, thus resulting in a higher value for the right of use asset and the corresponding liability than those resulting from the VOD Towers Carve-out Report. This approach resulted in a lower depreciation charge, as it relates to the relative longer term of the contracts, and a higher interest value, as a result of the higher value of the financial liability.

In addition, it is included the tax effect of the previously described expense, amounting to Euro 4,125 thousand, determined on the basis of the tax rate applicable to Inwit (IRES 24.0% and IRAP 4.5%, where applicable).

As above mentioned, completion of the fair value assessment of the net assets acquired from VOD Towers will determine an adjustment to their fair value with impact to the amount of goodwill recognized in the Interim Financial Statements March 2020 of the Company and to the depreciation and amortization of the assets.

Note (F) - Other adjustments

For t Inwit estimated that it would incur non-recurring costs totalling Euro 8,642 thousand to complete the Transaction. The column in question shows the accounting effect attributable to the recognition of costs that will be incurred in 2020 in order to complete the Transaction, totalling Euro 3,390 thousand, and the related tax effect, amounting to Euro 966 thousand, determined on the basis of the tax rate applicable to Inwit (IRES 24.0% and IRAP 4.5%).

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It should be noted that in accordance with the method for constructing pro-forma financial information set forth by Consob Communication no. DEM/1052803 of July 5, 2001, the following were not shown in the Pro-forma Separate Income Statement:

- the potential P&L effects, including any related tax effects, arising from synergies that may be generated as a result of the Transaction;

- the potential effects of the commitments that TIM, VOD, VOD EU and Inwit have submitted to the European Commission pursuant to art. 6 (2) of Regulation (EC) no. 139/2004 in relation to the Transaction sent on January 17, 2020 pursuant to Regulation (EC) no. 139/2004 and the letter of intent under which TIM, Vodafone Group Plc, VOD and the Company agreed to define in good faith, and considering to maximise operational efficiency, the practical action to be implemented in relation to the commitments submitted to the European Commission. These potential effects are not included as at the date of this document it was not possible to quantify them;

- the effects associated with a redefinition of VOD Towers' overhead costs. More specifically, the Carve-Out financial statements include an allocation of indirect VOD overhead costs based on central costs allocation parameters. Due to the Merger, these costs will be eliminated in part, as they refer to services already included in Inwit, and in part replaced by new costs that are necessary for the management of higher volumes of activities resulting from the combination with VOD Towers. These potential effects are not included in the Pro-forma Financial Information, as at the date of this document it is not possible to properly estimate them;

- the effects arising from a potential refinancing of the Loan approved the Inwit Board of Directors held on March 5, 2020, which authorized a *Euro Medium Term Notes* issue program (hereinafter the "**EMTN Program**") for a total amount of up to Euro 3 billion, for the purpose of a subsequent issue of one or more non-convertible bonds (also in several *tranches*), to be placed with institutional investors mainly in Europe. The potential effects arising from the EMTN Program are not included as at the date of this document it is not possible to properly estimate them;

- Impact to the separate income statements that will derive from final measurement of the net assets acquired from VOD Towers.

Finally, it should be noted that:

- in the notes to the Carve-out Financial Statements used to prepare the Pro-forma Financial Information, the directors of VOD Towers report that the Carve-out Financial Statements reflect the historical financial information relating to P&L and financial results, cash flows and the financial position, directly or indirectly attributable to the Towers Business Units, including an allocation of indirect VOD overhead costs. However, it should be noted that if the assets and liabilities of the Towers Business Unit had actually been attributable to the Company for the entire 2019 financial year, the financial position and results of the Towers Business Unit would not necessarily have been those shown in the Carve-out Financial Statements. Therefore, these financial information do not represent the actual financial position and results that the Towers Business Unit would have achieved if it had carried out operations as a separate company during said financial year;

- Non-recurring costs are recorded in the Pro-forma Separate Income Statement with regard to) incidental costs of the Transaction, of Euro 8,642 thousand (of which Euro 3,390 thousand accounted as pro-forma adjustment), which at the date of this document Inwit expected to incur for the completion of the transaction and ii) *commitment fees* on the Loan, of Euro 3,731 thousand (of which Euro 3,379 thousand accounted as pro-forma adjustment), which Inwit estimated on the basis of the unused amount of the credit lines under the Loan. The Pro-forma Separate Income Statement also includes non-recurring revenues, of Euro 10,123 thousand (which has not been adjusted in the pro-forma), relating to the quantification of the indemnity in favour of Inwit in accordance with the indemnity clause contained in TIM MSA 2015 contract for the years from 2015 to 2018.