

Press Release

INWIT: BOARD OF DIRECTORS EXAMINES AND APPROVES THE INTERIM REPORT ON OPERATIONS AS OF 31 MARCH 2022.

- **IN Q1 2022 THE INDUSTRIAL, ECONOMIC AND FINANCIAL KPIs CONTINUED TO GROW:**
- REVENUES AMOUNTED TO 207.0 MILLION EUROS, UP +8.8% ON THE PREVIOUS YEAR.
- EBITDA TOTALLED 188.1 MILLION EUROS, UP BY +8.7% ON THE PREVIOUS YEAR.
- EBITDAaL (EBITDA – LEASING COSTS), THE COMPANY'S MAIN OPERATING MARGIN, STOOD AT 139.3 MILLION EUROS, UP BY +12.4% ON AN ANNUAL BASIS. RATIO ON REVENUES ROSE FROM 65.1% TO 67.3%.
- NET PROFITS FOR THE PERIOD CAME TO 68.1 MILLION EUROS, UP +56.6%.
- RECURRING FREE CASH FLOW TOTALLED 126.6 MILLION EUROS, UP BY +36.0% COMPARED TO THE SAME PERIOD OF 2021.
- THE BUSINESS CONTINUED TO GROW WITH APPROXIMATELY 850 NEW HOSTINGS FOR MOBILE OPERATORS, FWA AND OTHERS, A TOTAL INCREASE OF +9% ON AN ANNUAL BASIS.
- IMPROVED LEVERAGE AT 5.3X IN TERMS OF THE RATIO OF NET DEBT TO EBITDA, COMPARED TO 5.5X IN Q4 2021.
- FERIGO: "ANOTHER QUARTER OF ECONOMIC AND FINANCIAL GROWTH HAS CLOSED FOR INWIT. REVENUES ARE IMPROVING ALONG WITH PROFITABILITY AND RECURRING CASH FLOW. GOING FORWARD, WE EXPECT TO SEE A FURTHER ACCELERATION IN THE DEVELOPMENT OF BUSINESS IN LINE WITH THE 2022 OBJECTIVES, IN SUPPORT OF OPERATORS AND THE COUNTRY'S DIGITISATION".

Rome, 5 May 2022 - The Board of Directors of Infrastrutture Wireless Italiane S.p.A. (INWIT), met today, chaired by Emanuele Tournon, and examined and approved the Interim Report on Operations as of 31 March 2022.

Q1 2022 main results

The results of the first quarter confirm the constant growth of the main industrial KPIs, revenues and an improvement in the profitability and cash generation.

Strong growth in revenues in the first quarter of 2022; as compared with the previous year, an organic +9.1% is recorded thanks to the growth of hostings contracted in the previous months. Thus the acceleration of INWIT's organic growth continues, going from +3.4% in Q1 2021 (like-for-like) to +7.2% in the last quarter of 2021, through to today's +9.1%. This growth, together with greater efficiency in leasing costs, led to a +12.4% expansion of the EBITDAaL margin, accounting for a rise in revenues from 65.1% to 67.3%.

The industrial results show further growth. Approximately 850 new hostings were contracted, essentially due to the contribution of the anchor customers TIM and Vodafone as well as other customers; at 31 March total hostings were up by +9% on an annual basis. Installation of new remote DAS units continues to grow, approximately 200 in Q1 2022, as evidence of the growing market interest in dedicated multi-operator cover and with the development of our infrastructure with the creation of 50 new sites.

Main economic and financial indicators

During the first quarter of 2022, all the main economic and financial indicators have shown growth:

- revenues stood at 207.0 million euros, up + 8.8% on the same period of 2021 (190.2 million euros). In the period in question, there are no one-off revenues while for Q1 2021, they came to 0.6 million euros. Net of these items, the comparison with the same period of 2021 showed an organic growth of +9.1%;
- EBITDA stood at 188,1 million euros, up by +8.7% on Q1 2021. YoY growth is +9.6% if the specified one-off revenues are excluded, along with non-recurring economic items. The EBITDA margin is 90.9%;
- EBITDAaL (EBITDA - leasing costs), the company's main operating margin, stood at 139.3 million euros, up by +12.4% on an annual basis, for a ratio on revenues that grows from 65.1% to 67.3%;
- EBIT stood at 95.7 million euros, up +14.2% over the same period of 2021 (+16.0% excluding the above-mentioned one-off revenues/costs);
- net profits came to 68.1 million euros, up +56.6% on the same period of 2021 (+60.7%, excluding the specified one-off revenues/costs), also due to the tax benefit deriving from the tax realignment of goodwill

- industrial investments in the period came to 31.8 million euros, up by +76.3% (13.8 million euros) compared to the same period of 2021 (18.0 million euros);
- net financial debt amounted to 4.0 billion euros, including IFRS16 financial liabilities; this is a reduction on December 2021 (4.05 billion euros) due to the company's cash generation; financial leverage improved to 5.3x in terms of the ratio of net debt to EBITDA, with respect to the 5.5x of the fourth quarter 2021;
- recurring free cash flow for Q1 2022 - calculated net of one-off revenues/costs - came to 126.6 million euros, up +36.0% on the same period of 2021, thanks to the growth of the EBITDA and the positive evolution of working capital.

Key Performance Indicators (KPIs)

During this first quarter, INWIT continued to develop its business by:

- increasing the number of hostings on its own sites, 850 units;
- developing its infrastructure with the creation of 50 new sites;
- continuing the plan for multi-operator microcell coverage in the locations with the highest concentration of users and traffic, developing around 200 DAS devices;
- continuing to improve its efficiency by pursuing the plan to renegotiate rental contracts and purchase land.

As of 31 March 2022, the average number of operators per site (tenancy ratio) rose to 2.05.

Corporate Governance matters

The Board of Directors has acknowledged the resignation tendered by non-executive director Fabrizio Rocchio, member of the Sustainability Committee, on 29 April 2022, with effect from the resolution ruling on his replacement.

At the date of resignation Mr Rocchio holds no shares in INWIT's share capital and no compensation is envisaged for termination of office, in line with the Remuneration Policy.

With the approval of the Board of Statutory Auditors, the INWIT Board of Directors has appointed by co-option, pursuant to article 2386, subsection 1, of the Italian Civil Code and in compliance with the provisions of paragraph 13.7(2) of the Company Bylaws, as non-executive INWIT director Pietro Guindani, designated by Central Tower Holding Company in compliance with the shareholders' agreements in place between Daphne 3, Central Tower Holding Company, TIM and Vodafone Europe (the essential elements of which, pursuant to article 122 CLF and Article 130 of the Issuer Regulation, are available, together with the respective extract, on the INWIT website <https://www.inwit.it/it/governance/informativa-societaria/patti-parasociali/>).

The new director will remain in office until the next Shareholders' Meeting, in accordance with the law. After having verified that Director Pietro Guindani satisfies the integrity requirements prescribed by current legislation, the Board of Directors appointed him as member of the Sustainability Committee. The newly appointed director holds no shares in INWIT's share capital.

The new director's CV is available on INWIT's website at: <https://www.inwit.it/it/governance/organizational/>.

COVID-19 Information

The COVID-19 health emergency has brought about a decline in the economy, with potentially negative impacts on the Company's economic and financial position. The rapid spread of COVID-19, beginning in March 2020, and the ensuing health emergency, have produced great economic uncertainty both in Italy and across the globe.

The Company deems the situation to be medium risk as, despite the negative economic situation, INWIT's activity is essential for the provision of services to operators; at present, the Company has not recorded any significant impact on business performance associated with the health crisis.

The Company maps out COVID-19-related risks and assesses the possible onset of the events affected by such risks, which are considered unlikely, given that the relevant industrial sector is not particularly volatile, existing hostings have a cyclical nature and contracts are long-term.

At present, the economic results have suffered no significant negative impacts that could give rise to losses in economic/financial performance or delays in the company's strategic planning. Moreover, despite the negative economic situation, INWIT's activities are essential for the provision of services to telephone operators.

Lastly, it should be noted that the current pandemic has led to a general acceleration in the digitisation processes and a significant increase in data traffic on the networks of the Company's main customers, resulting in a positive impact on demand for the services offered.

Information on the conflict in Ukraine

As regards the events relating to the war in Ukraine, at present the Company has not recorded any significant impact on its business performance in connection with such events. The company will be monitoring the crisis as it unfolds and will be paying close attention to its business continuity plans and the risk of cyber attack, intensifying its monitoring and risk mitigation measures as may be necessary, also with a view to identifying any impacts that cannot be foreseen to date.

Outlook for the 2022 financial year

After the merger with Vodafone Towers in 2020, INWIT has become the largest wireless infrastructure operator in Italy. The most extensive network of infrastructures in support of mobile connectivity, macro sites and distributed micro antenna systems, has made it possible to achieve a capillary, integrated coverage of the territory and laid the base for INWIT to play a leading role in the current digital transformation. 2021, a year of integration and consolidation, has already shown appreciable

results in all the main economic indicators, speeding up progressively over the quarters, as notified on 24 February 2022.

These results represent a solid basis for the continuation of INWIT's growth path during 2022, a year in which a further improvement of all industrial, economic and financial indicators is expected. This is in consideration of the development in the number of sites, the increased hostings by all the main mobile, FWA and OTMO operators present on the market and the benefits linked to inflation.

As regards outlook, as declared last 24 February, in 2022 revenues of 850-860 million euros, EBITDA of 775-785 million euros, EBITDAaL of 585-595 million euros and RFCF of 485-495 million euros are expected. With regard to shareholder remuneration, the company's dividend policy is confirmed and envisages dividends per share growing by 7.5% per year in the period 2021-2023, starting from a dividend of 30 euro cents per share relating to the 2020 results and paid in 2021; in relation to the 2021 results, the Shareholders' Meeting has approved a 2021 dividend of 0.3225 euros per share, assigned for payment on 25 May 2022, as announced last 6 April 2022.

The market of communication infrastructure continues to benefit from positive structural trends like the growing use of data and the transition to 5G technology, with the consequent need for network densification. Added to this is the positive cycle of digital investments under way, supported by the Next Generation EU programme initiatives that will provide further growth opportunities for the Company.

The economic and financial results of INWIT at 31 March 2022 will be illustrated to the financial community during a conference call scheduled for 5 May 2022 at 6.00 p.m. (CET). Journalists may listen to the conference call, without asking questions, by calling: +39 02 8020927. The presentation to support the conference call will be made available in advance in the Investors section of the company website www.inwit.it.

Pursuant to subsection 2, Article 154-bis of the Consolidated Law on Finance, the Manager responsible for preparing the company's accounting documents, Diego Galli, has declared that the accounting disclosures contained in this press release correspond to the documentary evidence and the accounting books and records.

INWIT draws up and publishes Interim Reports on Operations for the first and third quarters of each year on a voluntary basis. The Interim Report on Operations at 31 March 2022 includes the Interim Management Report and the Condensed Quarterly Financial Statements at 31 March 2022 prepared in accordance with IFRS accounting standards issued by IASB and endorsed by the EU. The condensed quarterly Financial Statements to 31 March 2022 are not audited. Note, lastly, that the "Business Outlook for the 2022 financial year" chapter contains forward-looking statements about the Company's intentions, beliefs and current expectations with regard to its financial results and other aspects of the Company's operations and strategies. Readers of this press release should not place undue reliance on such forward-looking statements, as final results may differ significantly from those contained in the above-mentioned forecasts owing to a number of factors, the majority of which are beyond the Company's control.



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