

Press Release

INWIT: BOARD OF DIRECTORS EXAMINES AND APPROVES THE FINANCIAL REPORT AT 30 JUNE 2022

- **REVENUES:** IN Q2 2022 THEY CAME TO 210.7 MILLION EUROS, SHOWING ORGANIC GROWTH OF +9.3% COMPARED TO THE SAME PERIOD OF 2021. IN H1 2022 THEY TOTALLED 417.7 MILLION EUROS, SHOWING ORGANIC GROWTH OF 9.2% COMPARED TO H1 2021.
- **EBITDA_{aL}** (EBITDA – LEASING COSTS): THE COMPANY'S MAIN OPERATING MARGIN, IN Q2 2022 STOOD AT 143.5 MILLION EUROS, UP BY +12.9%. IN H1 2022 IT TOTALLED 282.8 MILLION EUROS, UP +12.6% COMPARED TO THE PREVIOUS HALF YEAR.
- **NET PROFIT:** IN Q2 2022 IT TOTALLED 73.9 MILLION EUROS, UP BY +43.4% COMPARED TO THE SAME PERIOD OF 2021. IN H1 2022 IT TOTALLED 142.0 MILLION EUROS, UP BY +49.5% COMPARED TO THE PREVIOUS HALF YEAR.
- **RECURRING FREE CASH FLOW:** IN Q2 IT TOTALLED 101.1 MILLION EUROS, UP BY +10.7% COMPARED TO THE SAME PERIOD OF 2021. IN H1 2022 IT TOTALLED 227.7 MILLION EUROS, UP BY +23.5% COMPARED TO 2021.
- **BUSINESS INVESTMENTS** TOTALLED 38.8 MILLION EUROS IN Q2, UP BY +6.4% COMPARED TO THE PREVIOUS QUARTER. IN H1 2022 BUSINESS INVESTMENTS TOTALLED 70.5 MILLION EUROS, UP BY +29.6% COMPARED TO H1 2021.
- IN Q2 THE BUSINESS CONTINUED TO GROW WITH 120 **NEW SITES** AND 1,080 **NEW HOSTINGS** FOR MOBILE OPERATORS, FWA AND OTHERS.
- **NET DEBT:** TOTALLED 4.3 BILLION EUROS, WITH FINANCIAL LEVERAGE OF 5.6X RESULTING FROM PAYMENT OF THE DIVIDEND OF 305.6 MILLION EUROS.
- **2022 GUIDANCE** CONFIRMED. **2023 GUIDANCE** IMPROVED AS A REFLECTION OF THE INFLATION SCENARIO. 2023 REVENUE, EBITDA AND **EBITDA_{aL}** EXPECTED TO BE ABOVE THE GUIDANCE RANGE, RFCF EXPECTED TO BE AT THE TOP OF THE GUIDANCE RANGE.
- **FERIGO:** “STRONG GROWTH IN THE ECONOMIC-FINANCIAL PARAMETERS CONTINUES, CONSTRUCTION OF NEW SITES AND DEVELOPMENT OF NEW HOSTINGS ACCELERATE, IN A POSITIVE INVESTMENT CONTEXT. I AM SATISFIED WITH INWIT'S CONTRIBUTION TO THE DEVELOPMENT OF INFRASTRUCTURE THAT ADVANCES THE REDUCTION OF THE DIGITAL DIVIDE IN A CLIMATE CHANGE CONTEXT, FOR AN INCREASINGLY SUSTAINABLE BUSINESS, TO SUPPORT TELECOMMUNICATION OPERATORS”.

Rome, 28 July 2022 - The Board of Directors of Infrastrutture Wireless Italiane S.p.A. (INWIT), met today, chaired by Emanuele Tournon, and examined and approved the financial report as of 30 June 2022.

Q2 2022 main results

The results of the second quarter of 2022 confirm the growth of the main industrial KPIs, revenues and an improvement in the profitability and cash generation:

- **Revenues** came to 210.7 million euros with +9.3% organic growth in the second quarter of 2022 on the previous year, a consequence of the progressive impact of new hostings contracted in the previous quarters.
- **EBITDA** was 191.7 million euros, an increase of +9% on the same period of 2021. The EBITDA margin came in at 91% of revenues.
- This growth, together with greater **efficiency in leasing costs**, has led to expansion of the **EBITDAaL** margin, which came to 143.5 million euros (+12.9 %), accounting for a rise in revenues from +66% in Q2 2021 to 68%.
- **Net profit** totalled 73.9 million euros, up +43.4% compared to the same period of 2021.
- **Recurring Free Cash Flow** totalled 101.1 million euros, up by +10.7% compared to the same period of 2021.
- **Business investments** came to approximately 38.8 million euros, up by 6.4% on the previous quarter.
- **Net financial debt** at 30 June 2022 amounted to 4.3 billion euros. The increase, which was in line with expectations, is due to payment of the dividend. Financial leverage comes to 5.6X in line with expectations; it is also noted that the transactions on the bank and bond market, implemented following the merger with Vodafone Towers, have helped assure the progressive optimisation of debt in terms of the diversification of sources, cost and duration.
- The **industrial results** confirm the growth trend of the main indicators:
 - 1,080 **new hostings** were contracted, due to the contribution of the anchor customers, TIM and Vodafone, as well as other customers;
 - the **new site** development programme has been boosted, with the construction of 120 towers;
 - the multi-operator **micro-cell coverage** plan continues in the locations with the highest concentration of users and traffic, deploying more than 160 new remote **DAS** units, as evidence of the constant market interest;
 - efficiency continued to improve, with the pursuit of the plan to renegotiate leasing contracts and purchase land.

As of 30 June 2022, the average number of operators per site (tenancy ratio) rose to 2.09x.

- The **2022 Guidance** is confirmed. The **2023 Guidance** has improved as a result of the changed inflation scenario and the indexation of the Company's contracts to this variable. 2023 Revenues, EBITDA and EBITDAaL are expected to be above the Guidance range reported previously (Revenues: 920-960 million euros, EBITDA: 840-880 million euros and EBITDAaL: 650-690 million euros); RFCF is expected to be at the top of the Guidance range already reported (560-600 million euros). 2026 Guidance will also benefit from the same impact.

Main results at 30 June 2022

During the first half of 2022, all the main economic and financial indicators have shown growth. **Revenues** stood at 417.7 million euros, up 9.2% on the same period of 2021 (383.1 million euros). The periods in question include one-off revenues.

EBITDA was 379.8 million euros, up by +8.9% on the first half of 2021. **EBITDAaL** was 282.8 million euros, up by +12.6% compared to the same period of 2021. **Net profit** for the period totalled 142 million euros, up +49.5% compared to the same period of 2021.

Recurring Free Cash Flow for H1 2022 was 227.7 million euros, up by +23.5% compared to the same period of 2021.

Business investments for the period came to 70.5 million euros, up 16 million euros on H1 2021 (+29.6%) and were mainly allocated to the development of new sites, of indoor micro-cell coverage with DASs and the acquisition of land.

Sustainability Plan progress

During the first half of the year, the second **Integrated Report** was completed and the company's transformation into an increasingly sustainable business continued with determination, aiming at generating long-term value and helping drive, improve and assure the social and economic development of the communities in which INWIT operates. More specifically, in these first six months of 2022:

- INWIT was included for the first time in the **Bloomberg Gender-Equality Index (GEI)**, with an excellent score (73.68/100) which in particular rewarded the policies for an inclusive culture and pay equality.
- For the first time, INWIT joined the **FTSE4Good Index Series**, the index managed by FTSE Russell which ranks global companies in terms of their environmental, social and governance (ESG) practices.
- The **second Stakeholder Forum** was organised, in the awareness that creating value requires relationships to be built with stakeholders, as an integral part of responsible and sustainable business management.

As envisaged by the 2022 - 2024 Sustainability Plan, INWIT is pursuing the path towards **carbon neutrality by 2024** with determination. 237KW of photovoltaic plants were installed and energy efficiency initiatives implemented that will allow a saving of 4.8 GWh when fully operational. INWIT's commitment to reducing the digital divide also continues in support of telecommunications operators, with the activation of around 200 plants in digital divide areas, or in geographic areas considered to be socially and materially vulnerable (IVSM > 99)*.

*The indicator measures the implementation of coverage projects in white areas or in areas with an IVSM indicator of > 99. The IVSM (social and material vulnerability index) is a parameter used to identify priority areas for intervention, particularly in the context of the NRRP. (www.istat.it)

In this respect, INWIT was also awarded, as part of a Temporary Grouping of Companies with TIM and Vodafone Italia, the 5G tender to receive public grants under the “Italia 5G” Plan to build new network infrastructure suitable for providing mobile radio services in white areas and signed a strategic agreement with Open Fiber to cover more than 600 digital divide municipalities with FWA technology, through the development of up to 500 new sites.

Corporate Governance Issues

The Board of Directors appointed Alessandro Pirovano Head of the Audit Department and member of the Supervisory Body pursuant to Legislative Decree 231/2001.

Information on Russia/Ukraine conflict

With reference to the war in Ukraine, the main risks identified by the Company relate to:

- cyber attacks;
- blocking of product supplies and/or price increases.

For both situations, an impact assessment process has been set up as part of Enterprise Risk Management and monitoring activities and risk mitigation measures have been intensified. In addition, delivery plans have been confirmed and secured throughout 2022.

With reference to the economic and financial position, the Company has not recorded any significant impacts on business performance, particularly as both active and passive contracts provide for an adjustment to current inflation levels.

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.

In any case, there are no significant effects on the financial statements as at 30 June 2022 or on the outlook for the company's business.

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.

This positive performance continued in the first half of 2022 and is a solid basis for the continuation of INWIT's growth path during the current year, when 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, the forecasts made on 24 February this year are confirmed. 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, which was followed by a dividend for 2021 of 0.3225 per share.

The economic and financial results of INWIT at 30 June 2022 will be illustrated to the financial community during a conference call scheduled for 28 July 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.

The executive responsible for preparing the corporate accounting documents, Diego Galli, declares, in accordance with subsection 2, Art. 154-bis of the Consolidated Law on Finance, that the accounting information given in this press release corresponds 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 Half Year Report at 30 June 2022 includes the Interim Management Report and the Condensed Half-Yearly Financial Statements at 30 June 2022 prepared in accordance with IFRS accounting standards issued by IASB and endorsed by the EU. The Half-Year Condensed Financial Statements at 30 June 2022 have undergone a limited scope audit. 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.

INWIT
Press Office
pressoffice@inwit.it

INWIT
Investor Relations
ir@inwit.it