

Press Release

INWIT, RESULTS AT 30 SEPTEMBER 2022

GROWTH OF ALL ECONOMIC AND FINANCIAL INDICATORS IN LINE WITH THE GUIDANCE

CONTINUOUS DEVELOPMENT OF INFRASTRUCTURE SUPPORTING TELECOMMUNICATION OPERATORS

- **REVENUES:** IN Q3 2022 THEY CAME TO 214.8 MILLION EUROS, SHOWING GROWTH OF +8.4% COMPARED TO THE SAME PERIOD OF 2021 (ORGANIC GROWTH +8.9%). IN THE FIRST NINE MONTHS, REVENUES TOTALLED 632.5 MILLION EUROS, UP +8.8% COMPARED TO THE FIRST NINE MONTHS OF 2021 (ORGANIC GROWTH OF +9.1%).
- **EBITDAaL** (EBITDA – LEASING COSTS): IN Q3 2022, THE COMPANY'S MAIN OPERATING MARGIN TOTALLED 146.6 MILLION EUROS, UP BY +10.8% COMPARED TO THE SAME PERIOD OF FY 2021. IN THE FIRST NINE MONTHS OF 2022 THE EBITDAaL TOTALLED 429.4 MILLION EUROS, +12% COMPARED TO THE FIRST NINE MONTHS OF 2021.
- **NET PROFIT:** IN Q3 2022 IT TOTALLED 75 MILLION EUROS, UP BY +37.3% COMPARED TO THE SAME PERIOD OF 2021. IN THE FIRST NINE MONTHS OF 2022 IT TOTALLED 217 MILLION EUROS, UP +45% COMPARED TO THE FIRST NINE MONTHS OF 2021.
- **RECURRING FREE CASH FLOW:** IN Q3 IT TOTALLED 122.8 MILLION EUROS, UP BY +26.6% COMPARED TO THE SAME PERIOD OF 2021. IN THE FIRST NINE MONTHS OF 2022 IT TOTALLED 350.5 MILLION EUROS, UP +24.5% COMPARED TO THE FIRST NINE MONTHS OF 2021.
- **BUSINESS GROWTH CONTINUED IN THE THIRD QUARTER:** 110 **NEW SITES**, TAKING THE TOTAL TO OVER 23,000; MORE THAN 1,000 **NEW HOSTINGS** FOR MOBILE OPERATORS, FWAs AND OTHER RADIO NETWORK USERS, TAKING THE TOTAL TO OVER 49,000, UP BY +9% ON THE PREVIOUS YEAR.
- **NET DEBT:** TOTALLED 4.2 BILLION EUROS, WITH FINANCIAL LEVERAGE IMPROVING 5.4X COMPARED TO 5.6X IN Q2 2022, AS A RESULT OF THE QUARTER'S CASH GENERATION.
- **GENERAL MANAGER DIEGO GALLI:** "GROWING RESULTS THAT CONFIRM INWIT'S ROLE IN SUPPORTING TELECOMMUNICATION OPERATORS AND SUSTAINABLE INDUSTRY DEVELOPMENT IN ALL PHASES OF THE ECONOMIC CYCLE. INWIT, ITALY'S LEADING TOWER COMPANY, CONTINUES TO GENERATE LONG-TERM VALUE THROUGH THE SHARED DIGITAL INFRASTRUCTURE MODEL".

Rome, 27 October 2022 - The Board of Directors of Infrastrutture Wireless Italiane S.p.A. (INWIT), met today, chaired by Oscar Cicchetti, and examined and approved the Interim Report on Operations as of 30 September 2022.

Q3 2022 main results

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

- **Revenues** came to 214.8 million euros with growth of +8.4% on last year (organic growth of +8.9%) deriving from the progressive impact of new hostings contracted in previous quarters.
- **EBITDA** totalled 195.2 million euros, having grown by +7.9% (up by +9.0% to 197.2 million euros, net of termination of office costs) compared to the same period of 2021. The EBITDA margin came in at 90.9% of revenues, stable compared to the previous period.
- This growth, together with greater **efficiency in leasing costs**, has led to expansion of the **EBITDAaL** margin, which came to 146.6 million euros, having grown by +10.8% (up by +12.3% to 148.5 million euros net of termination of office costs) and as a percentage of revenues reached 68.2% in Q3 2022.
- **Net profit** totalled 75 million euros, up +37.3% compared to the same period of 2021.
- **Recurring Free Cash Flow** totalled 122.8 million euros, up by +26.6% compared to the same period of 2021.
- At 30 September 2022, **net financial debt** came to 4.2 billion euros, of which approximately 1.0 billion euros referred to IFRS 16. Financial leverage has dropped to 5.4X (from 5.6X at end June 2022).
- The **industrial results** confirm the growth trend of the main indicators:
 - more than 1,000 **new hostings** have been contracted, due to the contribution of both anchor customers and other customers; total hostings offered to market operators reaches approximately 49,000 thousand units, up +9% on the same period of 2021;
 - the **new site** development programme continues with 110 new towers during the quarter for a total of more than 23,000;
 - the plan for multi-operator **microcell coverage** continues in the locations with the highest concentration of users and traffic, reaching a total of 6,900 remote units, DAS and small cell devices;
 - **efficiency** continues to improve, with the pursuit of the plan to renegotiate leasing contracts and purchase land (700 transactions in the quarter).

Main results at 30 September 2022

During the first nine months of FY 2022, all the main economic and financial indicators have shown growth.

Revenues stood at 632.5 million euros, up +8.8% on the same period of 2021 (581.2 million euros), including one-off revenues (organic growth of +9.1%).

EBITDA amounted to 575.1 million euros with growth of +8.6% (577.0 million euros net of termination of office costs of +8.9%) compared to the first nine months of 2021.

EBITDAaL was 429.4 million euros, up by +12% compared to the same period of 2021.

Net profit for the period totalled 217 million euros, up +45% compared to the same period of 2021. Recurring Free Cash Flow for the first nine months of 2022 was 350.5 million euros, up by +24.5% compared to the same period of 2021.

Investments for the period came to 117.9 million euros, up 36.5 million euros compared to the first nine months of 2021 (+44.8%) and were mainly allocated to the development of new sites, of indoor micro-cell coverage with DASs and the acquisition of land.

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 increase in raw material prices;
- Rising energy prices and inflationary dynamics.

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 and the energy cost is pass through in our p&l. The company continues to monitor the crisis as it unfolds and pay 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 September 2022 or on the outlook for the company's business.

Events after 30 September 2022

On 4 October 2022, the Ordinary Shareholders' Meeting of Infrastructure Wireless Italiane S.p.A. appointed the Board of Directors of INWIT (the "BoD") which will remain in office until the approval of the financial statements at 31 December 2024. In accordance with the Bylaws, 11 Directors were elected: Stefania Bariatti, Laura Cavatorta, Oscar Cicchetti, Antonio Corda, Pietro Angelo Guindani, Sonia Hernandez, Christine Roseau Landrevot, Quentin Le Cloarec, Rosario Mazza, Secondina Giulia Ravera and Francesco Valsecchi. Six of these directors declared that they met the independence requirements.

At the meeting held on 7 October 2022, the BoD formalised the appointments of the Chairman and the General Manager.

The BoD appointed Mr Oscar Cicchetti as Chairman of the BoD, assigning him the legal representation and institutional relations powers, as well as the responsibility to manage the relationship with the Head of the Audit Department on behalf of the Board.

The Board also appointed Diego Galli as General Manager of INWIT, assigning him the powers relating to the overall governance of the company and the various aspects of its ordinary management, without prejudice to the powers reserved for the Board of Directors by law or bylaws.

The correct application of the criteria and assessment procedures adopted by the Board of Directors to assess the independence requirements of the Directors, on the basis of the information acquired, was ascertained by the Board of Statutory Auditors on 19 October 2022.

At the meeting held on 20 October 2022, the BoD appointed the following internal board committees:

- Nomination and Remuneration Committee,
- Related Parties Committee,
- Control and Risk Committee
- Sustainability Committee.

The BoD also appointed Mr Francesco Valsecchi as Lead Independent Director, named Rafael Giorgio Perrino as the Executive responsible for preparing the corporate accounting documents pursuant to art. 154-bis of the CLF, subject to the favourable opinion of the Board of Statutory Auditors, and confirmed the scope of the Key Managers (i.e. "top management" pursuant to the Corporate Governance Code), confirming Diego Galli as

General Manager, Gabriele Abbagnara as Head of Marketing & Sales, Andrea Mondo as Head of Technology & Operations and Salvatore Lo Giudice as Secretary of the Board of Directors.

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 nine months 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.

With regard to the business outlook, the information provided on 24 February last is 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 September 2022 will be illustrated to the financial community during a conference call scheduled for 27 October 2022 at 6.00 p.m. (CET). Journalists may listen to the conference call, 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 corporate accounting documents, Rafael Giorgio Perrino, 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 INWIT Interim Report on Operations as at 30 September 2022 was drafted in accordance with art. 154-ter (Financial Reporting) of Legislative Decree 58/1998 (Consolidated Law on Finance - CLF) and subsequent amendments and supplements and prepared in compliance with the international accounting standards issued by the International Accounting Standards Board and approved by the European Union (defined as "IFRS"), as well as the provisions issued in implementation of art. 9 of Leg. Decree 38/2005. The Interim Report on Operations as at 30 September 2022 comprises: the Interim Report on Operations; the Interim Financial Statements of Infrastrutture Wireless Italiane S.p.A. as at 30 September 2022. The Interim Report on Operations at 30 September 2022 is 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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