INTERIM MANAGEMENT REPORT AT MARCH 31, 2023

Contents

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CONDENSED FINANCIAL STATEMENTS AT MARCH 31, 2023

INWIT voluntarily prepares and publishes the Interim Financial Reports for the first and third quarters of each financial year.

The Interim Report at March 31, 2023 includes the Management Report and Interim Financial Statements at March 31, 2023 prepared in compliance with the IFRS accounting standards issued by the IASB and endorsed by the EU.

The Condensed Financial Statements as of March 31, 2023 are not subject to audit.

The chapter "Business outlook for the year 2023" contains forward-looking statements related to the management's intentions, beliefs, or current expectations regarding the financial performance and other aspects of the Company's operations and strategies.

Readers of this Report are reminded not to place undue reliance on forward-looking statements, in that actual results may differ significantly from forecasts owing to numerous factors, the majority of which are beyond the Company's control.

Interim Management Report

This document has been translated into English for the convenience of the readers.
In the event of discrepancy, the Italian language version prevails

CORPORATE INFORMATION AND CORPORATE BODIES

CORPORATE INFORMATION

Name	Infrastrutture Wireless Italiane S.p.A.
Share capital	600,000,000 euros
Registered office	Largo Donegani 2, 20121 Milan
Tax code, VAT no. and registration no. in the Register of Companies of Milan	08936640963
Website	www.inwit.it

BOARD OF DIRECTORS IN OFFICE AS OF MARCH 31, 2023

On October 4, 2022, the Ordinary Shareholders' Meeting of Infrastrutture Wireless Italiane S.p.A. appointed the Board of Directors of INWIT (the "BoD"), which will remain in office until the approval of the annual financial statements at December 31, 2024.

The Board of Directors as of March 31, 2023 was composed as follows:

Chairman	**Oscar Cicchetti**
Directors	Stefania Bariatti (independent) Laura Cavatorta (independent) Antonio Corda Pietro Guindani Sonia Hernandez Christine Roseau Landrevot (independent) Quentin Le Cloarec (independent) Rosario Mazza Secondina Giulia Ravera (independent) Francesco Valsecchi (independent)
Secretary to the Board	Salvatore Lo Giudice

All members of the Board of Directors are domiciled for the purposes of their office at the registered office of INWIT.

On October 7, 2022 the Board of Directors also appointed Diego Galli as General Manager of INWIT, to whom it conferred powers relating to the overall governance of the company and ordinary management in its various expressions, without prejudice to the powers reserved for the Board of Directors by law or articles of association.

At its meeting on October 20, 2022, the BoD appointed the following committees:

- **Nomination and Compensation Committee**: Christine Roseau Landrevot (Chair), Laura Cavatorta, Pietro Guindani, Rosario Mazza, and Francesco Valsecchi.
- **Related Parties Committee**: Secondina Giulia Ravera (Chair), Stefania Bariatti, and Christine Roseau Landrevot.
- **Control and Risk Committee:** Stefania Bariatti (Chair), Quentin Le Cloarec, Pietro Guindani, Secondina Giulia Ravera, and Francesco Valsecchi.
- **Sustainability Committee**: Laura Cavatorta (Chair), Oscar Cicchetti, and Sonia Hernandez.

The Supervisory Body, appointed by the Board of Directors, performs the functions required by Legislative Decree 231/2001 and is composed of Francesco Monastero (Chairman), Maria Teresa Bianchi, Giuliano Foglia and Alessandro Pirovano.

BOARD OF STATUTORY AUDITORS IN OFFICE AT MARCH 31, 2023

The Shareholders' Meeting of April 20, 2021, appointed the Board of Statutory Auditors, which will remain in office until the approval of the financial statements at December 31, 2023.

The Board of Statutory Auditors of the Company, at March 31, 2023, was composed as follows:

Chairman	Stefano Sarubbi
Acting Auditors	Maria Teresa Bianchi
	Giuliano Foglia
Alternate Auditors	Roberto Cassader
	Michela Zeme

INDEPENDENT AUDITORS

The Shareholders' Meeting held on February 27, 2015 appointed the audit firm PricewaterhouseCoopers S.p.A. to audit the Company's financial statements for the nine-year period 2015-2023.

MANAGER RESPONSIBLE FOR PREPARING THE CORPORATE FINANCIAL REPORTS

At the meeting held on October 20, 2022, the Board of Directors appointed Rafael Giorgio Perrino, Head of the Administration, Finance & Control, Financial Reporting & Accounting function, as Manager responsible for preparing the corporate financial reports.

INWIT OVERVIEW

INWIT, Infrastrutture Wireless Italiane S.p.A. is **the largest operator in Italy in the wireless infrastructure sector**, which constructs and manages technological systems and civil structures (such as towers, pylons and poles) that host radio transmission equipment, mainly for telecommunications operators.

INWIT's infrastructure consists of an integrated ecosystem of **macro-grids, over 23,000 towers** distributed throughout the country, and **micro-grids, over 7,000 DAS ("Distributed Antenna Systems") systems** and **small cells**, on which the transmission equipment of all major operators is hosted.

Having inherited the technology assets of Telecom Italia's "Tower" arm since the company's founding in 2015 and Vodafone Towers S.r.l., thanks to the merger in March 2020, **INWIT benefits from some of the best locations on the market and from the partnership with two Tier-1 Anchor Tenants**, focused on the ongoing development of network infrastructure and the ongoing technology transition to 5G.

INWIT also plays the role of "**neutral host**" and is able to meet the demand from all the main market operators in both the mobile segment and fixed wireless access, a technology that is growing strongly. All this makes it an essential infrastructure player for the development of telecommunication technologies, providing coverage and ubiquity and also helping to bridge the digital divide.

Towers are increasingly **a key hub of modern digital infrastructure**, connected, distributed and protected assets that can provide advanced services within the 5G ecosystem, from fiber connectivity to antenna hosting to hosting mini data centers of edge computing architecture and advanced IoT sensing.

INWIT is therefore perfectly positioned to support the ongoing digitization process and serve the **growing demand for connectivity**, supported by the positive investment cycle underway thanks in part to the Next Generation EU program.

From an earnings and financial perspective, in 2022 INWIT reported progress in all key earnings and financial indicators, with revenues of 853 million euros (+9%), EBITDA after Leases of 587 million euros (+13%), and cash generation (Recurring Free Cash Flow) of 491 million euros (+34%).

In March 2023, INWIT's Board of Directors reviewed and approved INWIT's new Business Plan for the period 2023-2026. While confirming the guidelines of the previous Business Plan, which was presented in November 2020 and updated in February 2022, the 2023 Business Plan reflects the evolution of the macroeconomic, industrial, and market environment in recent years, resulting in INWIT's increased ability to invest in developing its infrastructure and improved key industrial, economic, and financial targets. The Business Plan envisions revenues growing at a "high-single-digit" average annual rate to over 1.2 billion euros in 2026, increasing margins, and expanding cash generation to over 730 million euros in Recurring Free Cash Flow in 2026.

The Company has also initiated activities and projects aimed at fully integrating sustainability into the company and creating value over the long term. Among the most challenging targets of the **Sustainability Plan** is the achievement of "Carbon Neutrality" by 2024 through the establishment of a Climate Strategy, the development of renewable sources, the implementation of energy efficiency initiatives, and the use of green energy.

INWIT'S HISTORY

INWIT's operations are directly linked to the birth and development of mobile telephony in Italy, at the hands of the two main operators in the sector, TIM and Vodafone.

Established in March 2015 following the spin-off of Telecom Italia's "Tower" arm designated to the operational management, monitoring and maintenance of the group's towers and repeaters, INWIT today is the result of the merger of Telecom Italia and Vodafone's wireless activities and infrastructure in March 2020, a step that significantly transformed the company's size and strategic profile.

This means the company has a wealth of expertise gained over time through the construction and management of the infrastructure hosting the transmission systems of the different generations of mobile radio services that have followed one another over the years. Thanks to this evolution, which began 40 years ago, INWIT today provides its customers with access to areas of strategic importance, also in relation to administrative and environmental aspects.

Since its founding in 2015, INWIT shares have been listed on the electronic stock market operated by Borsa Italiana, called Euronext Milan; since 2020, INWIT has also been included in the main Italian stock index, the FTSE MIB, and is among the 600 largest capitalized companies in Europe (STOXX® Europe 600).

In July 2020, INWIT successfully entered the debt capital market, issuing its inaugural bond for 1 billion euros. To date, INWIT has more than 2 billion euros of bonds listed on the Luxembourg Stock Exchange.

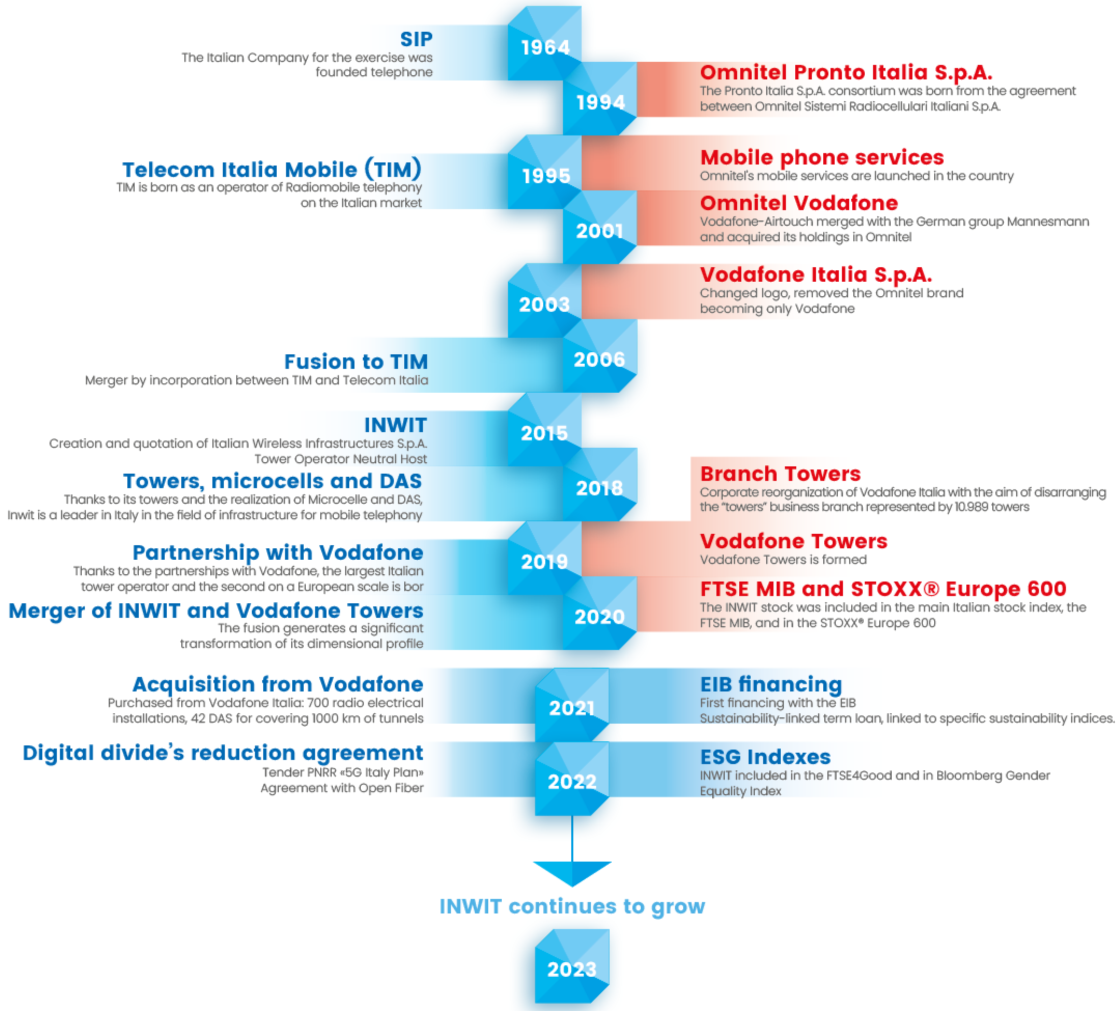
In August 2021, INWIT obtained a 250 million euros loan from the European Investment Bank (EIB) to support the Company's investment plan for the development of its digital infrastructure in Italy, in line with INWIT's Business Plan, which envisages investments in the construction of new towers for the diffusion of 5G, the deployment of coverage for indoor and outdoor mobile networks such as Small Cells and DAS and the trial of new innovative technologies in support of operators.

In 2021, the year that saw an acceleration of the Company's investment in dedicated coverage of transportation infrastructure, INWIT reached an agreement with Vodafone Italia for the ownership and management of infrastructure and equipment along around 1,000 km of road and highway tunnels, with the aim of offering hosting services on some of the country's main communication routes to all operators. In 2022, the development of the micro-grid continued with the implementation of projects for dedicated indoor coverage, which included coverage of the Milan Metro Line 4 and coverage of more than 40 hospitals with 5G-ready DAS systems, as well as industrial sites, museums, university campuses and government entity buildings.

In addition, important new agreements for infrastructure development were signed in 2022, with a particular focus on less densely populated areas. INWIT was awarded the tender as contractor, together with TIM and Vodafone, for the NRRP's "Piano Italia 5G" (Italy 5G Plan) and signed an agreement with Open Fiber for the construction of 500 new sites. Both agreements are aimed at contributing to reducing the digital divide and strengthening INWIT's leading position in the digital infrastructure market.

On the sustainability front, in 2022 INWIT published its second Integrated Report and continues its process of improving results among the major ESG ratings. INWIT has been included in the Bloomberg Gender-Equality Index (GEI) and one of the leading ESG indices, the FTSE4Good, which ranks global companies in terms of their environmental, social and governance (ESG) practices.

Main events in INWIT's history



INWIT'S ASSETS

INWIT's infrastructure consists of an integrated ecosystem of macro grids and micro grids:

INWIT's macro grid consists of over 23,000 towers, distributed widely across the country, with a density of one tower for every 3 km and a balanced distribution between urban and rural sites. Technological content and strategic locations make INWIT sites attractive to all telecom market players, present today with more than 50,000 hostings, for a tenancy ratio of over 2.1 hosts per site, one of the highest in the industry. INWIT continues to invest in expanding and optimizing its network to serve the growing demand for mobile data and the coverage and technology upgrade needs of operators.

INWIT's micro grid complements and supports the macro grid by providing coverage and network capacity with Distributed Antenna Systems (DAS), Small Cells and Repeaters installed in indoor and outdoor locations characterized by high user density and specific dedicated coverage needs.

The over 7,000 remote units of the micro grid cover sites such as airports, stations, hospitals, shopping malls, offices and manufacturing areas, as well as roads and highways. In particular, INWIT now covers about 1,000 km of road and highway tunnels that include some of the major national thoroughfares. The demand for dedicated coverage provided by the micro grid is supported by the technology transition from 4G to 5G and increasing mobile data consumption.

Digitalization for Italy's growth

In Italy, the market and technology are rising rapidly due to the steady increase in mobile data consumption and the development of wireless technology, which is extending 5G coverage, accompanied by the associated densification requirements, which are key factors in the development of wireless infrastructure. The transition to the 5G network architecture has major implications for the digital infrastructure sector, and towers in particular, as more macro sites and macro grids will be required to meet the densification needs of 5G to provide performance, security, and end-user friendliness at all times and everywhere. In addition, the transition to 5G is a key driver for the development of micro grid coverage, needed to optimize coverage and capacity by offering low latency indoors (with Distributed Antenna Systems, DAS) and, in the future, outdoors through Small Cells. Lastly, the need to expand and complete the country's broadband connection coverage continues, with opportunities for INWIT to contribute to reducing the digital divide with the help of the FWA operators.

Added to this is Next Generation EU, a European Union instrument aimed at stimulating post-pandemic Covid-19 recovery and development. The National Recovery and Resilience Plan (NRRP), under the framework of Next Generation EU, devotes significant attention and substantial resources to digital innovation in Italy, by fostering a broad round of investment in digitization and infrastructure.
Specifically, INWIT was awarded the tender as contractor, together with TIM and Vodafone, for the NRRP's "Piano Italia 5G" (Italy 5G Plan), strengthening its role as an enabler of digitalization, with a view to inclusion of communities and development of 5G.

The events of recent years have demonstrated the importance of digital technology, accelerating Italy's process of digitalization. Today, digital technology is a necessity for companies, people and government in the transformation toward more agile and flexible organizational, production and service models, both private and public. Opportunities are opening up for tower operators and INWIT is ideally positioned to play a key role in the development of digital infrastructure to support telecommunications operators. In addition, in its role as a neutral host, INWIT can meet the demand from all the main market operators in both the mobile segment and fixed wireless access (FWA), a technology that is growing strongly.

INWIT working for a more digital and sustainable Italy

Opportunities are opening up for tower operators and INWIT is ideally positioned to **play a key role in the development of digital infrastructure** to support telecommunications operators.

In November 2020, INWIT approved the update of the 2021-2023 business plan, with targets to 2026, confirmed as part of the regular cycle of analysis of external scenarios and development opportunities for the Company. The plan calls for significant investments to support organic growth and envisages progressive growth in all key industrial, earnings and financial and shareholder remuneration indicators.

It envisages growth in hostings for TIM and Vodafone to support the efficient and fast development of 5G and continuous improvement of geographical coverage. In addition, in its role as a neutral host, INWIT can meet the demand from all the main market operators in both the mobile segment and fixed wireless access, a technology that is growing strongly.

Another pillar of the Plan is the rapid deployment of micro-coverage, particularly distributed antenna systems (DAS), which enable efficient management of mobile phone signals including in very crowded areas such as stadiums, universities, train stations or industrial facilities.

The Business Plan envisions an evolution toward increasingly smart towers: distributed and protected digital assets that will be able to make a concrete contribution to the digital transformation of Italy's economic and social activities.

The widespread presence of INWIT towers enables the provision of advanced services also in areas where fiber-optic connectivity will arrive later, anticipating Italy's digitalization and the reduction of the digital divide.

INWIT also presented a Sustainability Plan, which is fully integrated with the business strategy and through which it aims to make the transition to a sustainable business model, considered an enabler for the Company's growth.

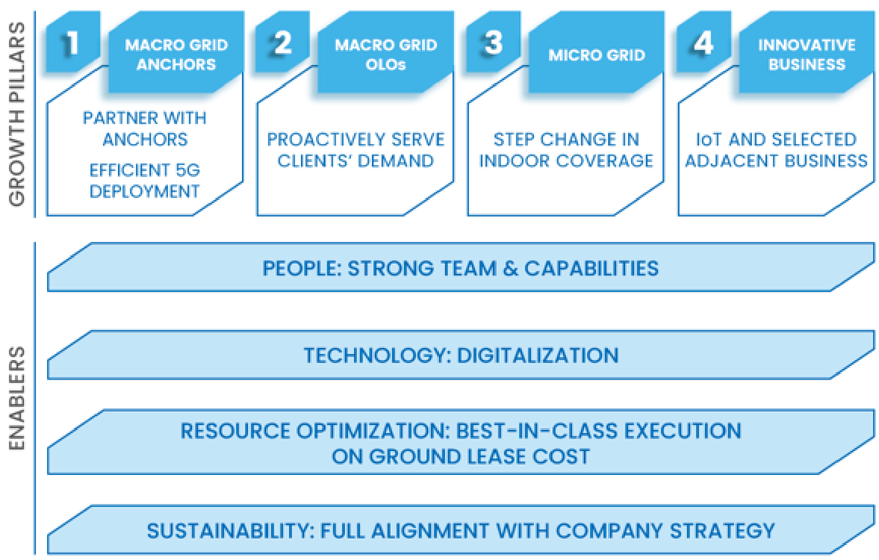
In March 2023, INWIT's Board of Directors reviewed and approved INWIT's new Business Plan for the period 2023-2026. While confirming the guidelines of the previous Business Plan, which was presented in November 2020 and updated in February 2022, the 2023 Business Plan reflects the evolution of the macroeconomic, industrial, and market environment in recent years, resulting in INWIT's increased ability to invest in developing its infrastructure and improved key industrial, economic, and financial targets.

The 2023 Business Plan projects revenues to grow over the 2023-2026 period at a "high-single-digit" average annual rate to more than 1.2 billion euros in 2026, with an expansion of EBITDA margin to 92% and EBITDAaL after-lease margin to 76%. Growth in margins is also expected to result in an expansion of cash generation (Recurring Free Cash Flow) to over 730 million euros in 2026.

Targets in the 2023 business plan represent an upward update from the plan presented in November 2020 and updated in February 2022, reflecting the company's improved investment capacity, which will result in continued infrastructure development in terms of new sites, indoor coverage, and increased land acquisition activity, with positive reflection in expected profitability over the plan period.

Increased investment of approximately 900 million euros in the period 2023-2026 will have a positive impact on revenues and profitability, which will also benefit from the positive direction of structural market trends and the positive net effect of inflation.

Strong and sustainable growth driven by the 4 pillars of the Business Plan



The table below outlines the main strategic pillars of the Business Plan and their impact on value creation for the Company's stakeholders.

Strategic pillars of the industrial plan	Value created for stakeholders
1 Strengthening partnerships, vision and industrial collaboration opportunities with *anchor tenants* to increase **the creation of shared value**	**Upgrade and expand assets in Italy.** A significant investment plan is envisaged, in favor of strengthening existing structures and the construction of new sites. **Digital divide reduction.** Projects to cover smaller municipalities and rural areas to reduce the digital divide are planned. To this end, the strong coverage demand by FWA operators is expected to be served.
2 Providing services to other operators quickly and effectively	
3 Being a frontrunner in the development of the market of DAS (Distributed Antenna Systems, indoor) e small cell (outdoor)	**Coverage extending to social areas.** The Company aims to develop and consolidate digital infrastructures, strengthening the coverage of areas with a high social and cultural vocation, such as transport, hospitals, museums, and universities.
4 Investing in innovation and support new businesses	**Innovation in a digital key.** On the innovation front, INWIT intends to offer hospitality to the many technologies through a tower upgrade that will look at the smart cities and the Internet of things.

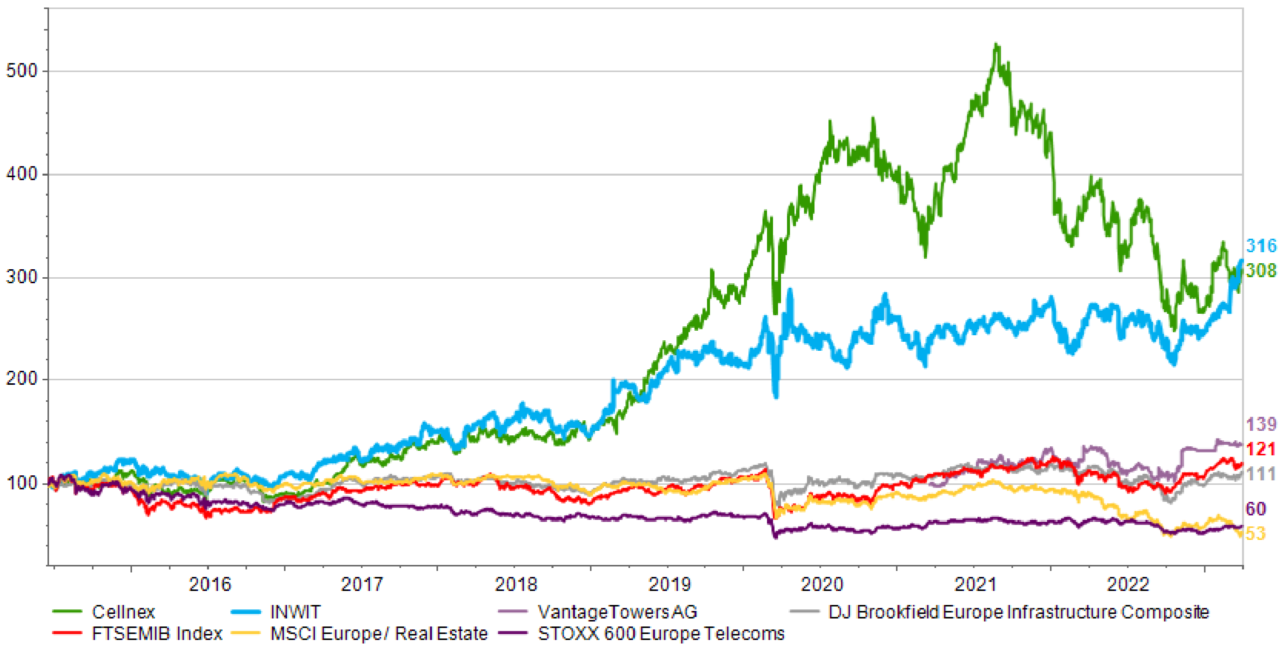
In the current global environment, INWIT is playing a leading role in the digital transformation supporting operators in developing new infrastructure for the implementation of 5G, fixed wireless access (FWA) and micro-coverage with DAS and small cells, while also looking to future technological opportunities, and directing its choices toward sustainable models. In doing so, INWIT is helping to make Italy a more digital and sustainable country.

INWIT AND THE FINANCIAL MARKET

From September 22, 2015, INWIT traded on the MTA of Borsa Italiana (now called Euronext Milan), after a placement at a price of 3.65 euros per share. In 2020, five years after their first day of listing, INWIT's shares were included in the main Italian stock index, the FTSE MIB and the STOXX® Europe 600, made up of 600 of the companies with the largest market capitalization in Europe.

INWIT's shares are mainly held by institutional investors based in the main global financial centers, with whom the Company maintains ongoing dialog based on the principles of transparency, completeness and timeliness of information, also through participation in meetings, road-shows and industry sector conferences. In addition, INWIT's shares are followed by 27 independent analysts from leading financial institutions. More information on INWIT's shares is available on the company website www.inwit.it in the "Investor Relations" section.

The following chart shows the performance of the stock in the period from the start of trading and March 31, 2023, in relation to a basket made up of Italian and European market indices and comparable companies.

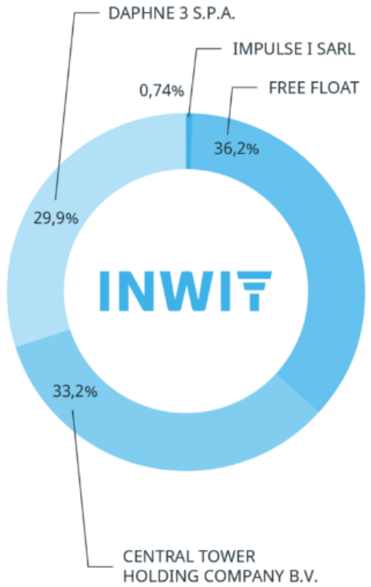


INWIT SHARE CAPITAL at March 31, 2023

Share capital	600,000,000 euros
Number of ordinary shares (without nominal value)	960,200,000
Market capitalization (based on average prices between 1/1/2023 and 03/31/2023)	10,142 million euros

SHAREHOLDERS

Shareholder structure at March 31, 2023



Currently, Daphne 3 S.p.A. is 90% controlled by Impulse I S.à.r.l. (in turn controlled by Impulse II S.C.A). The remaining 10% is held by TIM S.p.A.
Central Tower Holding Company B.V. is indirectly owned by Oak Holdings 1 GmbH (itself co-controlled by Vodafone GmbH and OAK Consortium GmbH).

TREASURY SHARES

At March 31, 2023, INWIT owned 293,873 treasury shares which represent 0.049% of the share capital, purchased from 2020 for the 2020-2022 Long Term Incentive Plan and the 2020 Broad-Based Share Ownership Plan at an average price of 9.54 euros.

The shares are deposited in a securities account held by INWIT S.p.A. with Intesa Sanpaolo S.p.A..

DIVIDEND POLICY AND SHAREHOLDER REMUNERATION

With the update of the 2021-2023 Business Plan in November 2020, INWIT defined its dividend policy. Based on the economic-financial development envisaged in the plan itself, a dividend per share of 0.30 euros to be recognized in 2021 following the approval of the 2020 budget - and an increase in the subsequent years of the three-year plan of 7.5% annually until the approval of the 2023 budget.

On March 3, 2023, at the time of the approval of the 2023 Business Plan, the Board of Directors approved the updated dividend policy for the period 2023-2026, which is extended with an additional payment of 100 million euros from the 2023 earnings allocation (payment in 2024), confirming a dividend growth rate of 7.5% per year overall. This is expected to result in a 2023 dividend of approximately 0.48 euros per share, an increase of more than 25% over the dividend under the previous dividend policy.

The Board also resolved to submit to shareholders, for the first time, a form of indirect realization of their investment in the Company through the repurchase and subsequent cancellation of treasury shares, without a simultaneous reduction in share capital. The repurchase and subsequent cancellation transactions, which are unified, will concern a maximum of 31,200,000 ordinary shares, representing approximately 3.25% of the share capital, and in any event for a maximum amount of 300 million euros. Both are conditional on the favorable vote of the majority of the Company's shareholders, present at the meeting, other than the shareholder or shareholders who hold, even jointly, the majority shareholding, even relative, as long as it exceeds 10% (so-called whitewash) as well as Consob's favorable guidance on the applicability to the cancellation of the whitewash exemption provided for in Article 44-bis, paragraph 2, of CONSOB Regulation No. 11971 of 1999. On April 18, 2023, the INWIT Shareholders' Meeting authorized the purchase and cancellation of treasury shares as proposed by the Board of Directors. More information is available on the Company's website, under "Governance," "Shareholders' Meeting."

HIGHLIGHTS AT MARCH 31, 2023

REVENUES € 233.6 MLN	+ 12.8 % VS MARCH 2022
EBITDA € 213.8 MLN	+ 13.6 % VS MARCH 2022
NET INCOME € 82.9 MLN	+ 21.8 % VS MARCH 2022
EBITDAaL € 165.6 MLN	+ 18.9 % VS MARCH 2022
INVESTMENTS € 57.2 MLN	+80.1 % VS MARCH 2022
NFP (NO IFRS16) €3,079 MLN	+ 2.2 % VS MARCH 2022
Financial leverage € 4.7 x	-0.6 x VS MARCH 2022 (5.3x)
Recurring Free Cash Flow 136.7 MLN	+8.0 % VS MARCH 2022

TREND OF OPERATIONS AND MANAGEMENT EVENTS

TREND OF OPERATIONS

Main indicators	unit of measurement	1st Quarter 2023	1st Quarter 2022	Change
Number of sites	Thousands	23.3	22.8	2.2%
Number of hostings in place with Tenants	Thousands	51.2	46.8	9.4%
Number of hostings in place with Tenants, excluding TIM and Vodafone Anchor Tenants	Thousands	12.3	10.4	18.3%
Average number of Tenants per Site (Tenancy ratio)	Ratio	2.19x	2.05x	0.14x
Remote SC/DAS	Thousands	7.3	6.6	10.6%
Real estate transactions	Thousands	320	360.0	(11.1%)
Total revenues	€ million	233.6	207.0	12.8%
EBITDA	€ million	213.8	188.1	13.6%
EBITDA margin	%	91.5%	90.9%	0.6pp
EBIT	€ million	122.5	95.7	28.0%
EBT	€ million	97.5	76.9	26.8%
Profit for the period	€ million	82.9	68.1	21.8%
EBITDAaL	€ million	165.6	139.3	18.9%
EBITDAaL margin	%	70.9%	67.3%	3.6pp
Recurring Free Cash Flow	€ million	136.7	126.6	8.0%
Capex	€ million	57.2	31.8	80.1%
Net Cash Flow	€ million	18.9	58.5	(67.7%)
Net Debt	€ million	4,059.8	3,996.8	1.6%
Net Debt/EBITDA	Ratio	4.7x	5.3x	(0.6x)

Industrial results show further growth in all major indicators. The development of our infrastructure continues with the construction of 130 new sites, for a total of over 23 thousand. New contracted hostings total over 1,080, mainly due to the contribution of Tim and Vodafone anchor customers and the strong growth in hostings from other customers.

Continuing with multi-operator microcellular coverage plan for places with the highest concentration of users and traffic, the consolidation of installations of new DAS remote units continues, with over 300 installed in the first quarter of 2023.
The efforts to streamline lease costs also continued, with more than 300 renegotiations of leases or land purchase agreements.

With regard to the earnings results, there was strong growth in revenues during the period: +12.8% year-on-year, due to growth in contracted hosting with all of the Company's major customers, the provision of other services, in addition to hostings, the DAS hostings and the positive impact of inflation (2022 average inflation at around 8.1%).

This trend, together with increased efficiency in rental costs, led to an expansion of the EBITDAaL margin by +18.9%, for a ratio to revenues up from 67.3% to 70.9%. Profit for the period was 82.9 million euros, up 21.8%

from the first quarter of 2022. This growth is due to efficiency in operating costs and simultaneous increase in revenues.

The strong business and earnings performance resulted in an increase in cash flows, with RFCF at 136.7 million euros, +8.0% compared to the previous year.

After investments of 57.2 million euros, net cash generation was a positive 18.9 million euros. The company's net financial position is 4,059.8 million euros, slightly up from the same period last year; however, leverage, Net Debt/EBITDA, declined to 4.7x from 5.3x in March 2022 due to increased EBITDA.

MANAGEMENT EVENTS

The main management events since the beginning of the year involving INWIT can be summarized as follows:

- INWIT, Italy's leading tower operator, has obtained certification of its management system according to the ISO 50001 standard, with the aim of optimizing energy performance by involving the entire company, with a view to continuous improvement. The certification was granted after an audit trial of the evaluation of the energy management system, in all aspects of the company's operations, a system that must conform to international best practices according to the ISO 50001 Standard. INWIT, which has always been focused on energy issues, has had an Energy Policy since 2021, which summarizes the commitments made by Management, and therefore by the entire company, in relation to the management and continuous improvement of its energy performance. In order to achieve these goals, an Energy Management System was implemented, which led, as stated in the Sustainability Plan, to the achievement of ISO 50001:2018 certification. This significant achievement will enable the company to further streamline the monitoring and management of its energy consumption.

- The Shareholders' Meeting of Infrastrutture Wireless Italiane S.p.A. met on April 18, under the chairmanship of Oscar Cicchetti, and approved the 2022 financial statements, which closed with a net profit of 293,339,500.30 euros, and resolved to distribute a dividend for the year 2022 of 0.3467 euros (before applicable withholding taxes) for each of the 960,200,000 ordinary shares outstanding on the ex-dividend date, excluding treasury shares in portfolio.
  The total dividend, which was distributed based on the number of ordinary shares outstanding on the ex-dividend date, amounted to 332,901,340 euros.
  The dividend was set to be paid from May 24, 2023, with ex-dividend date on May 22, 2023 (in accordance with the Italian Stock Exchange calendar) and record date (i.e., the date of entitlement to payment of the dividend itself pursuant to Article 83-terdecies of the TUF) on May 23, 2023.

- INWIT's Shareholders' Meeting approved the Long-Term Share Incentive Plan (LTI) 2023-2027 (the "Incentive Plan") and the 2023 and 2024 Broad-Based Share Ownership Plan (the "PAD 2023 and 2024"), The Incentive Plan - reserved for the CEO and/or the General Manager, all the CEO's and/or the General Manager's first reporting roles (which include the Company's Key Managers), the Audit Director and other key roles - qualifies as a "related party transaction," with respect to which INWIT has availed itself of the exclusion in Article 13.4 (i) of INWIT's "Procedure on Related Party Transactions."

- INWIT's Shareholders' Meeting then authorized for a period of 18 months starting April 18, 2023, the purchase of treasury shares, to service the Incentive Plan and the PAD 2023 and 2024, in compliance with current EU and national regulations and accepted market practices recognized by Consob; also authorized the availability of the same without time limits. Authorization was granted for the purchase of up to 1,150,000 ordinary shares of INWIT, representing approximately 0.12% of the share capital. INWIT's Shareholders' Meeting also approved, in an extraordinary session, the related cancellation, aimed at recognizing shareholders an extraordinary and additional remuneration with respect to the distribution of dividends in accordance with the terms and conditions set forth in the resolution proposal approved by the Board of Directors on March 2, 2023.

INCOME, BALANCE SHEET, AND FINANCIAL PERFORMANCE

INCOME PERFORMANCE

Main economic indicators (€ millions)	1st Quarter 2023	1st Quarter 2022	Change
Total revenues	233.6	207.0	12.8%
Purchases of materials and external services	(11.3)	(12.7)	(11.3%)
Employee benefits expenses	(5.2)	(4.9)	7.3%
Other operating expenses	(3.3)	(1.3)	155.6%
EBITDA	**213.8**	**188.1**	**13.6%**
Depreciation and amortization, losses on disposals and impairment losses on noncurrent assets	(91.3)	(92.4)	(1.2%)
EBIT	**122.5**	**95.7**	**28.0%**
Financial Income/(Expenses)	(25.0)	(18.8)	33.3%
EBT	**97.5**	**76.9**	**26.7%**
Income taxes	(14.6)	(8.9)	64.4%
Profit for the period	**82.9**	**68.1**	**21.8%**
EBITDAaL	**165.6**	**139.3**	**18.9%**

Main economic indicators	1st Quarter 2023	1st Quarter 2022	Change
EBITDA margin	91,5%	90,9%	*0.6pp*
EBIT margin	52,5%	46,2%	*6.3pp*
Profit for the period/Total revenues	35,5%	32,9%	*2.6pp*
EBITDAaL margin	70,9%	67,3%	*3.6pp*

Revenues

As of March 31, 2023, Inwit reported revenues of 233.6 million euros, up 12.8% from 207.0 million euros in the same period in 2022. The significant increase recorded is due to:

- the growth of MSA service contracts with Tim and Vodafone (+12.6%) benefiting from the development of the common grid, more committed services and higher MSA fees due to the inflation rate during the period;
- the increase in hosting and other services with other customers (+12.9%);
- the increase in revenues from new services (+17.0%) resulting mainly from the growth in installations of new DAS remote units and radio installations covering road and highway tunnels.

The following table details the breakdown of revenues:

Revenues Detail (€ million)	1st Quarter 2023	1st Quarter 2022	Change
Revenues related to Master Service Agreement with TIM S.p.A and Vodafone Italia S.p.A.	194,0	172,3	12,6%
One-off revenues	0,2	-	-
Revenues from OLO's and other revenues	30,6	27,1	12,9%
Revenues from new services	8,9	7,6	17,0%
Total	**233,6**	**207,0**	**12,8%**

EBITDA

EBITDA amounted to 213.8 million euros, with an EBITDA margin of 91.5% on revenues for the period (90.9% in the corresponding period of 2022). Compared to the first quarter of 2022, the increase was 13.6%, which rises to 13.0% when excluding the one-off revenues/costs from the comparison. At March 2023, one-off revenues amounted to 0.2 million euros related to the indemnity provided in the MSA contract, while the corresponding period 2022 was characterized by one-off costs of 0.9 million euros related to consulting services.

EBITDA was mainly affected by the following costs:

- purchases of external materials and services, amounting to 11.3 million euros (12.7 million euros at March 2022). These include maintenance costs, mainly regulated by contracts signed with specialized outside companies, other service costs, mainly consisting of condominium expenses incurred for infrastructure located on civil buildings, and site supervision expenses. The period shows a decrease due to the combined effect of lower rent and consulting expenses of 1.9 million euros compared to March 2022 and higher maintenance and operating expenses of 0.5 million euros;
- employee benefits expense of 5.2 million euros (4.9 million euros in March 2022). The increase is mainly driven by the expansion of the workforce that grew from 251 to 268 employees.

EBIT

EBIT amounted to 122.5 million euros with an increase of 28.0% compared to the same period in 2022 (+26.7% excluding the aforementioned one-off revenues/costs). As a percentage of revenues, it is 52.5% (46.2% at March 2022).
During the period, depreciation and losses on disposals amounted to 91.3 million euros, essentially stable compared to 2022, when it amounted to 92.4 million euros.

Financial income/(expenses)

The balance is (25.0) million euros up from March 2022, the amount of which was (18.8) million euros. The increase is mainly attributable to higher bank interest paid for medium- to long-term loans. Also worth noting are higher discounting charges of 0.8 million euros for the provision for restoration costs.

Income taxes

Taxes for the period amounted to 14.6 million euros up from the same period in 2022 (8.9 million euros). Income tax expenses determined the estimated tax charge on the basis of theoretical rates of 24.0% for Corporate Income Tax (IRES) and 4.5% for Regional Business Tax (IRAP).
It should be noted that taxes for the period make use of a tax benefit of 14.2 million euros relating to the realignment of goodwill both for the goodwill, recognized in the financial statements in 2015, deriving from the transfer of the business unit by TIM and for the goodwill generated by the merger with Vodafone Towers in 2020.

Net profit for the period

Net income for the period amounted to 82.9 million euros, an increase of 21.8% compared to the same period in 2022. As a percentage of revenues, it was 35.5% compared to 32.9% in the corresponding period of 2022. The growth in net income is related to higher revenues and lower operating costs.

EBITDA after Lease

"EBITDAaL" (EBITDA after Leases) showed strong growth compared to the previous year of 18.9%, as a result of the steady progress implemented in optimizing lease rental costs despite the increased scope of the Company's infrastructure assets. As a percentage of revenue, the EBITDAaL margin stood at 70.9% compared to 67.3% in the corresponding period of 2022, up 3.6 percentage points.

BALANCE SHEET PERFORMANCE

Reclassified Balance Sheet (€ millions)	March 31, 2023	December 31, 2022	Change
Assets	8,794.2	8,761.2	0.4%
Net working capital	248.2	216.5	14.6%
Provisions	(432.9)	(432.6)	0.1%
Net invested capital	**8,609.5**	**8,545.1**	0.8%
Equity	4,549.7	4,466.5	1.9%
Net financial debt	4,059.8	4,078.6	(0.5%)
Total coverage	**8,609.5**	**8,545.1**	0.8%

Assets at March 31, 2023 amounted to 8,794.2 million euros, up from 8,761.2 million euros at December 31, 2022. The increase (33 million euros) is mainly attributable to the effect of the following determinants:

- technical investments in property and equipment and intangible assets (+57.2 million euros) and amortization and depreciation (-88.6 million euros) for the period. The additions, mainly related to the purchase of land, the construction of new sites, the construction of DAS systems, extraordinary maintenance, the capitalization of labor costs and the purchase of backhauling sections;
- the recognition of the net increase in rights of use in application of IFRS 16 in the amount of 65.0 million euros, referring to leases used for operating activities;
- disposals of property, plant and equipment and rights of use in application of IFRS16 (+0.6 million euros).

For more information on the details of investments for the period, see Notes 4, 5, 6, and 7 to the Condensed Financial Statements at 03.31.2023.

Net working capital, which is positive, is up by 31.7 million euros to 248.2 million euros from 216.5 million euros at the end of 2022. The recorded increase is related to the increase in trade receivables due to contractual maturities.

Provisions amounted to 432.9 million euros substantially in line with the values as of December 31, 2022. The mainly consisted of the Provision for deferred taxes (201.9 million euros), the Provision for restoration costs (226.1 million euros), the Provision for personnel-related expenses (2.3 million euros), the Provisions for Legal Disputes and Commercial Risks (2.1 million euros) and Other Provisions (0.5 million euros).

For more information on changes in funds for the period, see Notes and 10 to the Condensed Financial Statements at 03/31/2023.

Equity amounted to 4,549.7 million euros, compared with 4,466.5 million euros at December 31, 2022. The change mainly refers to the profit for the period (+ 82.9 million euros) and the increase in the stock option reserve of 0.3 million euros.

Net Financial Debt stood at 4,059.8 million euros, up (-0.5%) from the figure at December 31, 2022. The decrease was mainly driven by the repayment of short-term credit lines and medium/long-term loans and the reduction in cash and cash equivalents. As of March 2023, there was a reduction in leverage from 5.2x to 4.7x due to both the significant increase in EBITDA and the decrease in net financial position.

For more details, please refer to the following "Financial Performance" section, which also contains cash flow analysis and determination of recurring free cash flow.
More detail on individual items can be found in Note 12 to the condensed financial statements at March 31, 2023.

FINANCIAL PERFORMANCE

Net financial debt

The table below shows a summary of the net financial debt at March 31, 2023, calculated in accordance with paragraph 127 of the recommendations contained in ESMA document No. 319 of 2013, implementing Regulation (EC) 809/2004.

The table also includes the reconciliation of net financial debt calculated according to the criteria established by ESMA and those used by INWIT to monitor its own financial position.

Net financial debt (€ millions)	March 31, 2023	December 31, 2022	Change
a) Cash	-	-	-
b) Other cash equivalents	52.2	72.9	(20.5)
c) Securities held for trading	-	-	-
d) Liquidity (a+b+c)	**52.2**	**72.9**	**(20.5)**
e) Current financial receivables	0.2	0.3	(0.1)
f) Current financial payables	-	-	-
g) Current portion of financial payables (medium/long-term)	(227.8)	(255.4)	27.4
of which:			
- Financial payables within 12 months	(74.4)	(103.6)	29.4
- Financial lease liabilities within 12 months	(153.5)	(151.7)	(1.6)
h) Bonds issued	(27.4)	(17.7)	(9.9)
i) Other current financial payables	-	-	-
i) Current financial debt (f+g+h)	**(255.3)**	**(273.0)**	**17.9**
j) Net current financial debt (i+e+d)	**(202.8)**	**(199.9)**	**(2.9)**
k) Financial payables (medium/long-term)	(1,621.1)	(1,643.6)	22.5
of which:			
- Financial payables over 12 months	(794.6)	(833.9)	39.4
- Financial lease liabilities over 12 months	(826.5)	(809.7)	(16.8)
l) Bonds issued	(2,236.8)	(2,236.1)	(0.7)
m) Other non-current financial payables	-	-	-
n) Non-current financial debt (k+l+m)	**(3,857.8)**	**(3,879.7)**	**21.9**
o) Net financial debt as recommended by ESMA (j+n)	**(4,060.7)**	**(4,079.6)**	**19.0**
Other financial receivables and non-current financial assets (*)	0.9	0.9	(0.1)
INWIT net financial debt	**(4,059.8)**	**(4,078.7)**	**18.9**
Finance lease liabilities expiring within 12 months	(153.5)	(151.7)	(1.6)
Finance lease liabilities expiring over 12 months	(826.5)	(809.7)	(16.8)
INWIT net financial debt - excluding IFRS16	**(3,079.8)**	**(3,117.3)**	**37.4**

(*) This item refers to loans granted to certain employees of the company on the indicated dates.

The decrease in INWIT's net financial debt as of March 31, 2023, amounting to 18.9 million euros, stems mainly from:

- the repayment of both short-term credit lines (- 17.9 million euros) and medium/long-term loans (- 21.9 million euros);
- the reduction in cash and cash equivalents of 20.5 million euros;
- the change in other financial receivables for (- 0.1 million euros).

Financial leverage, expressed by the Net Financial Debt/EBITDA ratio is 4.7x, down 0.5 percentage points from December 2022 (5.2x).

Finally, it should be noted that the statement of cash flows prepared according to the configuration expressed as changes in cash and cash equivalents is presented at the opening of the "Condensed Financial Statements at March 31, 2023".

Cash flows

Cash flows (€ millions)		1st Quarter 2023	1st Quarter 2022	Change
Ebitda		*213.8*	*188.1*	*25.7*
Capital expenditures on an accrual basis (*)		*(57.2)*	*(31.8)*	*(25.5)*
EBITDA - Capex		*156.6*	*156.4*	*0.2*
Change in net operating working capital:		*(40.3)*	*(76.0)*	*35.7*
Change in trade receivable		*(32.5)*	*(12.4)*	*(20.1)*
Change in trade payables (**)		*(7.8)*	*(63.6)*	*55.8*
Other changes in operating receivables/payables		*6.0*	*47.9*	*(41.8)*
Change in provisions for employee benefits		*0.0*	*(0.0)*	*-*
Change in operating provisions and Other change		*0.6*	*0.6*	*-*
Operating free cash flow	*a)*	*123.0*	*128.8*	*(5.9)*
% on EBITDA		*57.5%*	*68.5%*	*(11.0pp)*
Net financial income and expenses		*(25.0)*	*(18.8)*	*(6.3)*
Total income taxes for the period		*(14.6)*	*(8.9)*	*(5.7)*
Totale Other P&L Items	*b)*	*(39.7)*	*(27.7)*	*(12.0)*
Change in miscellaneous receivables and payables		*4.3*	*8.9*	*(4.6)*
Other non-monetary changes		*(0.4)*	*16.6*	*(17.0)*
Change in lease increases/decreases		*(65.0)*	*(68.3)*	*3.3*
Total changes in receivables and payables and other	*c)*	*(61.1)*	*(42.7)*	*(18.3)*
NET CASH F LOW (before dividend payment) on NFP	*d)= a)+b)+c)*	*22.2*	*58.5*	*(36.2)*
Treasury shares acquired		*0.0*	*(2.1)*	*2.1*
Dividend payments		*(3.3)*	*(0.0)*	*(3.3)*
Total changes in equity	*e)*	*(3.3)*	*(2.1)*	*(1.2)*
NET CASH F LOW	*d)+e)*	*18.9*	*56.3*	*(37.4)*
NET F INANCIAL DEBT AT THE BEGINNING OF THE PERIOD		*4,078.7*	*4,053.1*	*25.6*
NET F INANCIAL DEBT AT THE END OF THE PERIOD		*4,059.8*	*3,996.8*	*63.0*
CHANGE IN DEBT		*18.9*	*56.3*	*(37.4)*

(*) Net of considerations received for transfer of assets.
(**) Includes the change in trade payables for amounts due to fixed asset suppliers.

Recurring Free Cash Flow

The recurring free cash flow in 2023 – calculated net of both non-recurring revenues/costs (at EBITDA level) – stood at 136.7 million euros, up 8.0% compared to the same period of 2022.

The following table provides a description of the items involved:

Recurring Free Cash Flow (€ millions)	1st Quarter 2023	1st Quarter 2022	Change
Ebitda	***213.8***	***188.1***	***13.7%***
(revenues)/non-recurring costs	*(0.2)*	*0.9*	*(118.6%)*
Ebitda recurring	***213.6***	***189.0***	***13.0%***
recurring investments	*(5.6)*	*(5.4)*	*3.4%*
Ebitda recurring net off investments	***208.1***	***183.6***	*13.3%*
taxes paid	*(1.4)*	*0.0*	*n.r.*
change in net working capital (*)	*(5.5)*	*4.0*	*(236.7%)*
lease payment	*(58.5)*	*(58.4)*	*0.2%*
recurring financial expenses	*(6.0)*	*(2.7)*	*120.0%*
Recurring Free Cash Flow	***136.7***	***126.6***	***8.0%***

(*): excluding the change in payables for assets

- non-recurring revenues consist of the indemnity under the MSA contract with Tim (amounting to 0.2 million euros) while the first quarter 2022 is characterized by one-off costs inherent in consulting services;
- recurring investments consist of extraordinary maintenance carried out on operating infrastructure;
- taxes paid are an integration of payments made in FY2022 of Corporate Income Tax (IRES) and Regional Business Tax (IRAP) advances determined by the forecast method;
- the change in net working capital is determined by the following items: change in trade receivables of (25.1) million euros, change in trade payables, net of change in asset payables, of 17.2 million euros. Finally, changes in operating receivables/payables of 2.4 million euros were taken into account;
- lease payments included payments made during the first quarter of 2023;
- recurring Financial Expenses refer to disbursements made in the first quarter of 2023 for bank commission and interest expenses.

EVENTS SUBSEQUENT TO MARCH 31, 2023

See the specific Note "Events subsequent to March 31, 2023" to the Condensed Financial Statements at March 31, 2023.

POSITIONS OR TRANSACTIONS RESULTING FROM ATYPICAL AND/OR UNUSUAL OPERATIONS

Pursuant to Consob Communication no. DEM/6064293 of July 28, 2006, no atypical and/or unusual transactions, as defined by the above Communication, were carried out during the first quarter of 2023.

SIGNIFICANT NON-RECURRING EVENTS AND TRANSACTIONS

Pursuant to Consob Communication no. DEM/6064293, of July 28, 2006, with regard to the impact of non-recurring events and transactions on INWIT's economic and financial results, it should be noted that no significant events occurred in the quarter under review.

BUSINESS OUTLOOK FOR THE YEAR 2023 (1)

INWIT is the leading operator of wireless infrastructure in Italy, with the most extensive network of macro sites (antennas, macro grids) and micro coverage systems (Distributed Antenna Systems, DAS, micro grids). A set of assets that enable extensive and integrated geographical coverage supporting connectivity, with a tower as a service business model in support of all mobile, FWA and IoT operators in the market.

The technological and market scenarios of the Tower Companies sector are both characterized by positive structural trends, such as the growing use of mobile data, the ongoing technology transition to 5G, and the need to complete and densify market coverage, contributing to reducing the digital divide, in addition to significant investment in infrastructure and digital technologies, also supported by the Next Generation EU program. In the short term, the strong demand for connectivity is being accompanied by continuing difficulties and high competition in the Italian telecom operators market, impacting the profitability of the TLC sector. INWIT's business model, based on long-term hosting agreements and inflation indexing, provides protection and support in this environment.

These trends are driving growing market demand for new infrastructure and hosting services, as well as the deployment of innovative services that are enabling towers make a transition from real estate assets to truly shared digital infrastructure that is spread throughout the country, network-connected, secure, and available to all operators. As a result, INWIT is ideally positioned to play a leading role in the ongoing digital transformation.

Following the merger with Vodafone Towers in 2020 and the completion of integration in 2021, INWIT recorded a stronger and more robust growth in business and financial performance in 2022, which is expected to continue in the current year through further improvement in all the business, earnings and financial indicators.

In terms of the business outlook for the year 2023, we expect growth in revenues in the range of 960-980 million euros, an EBITDA margin of around 91%, stable compared to 2022, an EBITDAaL margin of around 71%, up by two percentage points compared to 2022, and Recurring Free Cash Flow in the range of 595-605 million euros.

These forecasts reflect the continued growth in the number of sites, which will be strengthened in 2023, the increased hostings by all the main mobile, FWA and OTMO operators present on the market, the further development of indoor DAS/Micro-Grid hostings, and the benefits linked to inflation.

Russia/Ukraine conflict disclosure

With regard to the events related to the war in Ukraine, factors that may affect business performance have been identified and assessed within the Enterprise Risk Management process. For details of the emerging risks related to the global economic conditions and arising from specific aspects of the industry in which INWIT operates, see the specific paragraph on the Company's main risks and uncertainties.

The Company continuously monitors the development of the crisis, stepping up monitoring and risk mitigation activities as necessary, also in order to identify any impacts that are not currently foreseeable.

In any case, there are no significant effects on the financial statements at March 31, 2023 or on the company's business outlook.

(1) The chapter "Business outlook for the year 2023" contains forward-looking statements related to the Company's intentions, beliefs, or current expectations regarding the financial performance and other aspects of the Company's operations and strategies. Readers of this Report are reminded not to place undue reliance on such forward-looking statements, in that actual results may differ significantly from forecasts owing to numerous factors, the majority of which are beyond the Company's control.

MAIN RISKS AND UNCERTAINTIES

The business outlook for 2023 may be affected by risks and uncertainties caused by a multitude of factors. The Company has an Enterprise Risk Management process designed to identify, assess and mitigate the main risks the Company is exposed to, as well as ensuring periodic reporting to the management and the senior executives.

The main risks concerning the business activities of the Company, which may, to varying degrees, affect the ability to achieve the business objectives, are presented below.

The risks identified are classified into the following macro categories:

- The Company's business objectives
- Compliance with respect to the applicable legal and regulatory framework and sustainability-related issues
- Asset management and infrastructure construction
- Other risks

In addition to the macro-categories identified above, a description is provided below of the emerging risks.

Risks related to the Company's business objectives

The main risks related to the Company's strategic and business objectives are connected to possible difficulties in satisfying or developing demand from both anchor and third-party customers, as well as the importance of the MSAs in place with the anchor customers. In this context, the following risks have been identified:

- ***Development and satisfaction of customer demand***. The Company's ability to increase its revenues and improve profitability also depends on the successful implementation of its growth strategy, which is based on developing and satisfying customer demand.

  The possible reduction or lack of growth in demand due, for example, to concentration, budget unavailability or customer dissatisfaction could lead to negative impacts on the growth targets.

  The Company controls this risk in respect of the anchor tenants primarily through MSAs (both with 8-year terms and automatic renewal for an additional 8 years with an "all or nothing" clause), which provide for guaranteed services. In addition, dedicated staff have been allocated to the two anchor tenants aimed at identifying their needs and developing additional services.

  For the third party customers, there are long-term commercial agreements in place (mainly 6 to 9 years) and they have also been assigned dedicated functions. Activities aimed at measuring customer satisfaction have also been set up.

- ***MSA Commitments.*** This risk is related to potential contractual breaches or failure to properly perform the obligations established (e.g., SLAs, technical maintenance) that may affect the Company in terms of penalties. The Company has created a dedicated MSA management function that provides periodic reporting to the senior executives on the management of the obligations under the MSAs in terms of operations and roll-out of the commitments made.

Risks related to compliance with the applicable legal and regulatory framework and to sustainability-related issues

The Company operates in a complex legal and regulatory environment and, in that context, it aims to implement all the actions aimed at ensuring the adequacy of the company processes for the applicable legislation and regulations, in terms of procedures, supporting information systems and required business conduct. The Company is also geared towards achieving the sustainable success of the business targets.

In this context, the following main risks have been identified:

- ***Antitrust Regulations***. This risk reflects the significant market presence and impact, including reputational, direct and indirect, connected to proceedings against the Company and consequent penalties in a complex regulatory environment. The Company has introduced controls in line with compliance best practices (Antitrust Compliance Program and Antitrust Compliance Officer) and implements ongoing staff training and awareness initiatives.
- ***Remedies Commitments***. This risk reflects the complex regulatory framework and is related to compliance with commitments imposed by the Commission ("commitment remedies") under Article 6(2) of the Merger Regulation. Under these commitments, the Company is required to make 4,000 sites available over eight years to operators who request them in municipalities with populations over 35 thousand, guaranteeing non-discriminatory access. The Company ensures the control of this risk through a specific process (Transparency Register) overseen by a third party (Monitoring Trustee).
- ***Regulations under Legislative Decree 231/01.*** This risk relates to the regulations in Legislative Decree 231/01, which introduced corporate liability of entities for offenses committed in the interest or for the benefit of those entities. This risk reflects the impact, including reputational, related to criminal proceedings against the Company and the consequent penalties resulting from prescribed offenses under the regulations. The Company has introduced controls in line with compliance best practices (231 Organizational Model and Supervisory Body) and implements ongoing staff training and awareness initiatives.
- ***Occupational health and safety regulations and environmental protection.*** In this area, the Company is committed to ensuring compliance with the applicable regulations, as well as following industry best practices. This risk reflects the potential negative impacts from workplace injuries. This risk is controlled through organizational, procedural and training initiatives.
- ***IT Continuity, Information & Cyber Security.*** The management of ICT systems and the need to ensure the security of those systems and their continuous operation are important aspects of the business operations. In this context, loss of data, inappropriate dissemination of data and/or outages of ICT systems as a result of accidental events or malicious acts involving the information system, may have potential adverse effects on the Company's business and its earnings, cash flows and financial position. This risk is controlled through the introduction of dedicated staff and expertise in addition to continuous monitoring and awareness campaigns. IT Continuity, Information & Cyber Security is classified as an emerging risk.

INWIT's objective is to identify climate-related risks deriving from the scenarios analyzed, in addition to qualitatively assessing their effects and impacts on its business.
Climate change-related risk is defined as "Risks related to changes in physical weather phenomena directly affecting the assets, activities and services provided, and/or related to the legal, technological, reputational or market effects that the transition to a zero-emissions economy may have on the company business."

The following Physical Risks due to climate change have been identified:

- *Extreme weather phenomena* and *Distribution of annual precipitation*. For INWIT, these risks may be higher for rooftop sites, and lower for rawland sites. They could also result in service interruption and harm to property and people.
- *Increased temperatures*, could result in higher energy requirements for cooling sites with indoor equipment.
- *Sea level rise* of 3%, could affect solely the rawland sites of the coastal area of Emilia and Veneto.

In addition, the following Transition Risks have been identified:

- *Increased cost of technology*. This risk would result in INWIT having to adapt infrastructure assets (piling, power supply and air conditioning).
- *Increased fossil fuel electricity prices*. The Company monitors this risk through the implementation of a specific process guided by a dedicated unit, aimed at managing issues relating to energy procurement.

The objective of the methodology being adopted by INWIT is to identify climate-related risks deriving from the scenarios analyzed, in addition to qualitatively assessing their effects and impacts on its business. Starting from 2020 INWIT has also initiated a process designed to implement a modern and sustainable business, by launching activities and projects aimed at fully integrating sustainability into the company and creating value over the long term. As a further step in its climate strategy, after obtaining validation of its CO2 emission reduction target from the Science Based Target initiative (SBTi), INWIT produced its first TCFD Report, to which reference is made for more details. The TCFD Report incorporates the reporting framework set out by the Task Force on Climate-related Financial Disclosure (TCFD) and provides key information regarding the functions and processes used by the company to monitor and manage climate-related risks and opportunities, the climate goals it has set itself, with associated metrics for monitoring them, and the strategy developed to achieve them.

Risks relating to asset management and infrastructure construction

The following main risks have been identified within the management of the existing sites and the construction of new infrastructure:

- ***Management of site capacities***. This risk is related to possible difficulties or delays in managing new hostings on sites due to both infrastructural and electromagnetic limitations. This risk is controlled by the Company, which has put mitigation actions in place, in view of the significance of this risk for the core business and the contractual and regulatory development plans.
- ***Physical protection of property***. This risk is related to the management of existing sites with potential negative impacts arising from unauthorized access or damage and theft. This risk is controlled by the Company through actions aimed at strengthening the security measures at the Company's sites.
- ***Infrastructure construction***. This risk reflects possible difficulties or delays in the construction of new infrastructure that may compromise the achievement of business targets, as well as customer satisfaction. It is also conditioned by the importance of the strategic projects that will be implemented ***using public funds*** (Plan Italy 5G Tender Call - NRRP). The Company controls this risk through end-to-end management of the process, which consists of the scouting of construction areas, as well as the design and construction of the site.
- ***Energy supply and management***. This is an emerging risk related to the new environment of energy market costs and to the high uncertainty and volatility of those costs, which increases the complexity of managing energy purchases. The Company has an energy purchasing policy aimed at optimizing purchase costs and ensuring an acceptable risk profile. In addition, the Company is committed to and invests in reducing energy consumption.
- ***Management of lease and purchase agreements.*** This risk reflects the complexity and large number of lease and purchase agreements. It relates to possible problems arising from the renegotiation of leases, also with government entities, and relating to agreements involving the application of the government infrastructure lease fee. This risk is controlled by the Company through the establishment of a structured process and ongoing monitoring of lease costs and contractual compliance.

Other risks

- *The* ***evolution of the Organizational Model*** is a risk related to the adequacy of the organizational structure in terms of organization, sizing and competencies. The Company's organizational model has been in constant evolution since 2020. This risk is related to the continuous evolution of the market scenarios, the business objectives, and the new growth opportunities, which necessitate continuing adjustment and assessment of the organizational structure. The Company continuously monitors the evolution of the Organizational Model and has initiated a project to strengthen the organizational structure to respond to the increase in business volumes and complexity.

Emerging risks related to global economic conditions and arising from specific aspects of the industry in which INWIT operates

Emerging risks are defined as risks with characteristics (of severity, likelihood, interdependence etc.) undergoing unexpected change and "tailing off" (known risks), or relating to events that have not occurred in past time series (new risks).
In this context, the following emerging risks related to global economic conditions have been identified, also in relation to the Russia-Ukraine conflict:

- *Increase in inflation.* This risk is related to the possibility that the Company's revenues will not keep up with inflation. The Company has inflation-indexed agreements and, in particular, the MSAs are 100% inflation-linked, with no cap and a zero floor.
- *Increase in commodity costs and delays and blockages in the supply chain.* This risk relates to the uncertain environment and potential problems in global logistical supply chains with impacts on the increase in commodity costs and potential delays in the supply chain.
- *Increase in interest rates.* This risk is related to the adverse fluctuations in interest rates with potential impacts on borrowing expenses incurred (increases that already started in 2022 and are currently ongoing). In this regard, it should be noted that at the end of 2022, around 80% of the debt instruments available to the Company had fixed rates.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

In line with Article 6 of the Corporate Governance Code, INWIT's Internal Control and Risk Management System (ICRMS) is composed of a series of rules, procedures and organizational structures designed to enable the identification, measurement, management and monitoring of the main enterprise risks, in order to contribute to the Company's sustainable success.

The ICRMS is an integral part of the Company's general organizational framework, and involves a number of actors who operate in a coordinated manner according to their respective responsibilities as follows: the Board of Directors, which plays a role in providing guidance and assessing the adequacy of the system; the General Manager, who is responsible for establishing and maintaining the internal control and risk management system; the Control and Risk Committee, which is responsible for assisting the Board in its assessments and decisions relating to the internal control and risk management system and the approval of periodic financial and non-financial reports; the head of the internal audit department, who is responsible for verifying that the internal control and risk management system is operational, adequate and consistent with the guidelines established by the Board of Directors; the other corporate functions involved in the controls and the control body, which oversees the effectiveness of the internal control and risk management system.

In order to ensure the suitability and effective and efficient application of the rules and controls established, the ICRMS is reviewed and verified on a periodic basis, taking into account the evolution of the Company's business and its macroeconomic environment of operations, as well as national and international best practices.

The internal control system is completed by the Organizational Model adopted pursuant to Legislative Decree 231/2001 ("Model 231"), aimed at preventing the commission of unlawful acts in the interest or for the benefit of the Company resulting in liability for the Company. INWIT's Model 231 is made up of the:

- Code of Ethics: this is INWIT's charter of values and the body of principles on which the conduct of INWIT's people is based. The Code of Ethics is therefore a tool through which INWIT directs its operations toward conducting business based on the principles of ethics and integrity.

- General Part: containing a brief description of the Company, the contents and aims of the Model 231 and the methodology used for its implementation, the functions of the Supervisory Body and the whistleblowing system adopted. The general part also refers to the initiatives for the dissemination and awareness of the Model 231 and the disciplinary system.

- Special Parts: each special part identifies a risk process under which sensitive areas and related predicate offenses are identified. In addition, control standards are provided, divided into general principles of conduct and specific control principles.

- List of offenses: containing the overall list of predicate offenses under Legislative Decree 231/01.

- List of company processes: containing the matching of the sensitive processes pursuant to Legislative Decree 231/01 to the company macro-processes.

- Risk Assessment: containing the mapping of the sensitive processes and activities, associated predicate offenses, and the assessment of the inherent and residual risk.

In implementation of Article 6 of Legislative Decree 231/01, the Company has also assigned a specific Supervisory Body ("SB") the task of supervising the functioning and compliance with Model 231 and keeping it updated.

Within the framework of the company's rules and procedures, the following should also be noted:

- the Code of Corporate Governance, last updated on May 13, 2021, which supplements the framework of applicable rules with reference to the duties and functioning of the Company's bodies, referring for the rest to principles and criteria of the Corporate Governance Code;

- the Anti-Corruption Policy, approved on December 16, 2021 and drawn up taking into account the main national and international reference regulations and best practices, with the aim of strengthening awareness of the potential risks to which the business is exposed, for the purpose of proper management of relations with internal or external parties whether public or private;

- the Whistleblowing Procedure, last updated on September 29, 2022, which governs the process of receiving, analyzing and handling reports sent or transmitted by anyone, in line with current regulations;

- the Procedure on Related Party Transactions, adopted pursuant to Consob Regulation no.17221/2010, as amended, and last updated on May 13, 2021;

- the Insider Information and Internal Dealing Procedure, last updated on July 1, 2021.

For more details regarding the ICRMS see the relevant section in the report and corporate governance and ownership for the year 2022. On the website www.inwit.it Governance section, there are also sections on, *inter alia*, the Code of Ethics, Model 231, and the noted company rules and procedures.

RELATED PARTY TRANSACTIONS

Pursuant to Article 5, paragraph 8, of Consob Regulation no. 17221/2010 concerning "transactions with related parties" and to the subsequent Consob Resolution no. 17389/2010, in the first quarter of 2023 there were no transactions of major significance, as defined by Article 4, paragraph 1(a) of the aforementioned regulation, or any other transactions with related parties, that had any significant impact on the Company's financial position or results as at March 31, 2023.
Related party transactions, when not dictated by specific laws, were usually conducted at arm's length; the transactions were subject to an internal procedure (available for consultation on the Company's website at the following address: www.inwit.it, Governance section) which establishes procedures and time scales for verification and monitoring.
The information on related parties required by Consob Communication DEM/6064293 of July 28, 2006 is presented in the financial statements and in the Note "Related Parties" to the Condensed Financial Statements at March 31, 2023.

ALTERNATIVE PERFORMANCE MEASURES

In this Interim Management Report at March 31, 2023 of the INWIT Company, in addition to the conventional financial performance measures established by IFRS, certain alternative performance measures are presented for purposes of a better understanding of the Company's trend of operations and financial condition. Such measures, which are also presented in other periodical financial reports (half-year and interim) should, however, not be construed as a substitute for those required by IFRS.

The alternative performance measures used are described below:

- EBITDA: this financial indicator is used by the Company as a financial target in internal presentations (business plans) and in external presentations (to analysts and investors). It represents a useful unit of measurement to assess the Company's operating performance in addition to EBIT. These measures are calculated as follows:

Profit (loss) before tax from continuing operations	
+	Financial expenses
-	Financial income
EBIT - Operating profit (loss)	
+/-	Impairment losses (reversals) on non-current assets
+/-	Losses (gains) on disposals of non-current assets
+	Amortization
EBITDA - Operating profit (loss) before depreciation and amortization, Capital gains (losses) and Impairment reversals (losses) on non-current assets	

- Net Financial Debt **ESMA and** Net Financial Debt INWIT: the Net Financial Debt ESMA of the Company is calculated in accordance with the provisions of paragraph 127 of the recommendations contained in ESMA document no. 319 of 2013, implementing Regulation (EC) 809/2004, as shown below:

A Cash
B Other cash equivalents
C Securities held for trading
D Liquidity (A + B + C)
E Current financial receivables
F Current financial payables
G Current portion of financial payables (medium/long-term)
H Other current financial payables
I Current financial debt (F+G+H)
J Net current financial debt (I+D+E)
K Medium/long term financial payables
L Bonds issued
M Other non-current financial payables
N Non-Current financial debt (K+L+M)
O Net financial debt (J+N)

To monitor the performance of its financial position, INWIT also uses "INWIT Net Financial Debt" as a financial indicator; it is defined as the ESMA net financial debt less receivables and non-current financial assets, where applicable.

ESMA net financial debt
Other financial receivables and non-current financial assets (*)
INWIT Net Financial Debt

(*) This accounting item refers to loans granted to certain employees of the company.

- Operating Free Cash Flow: calculated as follows:

EBITDA
Capital expenditure
EBITDA - Capex
Change in trade receivables
Change in trade payables (*)
Other changes in operating receivables/payables
Change in provisions for employee benefits
Change in operating provisions and Other changes
Change in net operating working capital
Operating free cash flow

(*) Except trade payables for investment activities.

Condensed financial statements of Infrastrutture Wireless Italiane S.p.A. at March 31, 2023

This document has been translated into English for the convenience of the readers.
In the event of discrepancy, the Italian language version prevails

Contents

CONDENSED FINANCIAL STATEMENTS OF INFRASTRUCTURE WIRELESS ITALIANE S.P.A. AT MARCH 31, 2023

STATEMENT OF FINANCIAL POSITION

Assets

(thousands of euros)	notes	03/31/2023	*of which related parties*	12/31/2022	*of which related parties*
Assets					
Non-current assets					
Intangible assets					
Goodwill	4)	6,146,766		6,146,766	
Intangible assets with a finite useful life	5)	555,699		589,489	
Tangible assets					
Property, plant and equipment	6)	963,770		933,009	
Right-of-use assets	7)	1,127,936		1,091,975	
Other non-current assets					
Non-current financial assets		858		910	
Miscellaneous receivables and other non-current assets	8)	225,325	4,887	232,515	
Total Non-current assets		9,020,354		8,994,664	
Current assets					
Trade and miscellaneous receivables and other current assets	8)	230,084	55,211	194,109	41,807
Financial receivables and other current financial assets		199		257	
Current income tax receivables	8)	26		-	
Cash and cash equivalents		52,238		72,852	
Total Current assets		282,521		267,218	
Total Assets		9,302,875		9,261,882	

Equity and Liabilities

(thousands of euros)	*notes*	03/31/2023	*of which related parties*	12/31/2022	*of which related parties*
Equity	9)				
Share capital issued		600,000		600,000	
Minus: treasury shares		(294)		(294)	
Share capital		599,706		599,706	
Share premium reserve		2,092,743		2,092,743	
Legal reserve		120,000		120,000	
Other reserves		1,360,961		1,360,633	
Retained earnings (losses) including earnings (losses) for the period		376,252		293,363	
Total Equity		4,549,662		4,466,445	
Liabilities					
Non-current liabilities					
Employee benefits		2,323		2,303	
Deferred tax liabilities	10)	201,928		203,517	
Provisions for Risks and Charges	10)	228,181		226,319	
Non-current financial liabilities	11)	3,857,821	86,396	3,879,683	91,483
Miscellaneous payables and other non-current liabilities	13)	17,895	17,754	15,704	15,564
Total Non-current liabilities		4,308,148		4,327,526	
Current liabilities					
Current financial liabilities	11)	255,272	20,122	273,033	19,990
Trade and miscellaneous payables and other current liabilities	13)	189,343	19,832	193,064	28,649
Provisions for Risks and Charges	10)	450		450	
Current income tax payables	13)	-		1,364	
Total current Liabilities		445,065		467,911	
Total liabilities		4,753,213		4,795,437	
Total Equity and Liabilities		9,302,875		9,261,882	

SEPARATE INCOME STATEMENT

(thousands of euros)	notes	1st Quarter 2023	*of which related parties*	1st Quarter 2022	*of which related parties*
Revenues	14)	233,588	201,748	206,991	171,752
Acquisition of goods and services - Ordinary expenses	15)	(11,259)	(1,319)	(12,697)	(1,449)
Employee benefits expenses		(5,240)	(535)	(4,883)	(443)
Other operating expenses - Ordinary expenses		(3,297)	(300)	(1,290)	(600)
Operating profit (loss) before depreciation and amortization, capital gains (losses) and impairment reversals (losses) on non-current assets (EBITDA)		213,792		188,121	
Depreciation and amortization, gains/losses on disposals and impairment losses on non-current assets	16)	(91,251)		(92,404)	
Operating profit (loss) (EBIT)		122,541		95,717	
Financial income	17)	17		80	
Financial expenses	17)	(25,048)	(747)	(18,853)	(789)
Profit (loss) before tax		97,510		76,944	
Income taxes		(14,621)		(8,892)	
Profit for the period		82,889		68,052	
Basic and Diluted Earnings Per Share		0.086		0.071	

STATEMENT OF COMPREHENSIVE INCOME

(thousands of euros)		1st Quarter 2023	1st Quarter 2022
Profit for the period	(a)	82,889	68,052
Other items of the Statement of Comprehensive Income			
Other items that will not subsequently be reclassified in the Separate Income Statement		-	-
Remeasurements of employee defined benefit plans (IAS 19):			
Actuarial gains (losses)		-	-
Net fiscal impact		-	-
Total other items that will not subsequently be reclassified in the Separate Income Statement	(b)	-	-
Other items that will subsequently be reclassified in the Separate Income Statement		-	-
Total other items that will subsequently be reclassified in the separate income statement	(c)	-	-
Total other items of the Statement of Comprehensive Income	(d=b+c)	-	-
Total Comprehensive income for the period	(e=a+d)	82,889	68,052

CHANGES IN EQUITY

Changes in equity from January 1, 2022 to March 31, 2022

(thousands of euros)	Share capital	Treasury share reserve in excess of nominal value	Share premium reserve	Other reserves and earnings (losses) carried forward, including the result for the period	Total Equity
Amounts at January 1, 2022	599,928	(607)	2,211,001	1,673,192	4,483,514
Total Comprehensive income for the period	-	-	-	68,052	68,052
Dividends approved	-	-	-	-	-
Other changes	(222)	(1,910)	-	191	(1,941)
Amounts at March 31, 2022	599,706	(2,517)	2,211,001	1,741,435	4,549,625

Changes in equity from January 1, 2023 to March 31, 2023

(thousands of euros)	Share capital	Treasury share reserve in excess of nominal value	Share premium reserve	Other reserves and earnings (losses) carried forward, including the result for the period	Total Equity
Amounts at January 1, 2023	599,706	(2,517)	2,092,744	1,776,513	4,466,446
Total Comprehensive income for the period	-	-	-	82,889	82,889
Dividends approved	-	-	-	-	-
Other changes	-	-	-	328	328
Amounts at March 31, 2023	599,706	(2,517)	2,092,744	1,859,730	4,549,663

STATEMENT OF CASH FLOWS

(thousands of euros)		1st Quarter 2023	1st Quarter 2022
Cash flows from operating activities:			
Profit for the period		82,889	68,052
Adjustments for:			
Depreciation and amortization, losses/gains on disposals and impairment losses on non-current assets		91,251	92,404
Net change in deferred tax assets and liabilities		(1,589)	(7,266)
Change in provisions for employee benefits		-	(20)
Change in trade receivables		(32,480)	(12,351)
Change in trade payables		(25,010)	(8,919)
Net change in miscellaneous receivables/payables and other assets/liabilities		12,563	64,698
Other non-monetary changes		(373)	16,648
Cash flows from operating activities	(a)	127,251	213,246
Cash flows from investing activities:			
Total purchases of tangible and intangible assets for the period and right-of-use assets (*)		(135,596)	(100,071)
Of which change in amounts due to fixed asset suppliers		95,592	13,587
Total purchases of tangible and intangible assets and right-of-use assets on a cash basis		(40,004)	(86,484)
Change in financial receivables and other financial assets		110	48
Other non-current changes		-	-
Cash flows used in investing activities	(b)	(39,894)	(86,436)
Cash flows from financing activities:			
Change in current and non-current financial liabilities		(104,625)	(157,402)
Dividends paid (*)		(3,346)	(3)
Treasury shares acquired		-	(2,132)
Cash flows used in financing activities	(c)	(107,971)	(159,537)
Aggregate cash flows	(d=a+b+c)	(20,614)	(32,727)
Net cash and cash equivalents at beginning of the period	(e)	72,852	96,320
Net cash and cash equivalents at end of the period	(f=d+e)	52,238	63,593

(*) of which related parties

On November 6, 2017, EU Regulation no. 2017/1990 was issued which implemented certain amendments to IAS 7 (Statement of cash flows) at the EU level. For this purpose please note that the liabilities arising from financing activities solely concern monetary movements. No change of this type was recorded in the first quarter of 2023.

NOTE 1 - FORM, CONTENT, AND OTHER GENERAL INFORMATION

FORM AND CONTENT

These Financial Statements of Infrastrutture Wireless Italiane S.p.A. ("INWIT" or the "Company") for the period from January 1, 2023 to March 31, 2023 (the "**Condensed Financial Statements at March 31, 2023**") have been prepared on a going concern basis (for more details, refer to Note 2 "Accounting Policies" below) and in compliance with the International Financial Reporting Standards issued by the International Accounting Standards Board and approved by the European Union ("IFRS"), as well as the laws and regulations in force in Italy (in particular, the provisions issued in implementation of Article 9 of Legislative Decree No. 38 of February 28, 2005).

INWIT is domiciled in Italy, with its registered office at Largo Donegani 2, Milan, and organized under the legal system of the Republic of Italy.

The figures at March 31, 2023 are compared with the figures from the statement of financial position at December 31, 2022. The figures from the separate income statement and from the statement of comprehensive income are compared with the figures for the corresponding periods of the previous financial year. The statements of cash flows and of changes in equity are compared with those for the corresponding periods of the previous financial year.

The Company's financial year-end is December 31.

The Condensed Financial Statements at March 31, 2023 have been prepared in accordance with the general cost principle, except for the initial entering of financial assets and liabilities for which the application of the fair value principle is compulsory; also, they were prepared in euro. The values expressed in the notes to these financial statements are expressed in thousands of euros, unless otherwise indicated.

Publication of the Condensed Financial Statements at March 31, 2023 was approved by the Board of Directors' meeting on May 9, 2023.

FINANCIAL STATEMENT STRUCTURE

The structure of the Financial Statements is in keeping with that provided for by IAS 1. Specifically:

- the statement of financial position has been prepared by classifying assets and liabilities according to the "current and non-current" principle;
- the separate Income Statement has been prepared by classifying operating costs according to their nature, in that this method of reporting is deemed better capable of representing the Company's specific business, complies with internal reporting methods, and is in line with practices in the industrial sector in question;
- the Income Statement includes, in addition to EBIT (Operating Earnings), the alternative performance indicator called EBITDA (operating earnings before amortization, depreciation, gains/(losses), and Impairment reversals (losses) on non-current assets);
- specifically, the Company utilizes EBITDA, in addition to EBIT, as a financial target in internal presentations (business plans) and external presentations (to analysts and investors); the indicator represents a useful unit of measurement for the evaluation of INWIT's operating performance;

EBIT and EBITDA are calculated as follows:

Profit (loss) before tax from continuing operations	
+	Financial expenses
-	Financial income
+/-	Expenses (income) from investments
EBIT - Operating profit (loss)	
+/-	Impairment losses (reversals) on non-current assets
+/-	Losses (gains) on disposals of non-current assets
+	Amortization and depreciation
EBITDA - Operating profit (loss) before depreciation and amortization, Capital gains (losses) and Impairment reversals (losses) on non-current assets	

- the Statement of Comprehensive Income includes, besides the earnings (losses) for the period, as per the separate income statement, the other changes in Net Equity other than those connected to transactions with Shareholders;
- the Statement of cash flows was prepared by showing the cash flows deriving from operating activities in accordance with the "indirect method", as allowed by the IAS 7 (Statement of cash flows).

Furthermore, as required by CONSOB resolution no. 15519, of July 27, 2006, in the case of the separate income statement, income and expenses deriving from transactions which by their very nature do not regularly occur during normal business transactions (non-recurring transactions), are specifically identified and the corresponding effects on the main interim results are reported separately when of a significant entity. Specifically, non-recurring expenses/income include, for example: income/expenses deriving from the sale of properties, plants and machinery, business units and shareholdings; expenses deriving from corporate reorganization and rationalization processes/projects, including those connected to corporate transactions (mergers, demergers, etc.); expenses resulting from litigation and regulatory penalties, and to related liabilities; other provisions for risks and charges, and the corresponding write-offs; expenses for the settlement of disputes; impairment losses on goodwill and/or other intangible and tangible assets.

In regard, once again, to the aforementioned CONSOB resolution, the amounts of positions or transactions with related parties have been reported separately.

SEGMENT REPORTING

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- whose operating results are reviewed periodically by the top operating level of the entity (the Board of Directors for INWIT) in order to adopt decisions concerning the resources to be allocated and to assess the results; and
- for which discrete financial information is available.

The Company has identified only one operating segment (which also represents the level at which the goodwill is monitored by management and will be tested for impairment). Specifically, the management information note prepared and made available to the Board of Directors for the aforementioned purposes considers the business activity carried out by INWIT as a unified whole; therefore, the financial statements do not contain any segment reporting. The geographical area coincides almost entirely with the territory of Italy.

NOTE 2 - ACCOUNTING POLICIES

The main accounting policies and the most significant valuation criteria utilized to prepare these financial statements are described briefly hereafter.

GOING CONCERN

The Condensed Financial Statements at March 31, 2023 have been prepared on a going concern basis as there is the reasonable expectation that the Group will continue its operational activities in the foreseeable future (and in any event with a time horizon of more than twelve months).

ACCOUNTING CRITERIA

The accounting criteria adopted to prepare the condensed financial statements at March 31, 2023 are consistent with those utilized for the yearly financial statements to December 31, 2022, to which reference is made, with the exception of the adjustments required by the nature of the interim measurements.

Furthermore, in the condensed financial statements at March 31, 2023, income taxes for the period are calculated according to the best possible estimate based on available information and on a reasonable forecast of performance up to the end of the tax period. Conventionally, the income tax liabilities (current and deferred) on the profit for the interim period are recorded, net of advances and tax receivables (excluding receivables for which refunds have been requested) as well as deferred tax assets, and classified as an adjustment to "Deferred tax liabilities"; if the balance between deferred tax assets and deferred tax liabilities is an asset it is conventionally recorded in "Deferred tax assets".

USE OF ACCOUNTING ESTIMATES

The preparation of the separate financial statements and related notes, in accordance with the IFRS, requires company management to make estimates and assumptions based also on subjective judgments, past experience and hypotheses considered reasonable and realistic in relation to the information known at the time of the estimate. Such estimates have an effect on the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the amount of revenues and costs during the period. Actual results could thus differ, even significantly, from such estimates owing to possible changes in the factors considered in the determination of such estimates. Estimates are reviewed periodically.

The most significant accounting estimates that involve a high use of subjective assumptions and judgments are reported in the Annual Financial Report at December 31, 2022, to which reference is made.

NEW STANDARDS AND INTERPRETATIONS INCORPORATED BY THE EU AND IN EFFECT SINCE JANUARY 1, 2023

Pursuant to IAS 8 (Accounting Policies, Changes in Accounting Estimates and Errors), the IFRS in effect since January 1, 2023 are indicated and briefly described hereafter. Specifically:

Amendments to IAS 1 - Presentation of Financial Statements: accounting policy disclosures and to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors: Definition of accounting estimates

The amendments are intended to improve accounting policy disclosures so as to provide more useful information to primary users of financial statements as well as to provide more detailed guidance to distinguish changes in accounting estimates from changes in accounting policy.

The adoption of these amendments had no impact on the Condensed Financial Statements as of March 31, 2023.

IFRS 17 - Insurance Contracts: Initial application of IFRS 17 and IFRS 9 - Comparative information.

The amendments introduce a transition option regarding comparative information on financial assets presented at the date of initial application of IFRS 17 and are intended to avoid temporary accounting mismatches between financial assets and liabilities of insurance contracts, resulting in improved comparability of information for users of financial statements.

The adoption of these amendments had no impact on the Condensed Financial Statements as of March 31, 2023.

Amendments to IAS 12 - Income Taxes: Deferred taxes relating to assets and liabilities arising from a single transaction

The amendments are intended to clarify how to account for deferred taxes related to transactions that may generate assets and liabilities of equal amounts, such as leases and decommissioning/restoration obligations.

The adoption of these amendments had no impact on the Condensed Financial Statements as of March 31, 2023.

NEW STANDARDS AND INTERPRETATIONS ISSUED BY THE IASB BUT NOT YET APPLICABLE

As at the date of these Financial Statements, the following new Standards/Interpretations have been issued by the IASB, but are not yet applicable.

	Mandatory application starting from
Amendments to IAS 1 Presentation of the financial statements: classification of liabilities as current or non-current	01/01/2024
Amendments to IFRS 16 Leases: Lease liabilities in a sale and leaseback	01/01/2024

The potential impacts on the Company's individual financial statements from application of these new standards and interpretations are currently being assessed.

NOTE 3 - FINANCIAL RISK MANAGEMENT AND OTHER RISKS

During its everyday operations, the Company may be exposed to the following financial risks:

MARKET RISK

The market risk consists in the possibility that changes of the interest and exchange rates or of the rating of the counterparts with which liquidity is utilized, could impact negatively on the value of the assets, liabilities, or expected cash flows.

Interest rate risk

The loans taken out by the Company's and outstanding at March 31, 2023 mainly accrue fixed interest that is related to the 1 billion euros nominal corporate bond issued in July 2020, the 750 million euro corporate bond issued in October 2020, the 500 million euro nominal value bond issued in April 2021. The fixed rate component also consists of bank debt of 40 million euros deriving from the loan agreement with Banca Popolare di Sondrio and the loan agreement for 298 million euro signed with the European Investment Bank.

The variable-rate debt component at March 31, 2023 derives from a 500 million euro ESG KPI-linked loan, the drawn down portion of 30 million euros of the revolving credit facility of 500 million euros with zero-floor EURIBOR-indexed rate.

In view of the Company's current financial structure, which has a percentage of fixed-rate debt of around 80% of the total financial debt, the Company considers its exposure to the risk of interest rate fluctuations to be under control.

Accordingly, the Company has not considered it necessary to take out interest rate hedging derivatives to mitigate this risk.

Exchange rate risk

The Company operates exclusively in euros and therefore, is not exposed to exchange rate risk.

CREDIT RISK

The Company's exposure to credit risk consists of the potential losses that could derive from the failure of the counterparts, both commercial and financial, to fulfill the obligations undertaken. Such exposure mainly stems from general economic and financial factors, the potential occurrence of specific insolvency situations of some borrowers and other more strictly technical-commercial or administrative factors. The maximum theoretical exposure of the Company to credit risk is the book value of the financial assets and trade receivables recorded in the financial statements.

The Company's main clients are TIM and Vodafone, which generated total revenues of 201,748 thousand euros during the reference period, which is equal to 86.4% of the total revenues. The other customers of the Company are the leading national mobile operators with which the Company has entered into multi-year contracts to provide hosting services.

Therefore, the Company is exposed to the risk of concentration of revenues and to credit risk arising from the possibility that its commercial counterparts are not capable or able to meet their obligations, a risk that is considered moderate in view of the financial solidity of the counterparties. The possible default by one of its commercial and financial counterparts could involve negative effects on the income, balance sheet, and financial situation of the Company. With regard to counterparty risk, formalized procedures for the assessment and assignment of commercial and financial partners are adopted for credit management and financial risk management.

LIQUIDITY RISK

To meet its liquidity needs, the Company has a number of uncommitted bank lines and a 500-million-euro revolving credit facility (RCF) renegotiated in March 2022 with a pool of domestic and international banks and available until March 2027, to be used to support working capital and for general cash flow needs. At March 31, 2023, this RCF line was drawn down for 30 million euros while the uncommitted bank lines were unused.

CLIMATE CHANGE RISKS

INWIT's objective is to identify climate-related risks deriving from the scenarios analyzed, in addition to qualitatively assessing their effects and impacts on its business.
In 2022, the Risk Universe was updated to include climate risk in order to update the assessment and also to consider its iteration within the different types of risk. Climate change-related risk is defined in INWIT's ERM system as: "Risks related to changes in physical weather phenomena directly affecting the assets, activities and services provided, and/or related to the legal, technological, reputational or market effects that the transition to a zero-emissions economy may have on the company business."

The following Physical Risks due to climate change have been identified:

- *Extreme weather phenomena* and *Distribution of annual precipitation*. For INWIT, these risks may be higher for rooftop sites, and lower for rawland sites. They could also result in service interruption and harm to property and people.
- *Increased temperatures*, could result in higher energy requirements for cooling sites with indoor equipment.
- *Sea level rise* of 3%, could affect solely the rawland sites of the coastal area of Emilia and Veneto.

In addition, the following Transition Risks have been identified:

- *Increased cost of technology*. This risk would result in INWIT having to adapt infrastructure assets (piling, power supply and air conditioning).
- *Increased fossil fuel electricity prices*. The company monitors this risk through the implementation of a specific process guided by a dedicated unit, aimed at managing issues relating to energy procurement.

Starting from 2020 INWIT has also initiated a process designed to implement a modern and sustainable business, by launching activities and projects aimed fully integrating sustainability into the company and creating value over the long term. As a further step in its climate strategy, after obtaining validation of its CO2 emission reduction target from the Science Based Target initiative (SBTi), INWIT produced its first TCFD Report, to which reference is made for more details. The TCFD Report incorporates the reporting framework set out by the Task Force on Climate-related Financial Disclosure (TCFD) and provides key information regarding the functions and processes used by the company to monitor and manage climate-related risks and opportunities, the climate goals it has set itself, with associated metrics for monitoring them, and the strategy developed to achieve them.

In any case, there are no effects on the condensed financial statements as of March 31, 2023 or on the company's business outlook.

EMERGING RISKS RELATED TO GLOBAL ECONOMIC CONDITIONS

With regard to emerging risks related to global economic conditions and in particular to events related to the war in Ukraine, at present the Company has not recorded any significant impact on business performance.

The Company continuously monitors the development of the crisis, stepping up monitoring and risk mitigation activities as necessary, also in order to identify any impacts that are not currently foreseeable. In any case, there are no effects on the condensed financial statements as of March 31, 2023 or on the company's business outlook.

For full details of the main risks and uncertainties, please refer to the appropriate section in the report on operations.

FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

For the purpose of providing information to allow a comparison between the book value and fair value of the financial instruments (required by IFRS 7), it is pointed out that the following assumptions were made to determine the fair value:

- for variable-rate loans: the nominal repayment amount has been assumed;
- for trade payables and receivables and for current financial assets and liabilities, it is believed that their book value is a reasonable approximation of their fair value.

The table below shows the assets and liabilities at March 31, 2023 on the basis of the categories contained in IFRS 9.

Carrying amount for each IFRS 9 class of financial asset/liability at March 31, 2023

(thousands of euros)		03/31/2023	Amounts recorded in the financial statements pursuant to IFRS 9			
			Amortized cost	*Cost*	*Fair value recognized in equity*	*Fair value recognized in the income statement*
ASSETS						
Non-current assets						
Non-current financial assets						
of which loans and receivables		858	858			
	(a)	858	858			
Current assets						
Trade and miscellaneous receivables and other current assets						
of which loans and receivables		149,269	149,269			
Financial receivables and other current financial assets						
of which loans and receivables		199	199			
Cash and cash equivalents		52,238	52,238			
	(b)	201,706	201,706			
Total	(a+b)	202,564	202,564			
LIABILITIES						
Non-current liabilities						
Non-current financial liabilities						
of which liabilities at amortized cost		3,857,821	3,857,821			
	(c)	3,857,821	3,857,821			
Current liabilities						
Current financial liabilities						
of which liabilities at amortized cost		136,311	136,311			
Trade and miscellaneous payables and other current liabilities						
of which liabilities at amortized cost		255,272	255,272			
	(d)	391,583	391,583			
Total	(c+d)	4,249,404	4,249,404			

NOTE 4 – GOODWILL

At March 31, 2023, goodwill stood at 6,146,766 thousand euros, with the following changes:

(thousands of euros)	12/31/2022	Additions	Other changes	03/31/2023
Goodwill	6,146,766	-	-	6,146,766
Total	6,146,766	-	-	6,146,766

In accordance with IAS 36, goodwill is not subject to amortization, but is tested for impairment at least annually or more frequently if specific events or circumstances arise leading to the presumption of such impairment.

In particular, as of March 31, 2023, no external or internal events were identified that would make it necessary to carry out a new impairment test, which will be carried out at the end of the year.

NOTE 5 – INTANGIBLE ASSETS WITH A FINITE USEFUL LIFE

Intangible assets with a finite useful life comprised the following, with the following changes:

(thousands of euros)	12/31/2022	Additions	Amortization	Other changes	03/31/2023
Patent rights and utilization of intellectual property	11,610	1,834	(1,872)	1,194	12,766
Other intangible assets	547,490	-	(25,605)	-	521,885
Intangible assets under development and advances	30,389	991	-	(10,332)	21,048
Total	589,489	2,825	(27,477)	(9,138)	555,699

The additions for the period totaled 2,825 thousand euros and mainly related to the IT development and technological projects and other intangible investments.

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT

OWNED PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment comprised the following, with the following changes:

(thousands of euros)	12/31/2022	Additions	Disposals	Depreciation	Other changes	03/31/2023
Land	63,283	2,710	-	-	1,329	67,322
Plant and equipment	782,983	14,851	(360)	(17,582)	13,785	793,677
Manufacturing and distribution equipment	1	15	-	(4)	225	237
Other goods	449	60	-	(45)	-	464
Construction in progress and advance payments	86,293	30,952	(318)	-	(14,857)	102,070
Total	933,009	48,588	(678)	(17,631)	482	963,770

The additions during the period, amounting to 48,588 thousand euros, mainly relate the construction of new sites, extraordinary maintenance, the construction of DAS systems, the capitalization of labor costs (company labor), and the purchase of backhauling sections.

The gross carrying amounts and accumulated depreciation at March 31, 2023 are detailed as follows:

(thousands of euros)	Gross Value at 03/31/2023	Accumulated impairment losses	Depreciation Provision	Net value at 03/31/2023
Land	67,322	-	-	67,322
Plant and equipment	1,852,142	(543)	(1,057,922)	793,677
Manufacturing and distribution equipment	266	-	(29)	237
Other goods	886	-	(422)	464
Construction in progress and advance payments	102,070	-	-	102,070
Total	2,022,686	(543)	(1,058,373)	963,770

The property, plant, and equipment are not subject to liens, mortgages, or other charges.

NOTE 7 – RIGHT-OF-USE ASSETS

Right-of-use assets comprised the following, with the following changes:

(thousands of euros)	12/31/2022	Additions	Lease increases	Lease decreases	Depreciation	Other changes	03/31/2023
Rights of use on civil and industrial buildings	74,081	3,914	-	-	(990)	8,735	85,740
Rights of use on plant and equipment	1,017,263	1,895	78,374	(13,374)	(42,437)	(77)	1,041,644
Rights of use on other assets	631	-	-	-	(79)	-	552
Total	1,091,975	5,809	78,374	(13,374)	(43,506)	8,658	1,127,936

Additions in the period, amounting to 5,809 thousand euros, refer to the acquisition of surface use rights, as well as the capitalization of renegotiation fees for lease contracts and the capitalization of labor costs (company labor).

Lease decreases refer to leases that expired or were renegotiated during the period.

Lease increases refer to new leases (in relation to a new site or the renegotiation of a lease).

NOTE 8 – TRADE AND MISCELLANEOUS RECEIVABLES AND OTHER ASSETS (NON CURRENT AND CURRENT)

The item “Trade and miscellaneous receivables and other current and non-current assets” is detailed in the following table:

(thousands of euros)		12/31/2022	*of which IFRS 9 Financial Instruments*	Other changes during the period	03/31/2023	*of which IFRS 9 Financial Instruments*
Miscellaneous receivables and other non-current assets						
Other non-current assets		922	-	138	1,060	-
Other non-current miscellaneous receivables		231,593	-	(7,328)	224,265	-
Total Miscellaneous receivables and other non-current assets	(a)	232,515	-	(7,190)	225,325	-
Total trade receivables	(b)	116,789	*116,789*	32,480	149,269	*149,269*
Miscellaneous receivables and other current assets						
Other current assets		2,718	-	3,062	5,780	-
Non-current miscellaneous receivables - short-term share		1,928	-	31	1,959	-
Miscellaneous operating receivables		7,833	-	375	8,208	-
Miscellaneous non-operating receivables		64,842	-	-	64,842	-
Total miscellaneous receivables and other current assets	(c)	77,321	-	3,468	80,789	-
Total trade and miscellaneous receivables and other current assets	(b+c)	194,110	*116,789*	35,948	230,058	*149,269*
Total current income tax receivables	(d)	-	-	26	26	-
Total	(a+b+c+d)	426,625	*116,789*	28,784	455,409	*149,269*

Miscellaneous receivables and other non-current assets, totaling 225,325 thousand euros, mainly relate to the medium/long-term portion of the substitute taxes paid by the company for the realignment and redemption of the goodwill recorded in the financial statements which will be deferred over the duration of the amortization of the goodwill itself described in Note 4 “Goodwill”.

Trade receivables, totaling 149,269 thousand euros, mainly refer to hosting services and the recovery of costs for services provided.

Miscellaneous receivables and other current assets, totaling 80,789 thousand euros, mainly relate to guarantee deposits, advances to suppliers, receivables from the tax authorities for taxes and duties and the short-term portion of substitute taxes paid by the company for the realignment and redemption of the goodwill recorded in the financial statements which will be deferred over the duration of the amortization of the goodwill described in Note 4 “Goodwill”.

The book value of the trade and miscellaneous receivables and other assets (non-current and current) is considered a reasonable approximation of their respective fair value.

NOTE 9 - EQUITY

At March 31, 2023, shareholders' equity amounted to 4,549,662 thousand euros, broken down as follows:

(thousands of euros)	12/31/2022	Changes in the period	03/31/2023
Share capital issued	600,000	-	600,000
Minus treasury shares	*(294)*	-	*(294)*
Share capital	599,706	-	599,706
Share premium reserve	2,092,744	-	2,092,744
Other reserves and earnings (losses) carried forward, including the result for the period	1,480,633	327	1,480,960
Legal reserve	120,000	-	120,000
Provision for instruments representing equity	1,572	327	1,899
Treasury share reserve in excess of nominal value	(2,518)	-	(2,518)
Locked-up Reserve under Law 178/2020	1,361,880	-	1,361,880
Other reserves	(301)	-	(301)
Retained earnings (losses) including earnings (losses) for the period	293,362	82,890	376,252
Total	4,466,445	83,217	4,549,662

BENEFIT PLANS IN THE FORM OF EMPLOYEE STOCK OPTIONS

The Provision for instruments representing equity of 1,899 thousand euros refers to:

- the LTI plan (1,845 thousand euros) in existence at March 31, 2023, used for retention and long-term incentive purposes for managers.
- the general stock option plan (54 thousand euros) in existence and subscribed to by INWIT employees.

NOTE 10 – PROVISIONS FOR RISKS AND CHARGES

The Provision for risks and charges has the following breakdown and movements:

(thousands of euros)	12/31/2022	Increase	Decrease	Other changes	03/31/2023
Provision for restoration costs	225,091	1,237	(219)	-	226,109
Deferred tax liabilities	203,517	-	(1,589)	-	201,928
Provision for legal disputes and other risks	1,679	1,169	(326)	-	2,522
Total	430,287	2,406	(2,134)	-	430,559
Of which:					
Non-current amount	*429,837*				*430,109*
Current amount	*450*				*450*

The **Provision for restoration costs** increased due to both the allocation of costs for the dismantling of sites connected with the passage of time (1,237 thousand euros). The decrease in provision for restoration costs relates to the coverage of costs incurred in the period (219 thousand euros).

Deferred tax liabilities mainly decreased due to the release of deferred tax liabilities relating to the customer list recognized as part of the merger with Vodafone Towers.

The **Provision for legal disputes and other risks** increased by a total of 843 thousand euros, as the balance between the new allocations and uses from both the provision for legal disputes and the provision for other contractual and commercial risks.

NOTE 11 – FINANCIAL LIABILITIES (NON-CURRENT AND CURRENT)

Financial liabilities (non-current and current) (gross financial debt) were broken down as follows:

(thousands of euros)		12/31/2022	Changes in the period	03/31/2023
Financial payables (medium/long-term):				
Amounts due to banks		833,916	(39,347)	794,569
Corporate Bonds		2,236,089	669	2,236,758
Leasing liabilities		809,678	16,816	826,494
Total non-current financial liabilities	(a)	3,879,683	(21,862)	3,857,821
Financial payables (short-term):				
Amounts due to banks		103,641	(29,273)	74,368
Corporate Bonds		17,658	9,786	27,844
Leasing liabilities		151,734	1,726	153,460
Total current financial liabilities	(b)	273,033	(17,761)	255,272
Total Financial liabilities (Gross financial debt)	(a+b)	4,152,716	(39,623)	4,113,093

Financial payables (medium/long-term):

- **Amounts due to banks** mainly refer to the loans net of related accruals and deferrals, related to the:
  - ESG KPI-linked term loan for a nominal amount of 500,000 thousand euros with bullet repayment;
  - a loan with a nominal value of 250,000 thousand euros with amortizing repayment beginning in February 2026;
  - a loan with a nominal value of 48,000 thousand euros with amortizing repayment beginning in February 2026.

- **Corporate Bonds** refer to the following, net of related accruals and deferrals:
  - the bond issued in July 2020 with a nominal value of 1,000,000 thousand euros maturing on July 8, 2026, coupon 1.875%, issue price 99.809%;
  - the bond issued in October 2020 with a nominal value of 750,000 thousand euros maturing October 21, 2028, coupon 1.625%, issue price 99.755%;
  - the bond issued in April 2021 with a nominal value of 500,000 thousand euros maturing April 19, 2031, coupon 1.75%, issue price 99.059%.
- **Finance lease liabilities** refer to leases.

Financial payables (short-term):

- **Amounts due to banks** mainly refer to:
  - term loan for a nominal amount of 40,000 thousand euros with bullet repayment;
  - the use of the Revolving Credit Facility amounting to 30,000 thousand euros as of March 31, 2023.
- **Corporate Bonds** refer to the accrued portions of the coupons of the Bonds.
- **Finance lease liabilities** and refer to leases.

COVENANTS, NEGATIVE PLEDGES AND OTHER CONTRACT CLAUSES IN EFFECT AT MARCH 31, 2023

The loan agreements include some general pledges and covenants, both positive and negative, in line with market practice for loans of similar amounts and nature, which give the lending Banks the right to cancel the commitments undertaken and/or request the early repayment of the sums drawn by the Company.

The bonds issued by INWIT and the bank loans do not contain financial covenants.

The loan agreement with the European Investment Bank (EIB) in support of the Digital Infrastructure Development Project, granted for 250 million euros in August 2021, and the additional portion of the loan granted in November 2022, drawn down for a further 48 million euros in December 2022, contain a rating loss clause, according to which the bank may, in certain cases, request guarantees to support the loan. The same contract also includes a Change of Control clause, renegotiated in December 2022 to include the new shareholding structure, which allows the EIB, in certain cases, to require repayment of the loan.

With reference to the other bank loan and bond agreements INWIT is also required to notify a change of control, for which the cases and consequences – including the provision of guarantees or early repayment of the amount disbursed and cancellation of the commitment unless otherwise agreed – are specifically regulated in the individual agreements.

At March 31, 2023, no covenant, negative pledge clause or other clause relating to the above-described debt position had been breached or violated.

NOTE 12 – NET FINANCIAL DEBT

The table below shows the Company's net financial debt at March 31, 2023, calculated in accordance with paragraph 127 of the recommendations contained in ESMA document No. 319 of 2013, implementing Regulation (EC) 809/2004.

The table also includes the reconciliation of net financial debt calculated according to the criteria established by ESMA and those used by INWIT to monitor its own financial position.

(thousands of euros)	03/31/2023 (*)	12/31/2022
A Cash	-	-
B Cash and cash equivalents	52,238	72,852
C Current financial receivables	199	257
D Liquidity (A + B + C)	52,437	73,109
E Current financial payables	-	-
F Current portion of financial payables (medium/long-term)	255,272	273,033
G Current financial debt (E+F)	255,272	273,033
H Net current financial debt (G-D)	202,835	199,924
I Financial payables (medium/long-term)	1,621,063	1,643,594
J Bonds issued	2,236,758	2,236,089
K Trade payables and other non-current payables	-	-
L Non-current financial debt (I+J+K)	3,857,821	3,879,683
M Net Financial Debt as per ESMA recommendations (H+L)	4,060,656	4,079,607
Other financial receivables and non-current financial assets	(858)	(910)
INWIT Net Financial Debt	4,059,798	4,078,697

(*) As regards the effects of related party transactions on Net Financial Debt, reference should be made to the specific table included in the Note "Related Parties".

NOTE 13 - TRADE AND MISCELLANEOUS PAYABLES AND OTHER (NON-CURRENT AND CURRENT) LIABILITIES

The item was composed as follows at March 31, 2023:

(thousands of euros)		12/31/2022	*of which IFRS 9 Financial Instruments*	Other changes during the period	03/31/2023	*of which IFRS 9 Financial Instruments*
Miscellaneous payables and other non-current liabilities						
Other non-current liabilities		15,706	-	2,191	17,897	-
Miscellaneous non-current operating payables		(2)	-	-	(2)	-
Total miscellaneous payables and other non-current liabilities	(a)	15,704	-	2,191	17,895	-
Total trade payables	(b)	144,103	*144,103*	(7,792)	136,311	*136,311*
Miscellaneous payables and other current liabilities						
Other current liabilities		8,441	-	7,630	16,071	-
Miscellaneous current operating payables		23,060	-	(214)	22,846	-
Miscellaneous current non-operating payables		17,461	-	(3,346)	14,115	-
Total miscellaneous payables and other current liabilities	(c)	48,962	-	4,070	53,032	-
Total trade and miscellaneous payables and other current liabilities	(b+c)	193,065	*144,103*	(3,722)	189,343	*136,311*
Total income tax payables	(d)	1,364	-	(1,364)	-	-
Total	(a+b+c+d)	210,133	*144,103*	(2,895)	207,238	*136,311*

Miscellaneous payables and other non-current liabilities, totaling 17,895 thousand euros, refer mainly to prepaid contracts with customers.

Trade payables, totaling 136,311 thousand euros, refer mainly to the supply of electrical power and rents due.

Miscellaneous payables and other current liabilities, totaling 53,032 thousand euros, mainly refer to prepaid contracts with customers, tax payables, payables to personnel, payables to shareholders and miscellaneous current non-operating payables relating to the installment of the substitute tax relating to the realignment of TIM goodwill.

The book value of trade and miscellaneous payables and other current liabilities is considered a reasonable approximation of their respective fair value.

NOTE 14 - REVENUES

Revenues amounted to 233,588 thousand euros, broken down as follows:

(thousands of euros)	1st Quarter 2023	1st Quarter 2022
Revenues		
Revenues from TIM	99,481	91,026
Revenues from Vodafone Italia	102,267	80,726
Revenues from third parties	31,840	35,239
Total	233,588	206,991

Revenues from TIM mainly refer to the Master Service Agreement.

Revenues from Vodafone Italia mainly refer to the Master Service Agreement.

The item **Revenues from third parties**, refers essentially to hosting services offered by the Company to Italian mobile operators. Relationships with these operators are regulated by long-term commercial agreements.

NOTE 15 – ACQUISITION OF GOODS AND SERVICES

The item amounted to 11,259 thousand euros, broken down as follows:

(thousands of euros)		1st Quarter 2023	1st Quarter 2022
Purchases of materials and goods for resale	(a)	204	253
Costs for services			
Maintenance		4,259	3,258
Professional services		1,132	1,651
Other service expenses		5,176	5,079
	(b)	10,567	10,258
Lease and rental costs			
Lease and rental costs		479	1,898
Other lease and rental costs		9	288
	(c)	488	2,186
Total	(a+b+c)	11,259	12,697

The item "Costs for miscellaneous services" decreased mainly due to a reduction in lease and rental costs.

NOTE 16 – DEPRECIATION AND AMORTIZATION, GAINS/LOSSES ON DISPOSALS AND IMPAIRMENT LOSSES ON NON-CURRENT ASSETS

Depreciation and amortization, gains/losses on disposals and impairment losses on non-current assets amounted to 91,251 thousand euros, and are composed as follows:

(thousands of euros)		1st Quarter 2023	1st Quarter 2022
Amortization of intangible assets with a finite useful life	(a)	27,477	26,972
Depreciation of owned tangible assets	(b)	17,631	18,638
Depreciation of right-of-use assets	(c)	43,506	44,306
(Gains)/losses on disposals and impairment losses on non-current assets	(d)	2,637	2,488
Total	(a+b+c+d)	91,251	92,404

For further details, see the Notes “Intangible assets with a finite useful life”, “Tangible assets” and “Right-of-use assets”.

(Gains)/losses on disposals and impairment losses on non-current assets includes losses on disposal of right-of-use assets (2,277 thousand euros) and losses on the disposal of property and equipment (360 thousand euros).

NOTE 17 – FINANCE INCOME AND EXPENSES

FINANCIAL EXPENSES

Financial expenses amount to 25,048 thousand euros, broken down as follows:

(thousands of euros)	1st Quarter 2023	1st Quarter 2022
Interest expenses and other financial expenses		
Interest to banks	6,814	1,631
Finance expenses for corporate bonds	10,456	10,445
Interest expense for finance leases	5,795	5,481
Bank fees	802	791
Other financial expenses	1,181	505
Total	25,048	18,853

Interest to banks refers to the interest paid during the period under the loan agreements described in Note 11 - Financial liabilities (non-current and current).

Finance expenses for corporate bonds refer to commissions, issuance inconveniences and corporate bond coupons for the period in question.

Interest expense for finance leases relate to finance leases following the application of IFRS 16.

Bank fees primarily refer to fees from the 500 million euro ESG KPI-linked Term Loan and the 500 million euro Revolving Credit Facility.

The **other financial expenses** chiefly refer to the adjustment of the provision for restoration charges.

NOTE 18 – CONTINGENT LIABILITIES, COMMITMENTS AND GUARANTEES

MAIN DISPUTES AND PENDING LEGAL ACTIONS

At March 31, 2023, the Company was involved in approximately 370 disputes, 25 of which were denoted as having a “probable” risk of losing by the defense lawyers.

In relation to the status of the aforementioned legal proceedings and based on the information available at the time of closing these Financial Statements, a total amount of 1,457 thousand euros has been allocated to the risk provision.

In particular, with reference to the two summons previously served on the Company, which gave rise to two different proceedings, one of which was settled out of court, the lawsuit brought against the Company for, inter alia, alleged breaches of contract, at the time of the preparation of these Financial Statements, is still pending in the introductory stage. The Society will continue to monitor developments in the matter for any consequent determination.

COMMITMENTS AND GUARANTEES

With regard to guarantees issued by banks or insurance companies to owners of the land where the infrastructure is located, INWIT has undertaken to reimburse all sums that for any reason whatsoever the bank or the insurance company were to bear due to failure to comply with contractual obligations, the Company waiving any objection or opposition, including any legal action.

NOTE 19 - RELATED PARTIES

Related party transactions concluded in the first quarter of 2023 are attributable to dealings with companies in the Vodafone and TIM S.p.A. groups as well as with INWIT S.p.A.'s Key Managers ("Senior Management") are largely related to the ordinary course of business and concluded on market-equivalent terms. In any event, all transactions were carried out in compliance with the current legal and regulatory framework and submitted to the opinion and/or approval of the relevant corporate bodies.

The governance rules adopted by INWIT ensure that all transactions with related parties are carried out in compliance with the criteria set forth in the CONSOB Regulation adopted by resolution No. 17221 of March 12, 2010, as amended and supplemented. To this end, INWIT has adopted a procedure on related party transactions, which can be consulted at the following link "Policies and Procedures - INWIT", most recently updated by a resolution of the Board of Directors on May 13, 2021, effective at July 1, 2021.

It should be noted that, in the first quarter of 2023, no transactions of major significance within the meaning of the aforementioned CONSOB Regulations were carried out. The tables summarizing the balances of related party transactions in absolute amounts and as a percentage of the corresponding values of the separate income statement, the statement of financial position and the statement of cash flows are shown below.

Items of the consolidated statement of financial position

The effects of the transactions with related parties on the items of the statement of financial position at December 31, 2022 and March 31, 2023 are shown below:

ITEMS OF THE STATEMENT OF FINANCIAL POSITION AT 12/31/2022

(thousands of euros)	Total (a)	TIM	Vodafone Italia	Senior management	Total related parties (b)	*% of the financial statement item (b)/(a)*
NET FINANCIAL DEBT						
Non-current financial liabilities	(3,879,683)	(84,826)	(6,657)		(91,483)	*2.4%*
Current financial liabilities	(273,033)	(18,616)	(1,374)		(19,990)	*7.3%*
Total net financial debt	(4,078,697)	(103,442)	(8,031)		(111,473)	*2.7%*
OTHER STATEMENT OF FINANCIAL						
Trade and miscellaneous receivables and other current assets	194,110	30,431	11,376		41,807	*21.5%*
Miscellaneous payables and other non-current liabilities	(15,704)	(7,751)	(7,813)		(15,564)	*99.1%*
Trade and miscellaneous payables and other current liabilities	(193,065)	(17,478)	(9,348)	(1,823)	(28,649)	*14.8%*

ITEMS OF THE STATEMENT OF FINANCIAL POSITION AT 03/31/2023

(thousands of euros)	Total (a)	TIM	Vodafone Italia	Senior management	Total related parties (b)	*% of the financial statement item (b)/(a)*
NET FINANCIAL DEBT						
Non-current financial	(3,857,821)	(80,094)	(6,302)		(86,396)	*2.2%*
Current financial liabilities	(255,272)	(18,732)	(1,390)		(20,122)	*7.9%*
Total net financial debt	(4,059,798)	(98,826)	(7,692)		(106,518)	*2.6%*
OTHER STATEMENT OF						
Miscellaneous receivables and other non-current assets	225,325		4,887		4,887	*2.2%*
Trade and miscellaneous receivables	230,058	29,705	25,506		55,211	*24.0%*
Miscellaneous payables and other non-current liabilities	(17,895)	(7,646)	(10,108)		(17,754)	*99.2%*
Trade and miscellaneous payables and other current liabilities	(189,343)	(14,291)	(4,229)	(1,312)	(19,832)	*10.5%*

Both medium/long-term and short-term financial payables due to TIM and Vodafone Italia refer to the financial lease deriving from the application of IFRS 16.

Miscellaneous receivables and other non-current assets from Vodafone Italia relate to the advance payment for the purchase of property and equipment.

Trade and miscellaneous receivables and other current assets due from TIM and Vodafone Italia mainly relate to the items governed by the master service agreements, as well as the recovery of electricity costs.

Miscellaneous trade payables and other current liabilities to TIM mainly refer to service contracts, site restoration activities, ordinary and extraordinary maintenance carried out on sites and other services.

Trade and miscellaneous payables and other current liabilities due to Vodafone Italia mainly concern service contracts, ordinary and extraordinary on-site maintenance and other services.

Payables to Senior Management refer to amounts payable to key managers of the Company.

Items of the income statement

The effects of the transactions with related parties on the items of the income statement at March 31, 2023, and for the corresponding period of the previous financial year, are the following:

ITEMS OF THE INCOME STATEMENT AT 03/31/2022

(thousands of euros)	Total (a)	TIM	Vodafone Italia	Senior management	Total related parties (b)	*As a % of the financial statement item (b)/(a)*
Revenues	206,991	91,026	80,726		171,752	*83.0%*
Acquisition of goods and services	(12,697)	(1,241)	(208)		(1,449)	*11.4%*
Employee benefits expenses	(4,883)			(443)	(442)	*9.1%*
Other operating expenses	(1,290)	(390)	(210)		(600)	*46.5%*
Financial expenses	(18,853)	(724)	(65)		(789)	*4.2%*

ITEMS OF THE INCOME STATEMENT AT 03/31/2023

(thousands of euros)	Total (a)	TIM	Vodafone Italia	Senior management	Total related parties (b)	*As a % of the financial statement item (b)/(a)*
Revenues	233,588	99,481	102,267		201,748	*86.4%*
Acquisition of goods and services	(11,259)	(1,027)	(292)		(1,319)	*11.7%*
Employee benefits expenses	(5,240)	20		(555)	(535)	*10.2%*
Other operating expenses	(3,297)	(150)	(150)		(300)	*9.1%*
Financial expenses	(25,048)	(652)	(95)		(747)	*3.0%*

Revenues from TIM refer mainly to rental revenues ensuing from the Master Service Agreement.

Revenues from Vodafone Italia refer mainly to rental revenues ensuing from the Master Service Agreement.

Purchases of materials and services from TIM mainly refer to maintenance services, telephone expenses and other service costs.

Purchases of materials and services from Vodafone Italia refer to maintenance services and other service costs.

Employee benefits expenses for senior management refer to compensation due to Company key managers.

Other operating expenses payable to TIM and to Vodafone Italia mainly related to the penalties for contractual breaches.

Financial expenses to TIM and to Vodafone Italia refer to interest expense on finance leases.

Items of the Statement of cash flows

The effects of the transactions with related parties on the items of the statement of cash flows at December 31, 2022 and March 31, 2023 are shown below:

ITEMS OF THE STATEMENT OF CASH FLOWS AT 12/31/2022

(thousands of euros)	Total (a)	Related Parties TIM	Vodafone Italia	Senior management	Total related parties (b)	*As a % of the financial statement item (b)/(a)*
Operating activities:						
Change in trade receivables	(28,596)	(14,235)	(10,957)		(25,192)	*88.1%*
Change in trade payables	37,311	3,656	(208)		3,448	*9.2%*
Net change in miscellaneous receivables/payables and other assets/liabilities	50,395	960	8,927	637	10,524	*20.9%*
Change in current and non-current financial liabilities	(146,253)	(3,556)	(1,400)		(4,956)	*-3.4%*

ITEMS OF THE STATEMENT OF FINANCIAL POSITION AT 03/31/2023

(thousands of euros)	Total (a)	Related Parties TIM	Vodafone Italia	Senior management	Total related parties (b)	*As a % of the financial statement item (b)/(a)*
Operating activities:						
Change in trade receivables	(32,480)	728	(14,130)		(13,402)	*41.3%*
Change in trade payables	(25,010)	(4,146)	(5,855)		(10,001)	*40.0%*
Net change in miscellaneous receivables/payables and other assets/liabilities	12,563	854	(1,856)	(511)	(1,513)	*-12.0%*
Change in current and non-current financial liabilities	(104,625)	(4,616)	(339)		(4,955)	*4.7%*

REMUNERATION OF KEY MANAGERS

The remuneration recorded on an accrual basis in respect of key managers amounted to 555 thousand euros.

The short-term compensation is paid during the financial year to which it refers and, in any case, within the six months following the end of the financial year (the entitlements related to the 2023 MBO will be paid during the second quarter of 2024).

The contributions paid in to defined contribution plans (Assida, Fontedir) on behalf of key managers, amounted to 7 thousand euros.

The Company's "key managers", that is, those who have the power and responsibility to plan, manage, and control, directly or indirectly, the Company's activities, including the directors, are identified as follows:

INWIT SPA	
Managers:	
Diego Galli	General Manager
Gabriele Abbagnara	Head of Marketing & Sales - Key manager until 03.05.2023
Andrea Mondo	Technology & Operations Director
Lucio Golinelli	Sales Director - key manager from 03.06.2023
Emilia Trudu	Administration Finance and Control Director - Key manager from 03.06.2023

NOTE 20 – SIGNIFICANT NON-RECURRING EVENTS AND TRANSACTIONS

Pursuant to CONSOB Communication no. DEM/6064293 of July 28, 2006, it should be noted that during the course of the period, no significant non-recurring events or transactions occurred.

NOTE 21 – POSITIONS OR TRANSACTIONS RESULTING FROM ATYPICAL AND/OR UNUSUAL OPERATIONS

Pursuant to Consob Communication no. DEM/6064293 of July 28, 2006, no atypical and/or unusual transactions, as defined by the above Communication, were carried out during the period.

NOTE 22 - EVENTS AFTER MARCH 31, 2023

There have been no significant events since the close of the financial year.

DECLARATION BY THE MANAGER RESPONSIBLE FOR PREPARING THE COMPANY'S FINANCIAL REPORTS

The manager responsible for preparing the corporate financial reports declares, pursuant to paragraph 2, art. 154-bis of the Consolidated Law on Finance, that the accounting disclosure contained in the Interim Report at March 31, 2023 of the INWIT Group corresponds to the Company's documents, accounting records and entries.

The Manager Responsible for Preparing
the Company's Financial Reports

Rafael Giorgio Perrino